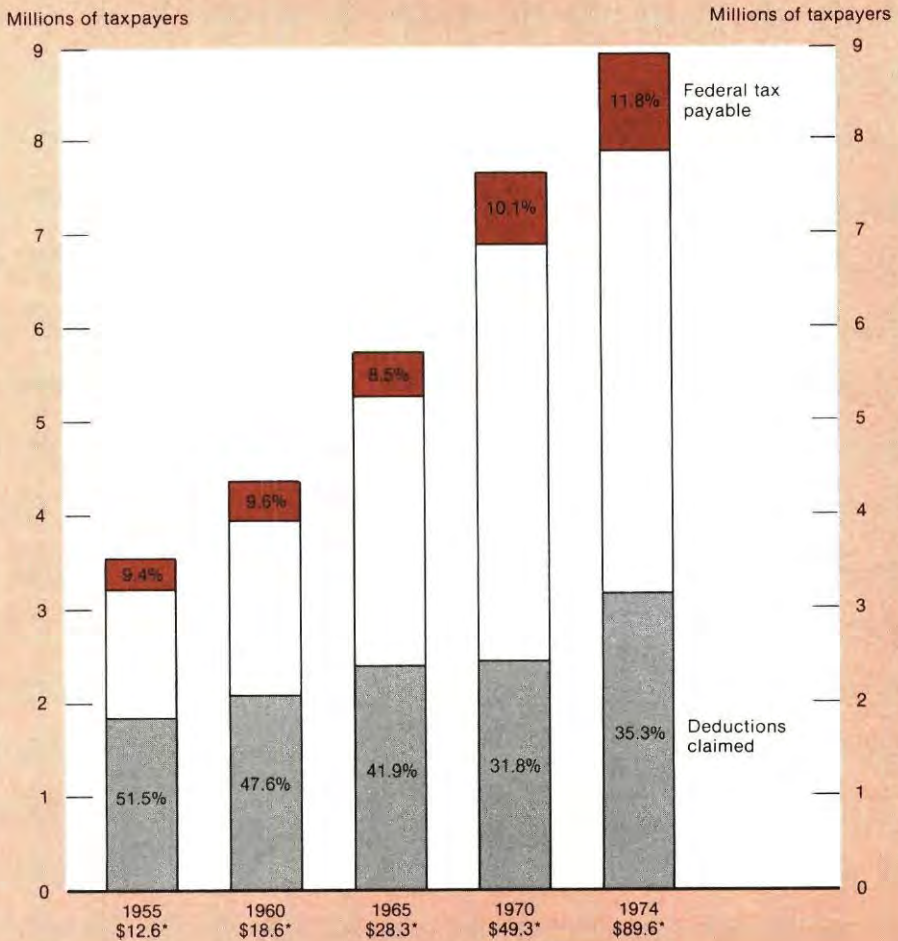


Total taxpayers and percentage of income paid in federal income tax, 1955-74<sup>1</sup>



\* Total income in billions of dollars.  
1. By individual T1 returns.

tax only on income from sources in Canada. "Residence" is the place where a person resides or where he maintains a dwelling ready at all times for his use. There are also statutory extensions of the meaning of "resident" to include a person who has sojourned in Canada for an aggregate period of 183 days in a taxation year, a person who was during the year a member of the Armed Forces of Canada, an officer or servant of Canada or of any one of its provinces, or the spouse or dependent child of any such person. The extended meaning of resident also includes employees who go from Canada to work under certain international development assistance programs.

Canadian tax law uses the concepts "income" and "taxable income". Income means income from all sources inside or outside Canada and includes