

Bill No. 68 of 1936.

A BILL TO AMEND THE INCOME TAX ACT.

NOTE.

Sections 2 and 3 of the Bill make amendments of a minor and routine character for the purpose of clarifying existing provisions in the Act.

Section 4 strikes out the schedule containing the rates of tax which was enacted by chapter 6 of 1935 and substitutes a new schedule increasing the rates of taxation, and further increasing the rates of taxation applicable to persons with an income of one thousand, two hundred dollars and over who are entitled to an exemption of seven hundred and fifty dollars referred to in paragraph (d) of subsection (1) of section 5 of the Act, e.g., single persons, widows and widowers.

The amendments are applicable to income for the year 1935 and subsequent years.

R. ANDREW SMITH,
Legislative Counsel.

(This note does not form any part of the Bill and is offered merely as a partial explanation of some of its provisions.)

BILL

No. 68 of 1936.

An Act to amend The Income Tax Act.

(Assented to _____, 1936.)

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. This Act may be cited as "*The Income Tax Act Amendment Act, 1936.*"

2. *The Income Tax Act*, being chapter 5 of the Statutes of Alberta, 1932, is hereby amended as to section 75 thereof,—

(a) by striking out subsection (3) thereof and by substituting therefor the following:

"(3) In the case of a return by an employer required by subsection (1) of section 38 of this Act, the penalty shall be further limited to two dollars for each day of default, with a maximum of fifty dollars.";

(b) by adding at the end thereof the following new subsection:

"(4) Every person failing to complete the information required on the forms prescribed by the Minister for reporting income as required by section 32 and section 34 of this Act shall be liable to a penalty of one per centum of the tax payable by such person:

"Provided, however, that such penalty shall not in any case be less than one dollar and shall not in any case exceed twenty dollars."

3. The said Act is further amended by inserting therein, immediately after section 78 thereof, the following new section:

"78a.—(1) If any taxpayer omits from his return of income made under this Act any dividends, rentals, interest, royalties or other like income which, on any inquiry by the Superintendent or on information obtained from any person other than the taxpayer, is subsequently duly ascertained to have been received by the taxpayer, the taxpayer may be assessed and taxed under this Act as if double the amount of the income so omitted from his return had been received by him from the same source as the income so omitted.

"(2) The estate of a deceased taxpayer shall be liable in respect of any tax arising by reason of any omission so ascertained, whether the omission was discovered prior or subsequent to the decease of the taxpayer.

“(3) This section shall not be construed as providing a penalty in substitution for any penalty otherwise provided in this Act.”

4. The said Act is further amended by striking out the first schedule thereto and by substituting therefor the following:

“FIRST SCHEDULE.

“RATES OF TAX APPLICABLE TO PERSONS OTHER THAN CORPORATIONS AND JOINT STOCK COMPANIES.

“On the first \$1,000 or any portion thereof, 2%;
 “On the amount in excess of \$1,000 but not in excess of \$2,000, 3%;
 “On the amount in excess of \$2,000 but not in excess of \$3,000, 4%;
 “On the amount in excess of \$3,000 but not in excess of \$4,000, 5%;
 “On the amount in excess of \$4,000 but not in excess of \$5,000, 6%;
 “On the amount in excess of \$5,000 but not in excess of \$6,000, 7%;
 “On the amount in excess of \$6,000 but not in excess of \$7,000, 8%;
 “On the amount in excess of \$7,000 but not in excess of \$8,000, 9%;
 “On the amount in excess of \$8,000 but not in excess of \$9,000, 10%;
 “On the amount in excess of \$9,000 but not in excess of \$10,000, 11%;
 “On the amount in excess of \$10,000 but not in excess of \$11,000, 12%;
 “On the amount in excess of \$11,000 but not in excess of \$12,000, 13%;
 “On the amount in excess of \$12,000 but not in excess of \$13,000, 14%;
 “On the amount in excess of \$13,000 but not in excess of \$14,000, 15%;
 “On the amount in excess of \$14,000 but not in excess of \$15,000, 16%;
 “On the amount in excess of \$15,000 but not in excess of \$16,000, 18%;
 “On the amount in excess of \$16,000 but not in excess of \$17,000, 19%;
 “On the amount in excess of \$17,000 but not in excess of \$18,000, 20%;
 “On the amount in excess of \$18,000 but not in excess of \$19,000, 21%;
 “On the amount in excess of \$19,000 but not in excess of \$20,000, 22%;
 “On the amount in excess of \$20,000 but not in excess of \$21,000, 24%;
 “On the amount in excess of \$21,000 but not in excess of \$22,000, 25%;
 “On the amount in excess of \$22,000 but not in excess of \$23,000, 26%;
 “On the amount in excess of \$23,000 but not in excess of \$24,000, 27%;

“On the amount in excess of \$24,000 but not in excess of \$25,000, 28%;

“On the amount in excess of \$25,000, 30%.

“In the case of persons mentioned in **paragraph (d)** of subsection (1) of section 5 with incomes of twelve hundred dollars or more, the rate of tax applicable to such persons shall be the rates hereinbefore mentioned increased in each case by one.

“RATE OF TAX APPLICABLE TO CORPORATIONS AND
JOINT STOCK COMPANIES.

“On the income of the company, 5%.”

5. The provisions of this Act shall apply to all returns relating to any income for the year 1935 and for any subsequent year; to all returns relating to an income for any period terminating in the year 1935 and in any subsequent year; to the taxes payable in respect of any income for the year 1935 and for any subsequent year; and to taxes payable in respect of any income for any period terminating in the year 1935 or in any subsequent year.

6. This Act shall come into force on the day upon which it is assented to.

No. 68.

FIRST SESSION
EIGHTH LEGISLATURE
1 EDWARD VIII
1936

BILL

An Act to amend The Income Tax
Act.

Received and read the

First time

Second time

Third time

HON. MR. COCKROFT.

EDMONTON:
A. Shnitka, King's Printer
1936