

The British Columbia net tax rate (after refund) on gasoline used in logging trucks off highway, in power units of motor vehicles for stationary industrial use, and in vehicles used by amputees, paraplegics and certain war disability pensioners is one cent per gallon. Gasoline coloured purple for certain off-highway use (including marine) and motor fuels, being any fuel except gasoline not consumed on provincial highways, is also taxed at one cent per gallon. Fuel oil used for heating purposes is taxed at one half cent per gallon.

Motor Vehicle Licences and Fees

Each province levies a fee on the annual registration of motor vehicles, which is compulsory. Upon registration a vehicle is issued with licence plates. The rates of fee vary from province to province and, in the case of passenger cars, may be assessed on the weight of the vehicle, the wheel base, the year of manufacture, the number of cylinders of the engine, or at a flat rate. The fees for commercial motor vehicles and trailers are based on the gross weight for which the vehicle is registered, i.e., the weight of the vehicle empty plus the load it is permitted to carry. Every operator or driver of a motor vehicle is required to register periodically and pay a fee for a new driver's licence. The licences are valid for periods of from one to five years and the fees vary from \$1 to \$7 a year.

Taxes on Mining Operations

All provinces except Prince Edward Island levy taxes of various kinds on mining operations. All provinces except Prince Edward Island and Alberta impose a tax on the income of firms engaged in mining operations in general or in specific kinds of mining operations. The Provinces of British Columbia, Alberta, Saskatchewan and Manitoba impose a tax on the assessed value of minerals or a flat rate per acre of mining property. Ontario imposes a tax on the profit on the assessed value of minerals and a flat rate per acre of mining property. Manitoba imposes rates of from 6 p.c. to 11 p.c. on mining royalties. The British Columbia mining tax rate is 10 p.c. on net income from mining in excess of \$25,000; new mines are exempt for three years.

Tax on Logging Operations

The Provinces of Quebec, Ontario and British Columbia levy a tax on the income from logging operations of individuals, partnerships, associations or corporations engaged in this activity. In Quebec and Ontario the rate is 10 p.c. on net income where in excess of \$10,000 (in Quebec if the net income is greater than \$10,000 the whole amount is taxable with no basic exemption) and in British Columbia the logging tax allowed as a deduction from the provincial corporate income tax was increased from 18 p.c. to 20 p.c. effective in the 1967 taxation year. In Ontario and Quebec one third and in British Columbia 18 p.c. of the tax is allowed as a deduction from provincial corporate income tax or, in Quebec, from the provincial income tax; the remainder is deductible from federal income tax.

Business Taxes

The Province of Quebec imposes a tax of one tenth of 1 p.c. on paid-up capital of corporations and Ontario levies a similar tax at the rate of one twentieth of 1 p.c.

The Provinces of Quebec and Ontario have a place-of-business tax. In Quebec, the tax is generally \$50 but is reduced to \$25 when the paid-up capital is less than \$25,000; in the case of loan companies, the tax is \$100 when capital paid up is \$100,000 or more. In Ontario, the tax for each permanent establishment is the lesser of \$50 or one twentieth of 1 p.c. of the paid-up capital of the corporation involved, but the total of the capital tax and the place-of-business tax cannot be less than \$20. Ontario also imposes an office tax of \$50 on every corporation that does not maintain a permanent establishment in the province but merely maintains a buying office, or merely holds certain provincial licences, or merely holds assets. A corporation that does not maintain a permanent establishment in Ontario