

premiums and 5% on the premiums paid to unlicensed insurers or reciprocal exchange. All other provinces tax premium income at the rate of 2%. Fire insurance comes under a separate act in each of the provinces and territories with the exception of Ontario and Manitoba.

Tax on logging operations. Quebec and British Columbia levy a tax on income from logging operations of individuals, partnerships, associations or corporations. The rate of taxation is 10% in Quebec and 15% in British Columbia on net income in excess of \$10,000; if the net income is greater than \$10,000 the whole amount is taxable with no basic exemption. In Quebec 33.3% of the tax is allowed as a deduction from provincial income tax. In British Columbia, as a result of the dual corporation income tax rate, the tax credit allowed from provincial corporation income tax is 44.4% of logging taxes paid by small businesses and 29.4% for the remainder. The federal income tax also allows a credit which is the lesser of two-thirds of the logging taxes paid to a province or 6% of the logging income earned in a province.

Hospitalization and medical care programs. Ontario, Alberta, British Columbia and the Yukon Territory levy premiums and Quebec a flat rate personal income tax and a payroll tax, to help finance their hospitalization and medical care programs. The remaining provinces and territory finance the provincial share of their programs out of general revenue. (For details see Chapter 5, Health.)

Motor vehicle licences and fees. Each province levies a fee on the compulsory registration of a motor vehicle whereupon the vehicle is issued with licence plates. The fees 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 for specified regions within a province or territory. The fees for commercial motor vehicles and trailers are based on the gross or curb weight for which the vehicle is registered, that is, 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 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.

Land transfer taxes. Ontario levies a tax based on the price at which ownership of land is transferred. The tax for Canadian residents is 0.3% on the purchase up to \$35,000 and 0.6% on anything in excess of that amount; for non-residents the tax is 20% of the purchase price. In addition, Ontario levies a tax of 20% on the increase in value on the sale of designated land (all real property except Canadian resource property). Quebec levies a 33% tax on the value of immovable property transferred to non-residents. Municipalities may levy duties on immovable property transferred to other than Canadian non-residents. In Alberta, a registration fee is charged proportional to the registered value of land; \$5 for the first \$1,000 and \$1 for each additional \$1,000 up to \$25,000, and 50 cents per \$1,000 in excess of that amount. There is also a fee charged on transfers of land based on the difference between the old registered price and the new registered price at the rate of .02% on any increase in the value of land up to \$5,000 and .01% on any excess over \$5,000. British Columbia and Saskatchewan do not have a land transfer tax but have an equivalent in land title fee which is based on land value.

Provincial property taxes. Most provinces levy, in varying degrees, real property taxes. In Prince Edward Island and New Brunswick, where services formerly carried out by municipal authorities were taken over by provincial governments, the real property tax field is shared by both provincial and municipal governments. The provincial governments levy a flat rate real property tax on a province-wide basis and each municipality has its own separate rate as required to meet its expenditure. All collections, however, are effected by the provinces which remit the municipal share to individual municipalities. Some provinces impose property taxes of limited application on land in unorganized areas not subject to a municipal rate. Nova Scotia imposes a property school tax on occupiers of land having more than 404.7 hectares (1,000 acres). A provincial property tax is levied in Ontario and Saskatchewan on the assessed value of real property in municipally unorganized territories where residents may enjoy