

above by 10 Geo. VI, c. 46. Two important amendments were made to the Act in 1948. The former provision by which bequests to non-profit charitable organizations in Canada were exempt only up to 50 p.c. of the aggregate net value of the estate was changed to remove this limit entirely. A second change exempted from duty all successions derived from an estate of an aggregate net value not exceeding \$50,000; formerly this exemption had applied only up to an aggregate net value of \$5,000. While estates in excess of \$50,000 remain dutiable in full, it was provided at the same time that in no case would the duty reduce the value of the estate below \$50,000. In 1952, several amendments of a technical nature were made in order to clarify certain positions and remove anomalies.

A common feature of both federal and provincial duties is the variation of rates by the degree of relationship of the beneficiary to the deceased. The four classes of beneficiaries established under federal law (*see* p. 1048) have, for example, specific rates that change with each classification, while in Ontario there are three classes of beneficiaries with different rates of duty attached to each class. A common feature of both federal and provincial Acts is an initial rate of duty to be charged, based on the total value of the estate, and an additional rate based on the bequest received by each individual. Thus, in the case of the Federal Government, a person who receives a bequest of \$50,000, out of an estate of \$500,000 is charged the rate for a \$500,000 estate plus an additional rate for \$50,000, and the total rate is then applied in calculating the tax on his bequest.

Double taxation of estates resulting from taxation of the same property by more than one province has been common in the past, but the withdrawal of eight of the provinces from the field and the credit provision mentioned above have reduced this problem considerably. In the international field, dual taxation has been dealt with by way of tax conventions. A tax convention between Canada and the United States was signed on June 8, 1944. One of the terms of this convention is that shares in a corporation organized in or under the laws of the United States or any of the individual States shall be deemed to be property situated within the United States, and shares in a corporation organized in or under the laws of Canada, or of the provinces or territories of Canada, shall be deemed to be property situated within Canada.

An agreement respecting succession duties was signed June 5, 1946, between Canada and the United Kingdom.

In these circumstances, the difficulties of working out succession duty tables so as to show the combined effects of federal and provincial duties is easily realized. The best that can be done here is to choose typical estates in the main classes laid down in the legislation and give examples of the combined duties applicable in such cases. This has been attempted in the following series of tables in the hope that it will be useful in presenting to the student of this subject a general knowledge of the incidence of succession duties in Canada under conditions existing at present.