

The revenue from customs and excise duties, the two most important sources prior to World War I, amounted in 1953 to 16 p.c. of the revenue derived from taxation while income tax accounted for 62 p.c. of the taxation revenue.

The following analysis of taxation revenue is confined to excise duties, excise taxes, income tax and succession duties; customs receipts constitute a single item in the *Public Accounts* and cannot be further analysed here.

Excise Duties

Excise duties proper are presented below with a summary of the excise tariff and statistics arising as a by-product of administration, such as the quantities of grain and other products used in distillation and the quantities of excisable goods taken out of bond.

Canadian Excise Tariff.—The following is a statement of the Canadian excise tariff, as at Feb. 20, 1953:—

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|---|----------------|---------|--|----------------|---------|
| Spirits..... | per proof gal. | \$12-00 | Canadian brandy..... | per proof gal. | \$10-00 |
| Spirits used by licensed bonded manufacturers..... | per proof gal. | 1-50 | Malt, all, when brought into a brewery..... | per lb. | 0-21 |
| Spirits used in bond for manufacture of perfume..... | per proof gal. | Free | Malt liquor or beer, when brewed in whole or in part from any substance other than malt..... | per Imp. gal. | 0-42 |
| Spirits used in bond for manufacture approved chemical compositions..... | per proof gal. | 0-15 | Tobacco, manufactured, all descriptions except cigarettes | per lb. | 0-35 |
| Spirits sold to druggists licensed under the Excise Act to be used exclusively in preparation of prescriptions for medicines and pharmaceutical preparations..... | per proof gal. | 1-50 | Cigarettes, weighing not more than two and one-half pounds | per M | 4-00 |
| Spirits distilled from wine produced from native fruits, and used in any bonded manufactory for the treatment of domestic wine..... | per proof gal. | Free | Cigarettes, weighing more than two and one-half pounds..... | per M | 5-00 |
| Spirits imported and taken into a bonded manufactory (in addition to duties otherwise imposed)..... | per proof gal. | 0-30 | Cigars, all..... | per M | 1-00 |
| Spirits used directly in the manufacture of toilet preparations or cosmetics on which excise tax is applicable under Schedule I of the Excise Tax Act..... | per proof gal. | Free | Raw leaf tobacco, imported, now dutiable under the customs tariff only. | | |
| | | | Canadian raw leaf tobacco, when sold for consumption.. | per lb. | 0-20 |

A drawback of 99 p.c. of the duty may be granted when domestic spirits, testing not less than 50 p.c. over proof, are delivered in limited quantities for medicinal or research purposes to universities, scientific or research laboratories, bona fide public hospitals, or health institutions in receipt of Federal Government aid.

Revenue from Excise Duties.—In the year ended Mar. 31, 1953, tobacco and cigarettes supplied about 46 p.c. of the revenue from excise duties.