

1942, 1943 and 1944. The liability, together with interest at 2 p.c. was repaid in 1948 and 1949. In the corporation field during the War the income-tax rate was increased slightly from 15 p.c. to 18 p.c. and the necessary additional revenue was secured through the application of the provisions of the Excess Profits Tax Act.

After the termination of hostilities the weight of individual income tax was reduced each year up to and including 1949. However, the normal revenue loss to be expected from the tax reduction has been largely offset by the expansion of personal incomes. In the corporation field the excess-profits tax was gradually reduced after 1945 until its abandonment at the beginning of 1948. In 1948 the corporation income-tax rate was raised from 18 p.c. to 30 p.c. concurrently with the dropping of the excess-profits tax. Changes introduced in 1949 will be found at pp. 1018-1019.

Subsection 1.—Collection Statistics

Collections on a Fiscal-Year Basis.—Collection statistics are gathered at the time the payments are made and, therefore, have the value of being very up-to-date. Their timeliness has been enhanced within the past few years by the adoption of the "pay-as-you-go" system which results in collecting tax substantially during the year in which the income is earned and, on the average, about ten months prior to the actual filing of an income-tax return by the taxpayer. The payments on behalf of most taxpayers, however, are made by their employers and a cheque from one employer may cover the tax payments of hundreds of employees. At this stage, therefore, it is not possible to link the moneys received to the individuals who are, in the final analysis, contributing the tax. Collection statistics, as such, for this reason are not capable of being closely related to the persons who are being taxed and any statistical tables that attempt to describe the taxpayer, such as by occupation or income class, must be based on the income-tax return which is filed by the taxpayer many months after the payment of his tax. However, collection statistics, if interpreted along with the tax rate, do serve the purpose of indicating the general trend of income upon which tax is levied well in advance of the assessment data.

The statistics given in Table 1 represent collections on a government fiscal-year basis under the three Acts administered by the Taxation Division, Department of National Revenue.

1.—Taxes Collected by the Taxation Division of the Department of National Revenue, Years Ended Mar. 31, 1935-49

NOTE.—Figures for the years 1917-34 will be found at pp. 999-1000 of the 1947 Year Book:

Year Ended Mar. 31—	Income Tax			Excess Profits Tax	Succession Duties	Total Collections
	Individuals	Corporations	Total			
	\$	\$	\$	\$	\$	\$
1935.....	31,017,827	35,790,239	66,808,066	...	...	66,808,066
1936.....	40,190,832	42,518,971	82,709,803	...	...	82,709,803
1937.....	44,352,399	58,012,843	102,365,242	...	...	102,365,242
1938.....	50,596,927	69,768,605	120,365,532	...	...	120,365,532
1939.....	56,840,251	85,185,887	142,026,138	...	...	142,026,138
1940.....	56,528,564	77,920,002	134,448,566	...	...	134,448,566
1941.....	116,577,312	131,565,710	248,143,022	23,995,269	...	272,138,291
1942.....	324,407,318	185,835,699	510,243,017	135,168,345	6,956,574	652,367,936
1943.....	562,218,949	347,969,723	910,188,672 ¹	454,580,677 ¹	13,273,483	1,378,042,832
1944.....	840,378,321	311,378,714	1,151,757,035 ¹	468,717,840 ¹	15,019,831	1,635,494,706
1945.....	796,354,219	276,403,849	1,072,758,068 ¹	465,805,356 ¹	17,250,798	1,555,814,222
1946.....	719,895,733	217,833,540	937,729,273 ¹	494,196,483 ¹	21,447,574	1,453,373,330
1947.....	724,666,292	238,791,953	963,458,245 ¹	448,697,443 ¹	23,576,071	1,435,731,759
1948.....	695,717,243	364,131,114	1,059,848,357	227,030,494	30,828,040	1,317,706,891
1949.....	866,009,280	491,990,124	1,297,999,404	44,791,918	25,549,777	1,368,341,099

¹ Including refundable portion and therefore does not agree with the corresponding figures of columns 3 and 4, Table 10, p. 1010