

## Income Tax

The income tax revenue shown in Table 18 represents collections made by the Taxation Division of the Department of National Revenue under the authority of the Income War Tax Act (c. 97, R.S.C. 1927). The Act covers more than income tax proper, as corporation taxes are coming to be regarded in a different light to those on the income of individuals. Income tax on individuals and on corporations is treated separately in Part III of this Chapter, at pp. 998-1005.

The tax on dividends and interest (Sect. 9B of the Act) is levied at the rate of 5 p.c. on interest paid by Canadian debtors (except provinces and municipal or public bodies) in a currency which is at a premium in excess of 5 p.c. over Canadian funds and at the rate of 15 p.c. on dividends received by persons who are non-residents of Canada and on interest received from or credited by Canadian debtors to non-residents, except in the case of Dominion or Dominion-guaranteed bonds, and also on interest received by a non-resident parent company from a Canadian subsidiary, except where an agreement had been entered into prior to Apr. 1, 1933, for the payment of such interest in a currency other than Canadian. The tax also includes fees for copyrights and rights for the use of films, phonograph records and similar devices. The tax on rents and royalties (Sect. 27) is imposed at the rate of 15 p.c. on non-residents in respect of the gross amount of all rents, royalties, etc., for the use in Canada of real or personal property, patents or for anything used or sold in Canada. The gift tax (Sect. 88) is imposed at the rate of 10 p.c. on gifts up to \$5,000 and at rates varying from 11 p.c. to 28 p.c. on gifts from \$5,000 to \$1,000,000 or over.

**18.—Collections Under the Income War Tax Act, Years Ended Mar. 31, 1919-47**  
(Tax and Applicable Section of the Act)

Year	General Income Tax		Tax on Dividends and Interest Sect. 9B	Tax on Rents and Royalties Sect. 27	Gift Tax Sect. 88	Total <sup>1</sup>
	Individuals Sect. 9-1	Corporations Sect. 9-2				
	\$	\$	\$	\$	\$	\$
1919.....	7,972,890	1,376,830	-	-	-	9,349,720
1920.....	13,195,314	7,068,426	-	-	-	20,263,740
1921.....	32,532,526	13,849,298	-	-	-	46,381,824
1922.....	39,820,597	38,863,758	-	-	-	78,684,355
1923.....	31,689,393	28,022,145	-	-	-	59,711,538
1924.....	25,657,335	28,546,693	-	-	-	54,204,028
1925.....	25,156,768	31,091,275	-	-	-	56,248,043
1926.....	23,849,475	31,722,487	-	-	-	55,571,962
1927.....	18,043,261	29,343,048	-	-	-	47,386,309
1928.....	23,222,891	33,348,156	-	-	-	56,571,047
1929.....	24,793,449	34,628,874	-	-	-	59,422,323
1930.....	27,237,502	41,783,224	-	-	-	69,020,726
1931.....	26,624,181	44,423,841	-	-	-	71,048,022
1932.....	24,772,846	36,481,554	-	-	-	61,254,400
1933.....	25,959,466	36,107,231	-	-	-	62,066,697
1934.....	29,183,715	27,385,822	4,829,635	-	-	61,399,172
1935.....	25,201,392	35,790,239	5,816,435	-	-	66,808,066
1936.....	32,788,746	42,518,971	7,207,601	-	194,485	82,709,803
1937.....	35,358,302	58,012,843	8,910,014	-	84,083	102,365,242
1938.....	40,070,942	69,768,605	10,152,088	-	373,897	120,365,532
1939.....	46,591,449	85,185,887	9,903,046	-	345,756	142,026,138
1940.....	45,008,858	77,920,002	11,121,632	-	398,074	134,448,566
1941.....	75,636,231	131,565,710	12,282,259	759,957	226,847	248,143,022 <sup>2</sup>
1942.....	189,237,538	185,835,699	26,642,106	1,626,669	264,258	510,243,017 <sup>3</sup>
1943.....	533,915,059	347,969,723	26,710,946	1,369,851	223,093	910,188,672 <sup>4</sup>
1944.....	809,570,762	311,378,714	25,670,804	1,272,389	1,546,633	1,151,757,035 <sup>4</sup>
1945.....	763,896,322	276,403,849	27,052,692	1,546,445	532,599	1,072,758,068 <sup>5</sup>
1946.....	689,506,763	217,833,540	26,823,894	1,485,725	770,369	937,729,273 <sup>6</sup>
1947.....	691,989,231	196,819,253	28,428,143	1,708,003	1,538,888	963,458,245 <sup>7</sup>

<sup>1</sup> These figures include the estimated refundable portion and therefore do not agree with the totals given in Table 17. <sup>2</sup> Includes national defence tax amounting to \$27,672,018. <sup>3</sup> Includes national defence tax amounting to \$106,636,747. <sup>4</sup> Includes 1942 deferred tax amounting to \$2,317,733. <sup>5</sup> Includes 1942 deferred tax amounting to \$3,326,161. <sup>6</sup> Includes 1942 deferred tax amounting to \$1,308,982. <sup>7</sup> Includes 1942 deferred tax amounting to \$1,002,027 and tax on private companies amounting to \$41,972,700.