

Corporate Income Tax

All provinces levy a tax on the profits of corporations derived from activities carried out within their boundaries. In all provinces except Ontario and Quebec the provincial tax is imposed on taxable income in the province determined on the same basis as for federal income tax. In Ontario and Quebec the determination of taxable profits for purposes of provincial tax follows closely the federal rules. The rate of tax in Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Alberta and British Columbia is 9 p.c. The rate that applies in Manitoba and Saskatchewan is 10 p.c., in Ontario 11 p.c. and in Quebec 12 p.c.

Four of the ten provinces levy corporate income taxes at rates in excess of the abatement allowed by the Federal Government. This abatement is equal to 9 p.c. of corporate profits except in Quebec where it is 10 p.c. (see p. 1020). All provinces except Ontario and Quebec have signed agreements for the collection of their income taxes by the Federal Government.

Alcoholic Beverages

Generally speaking the sale of spirits in all provinces is made through provincial agencies operating as boards or commissions which exercise monopolistic control over this commodity. The provincial mark-up over the manufacturers' price is the effective means of taxation. Beer and wine may be sold by retailers or government stores depending on the province but in all cases they contribute to provincial revenues.

Retail Sales Taxes

Retail sales taxes are levied on the final purchaser or user and are collected by the retailer. Eight provinces now levy this type of tax at rates varying between 3 p.c. and 5 p.c. These provinces are Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, Saskatchewan and British Columbia. In the Province of Quebec, the general rate is 4 p.c. but the province allows its municipalities to levy an additional 2 p.c. for municipal purposes.

Amusement Taxes

Each of the provinces with the exception of Alberta and Saskatchewan has a tax on admission to places of entertainment. In addition, there is generally a licence fee imposed on the operator or owner of these amusement places. The tax on admissions is within the range of 5 p.c. to 13 p.c.

Gasoline and Diesel Fuel Oil Taxes

Each of the ten provinces imposes a tax on the purchase of gasoline by motorists and truckers. The rates vary from 12 cents per gallon in Alberta to 19 cents in Nova Scotia and Newfoundland. The amount of tax borne by one gallon of motor vehicle fuel in each province is as follows:—

	<i>Gasoline</i>	<i>Diesel Fuel</i>		<i>Gasoline</i>	<i>Diesel Fuel</i>
	cts.	cts.		cts.	cts.
Newfoundland.....	19	19	Ontario.....	13	18.5
Prince Edward Island...	16	16	Manitoba.....	14	17
Nova Scotia.....	19	27	Saskatchewan.....	14	17
New Brunswick.....	18	23	Alberta.....	12	14
Quebec.....	13	18.5	British Columbia.....	13	15

Motor Vehicle Licences and Fees

Each province also levies a fee on the annual registration of motor vehicles. This registration is compulsory and each vehicle is issued with licence plates for the year. The rates of this licence fee vary from province to province. The amount to be paid may be assessed in relation to the weight of the car, the number of cylinders of the engine, or at a