

## BILL

No. 107 of 1936.

An Act to impose Taxes on the Ultimate Purchasers of  
Certain Commodities for Raising Revenue for  
Provincial Purposes.

(Assented to \_\_\_\_\_, 1936.)

**H**IS 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 Ultimate Purchasers  
Tax Act.*"

2. In this Act, unless the context requires a contrary  
meaning,—

- (a) "Commodity" means all goods and chattels which  
are the subject matter of a sale by retail within the  
Province but does not include bread, milk, coal, gas,  
water, newspapers, farm machinery and repairs  
thereto, binder twine, electricity, agricultural  
products produced within the Province when sold  
by the producer thereof, fuel oil within the mean-  
ing of *The Fuel Oil Tax Act*, liquor within the  
meaning of *The Government Liquor Control Act of  
Alberta*, tobacco, money or things in action or the  
evidences thereof and any other commodities which  
are declared by the Lieutenant Governor in Council  
to be commodities to which this Act does not apply;
- (b) "Minister" means the Provincial Treasurer or such  
other member of the Executive Council as is at any  
time designated by the Lieutenant Governor in  
Council;
- (c) "Purchaser" means a person who buys in the Pro-  
vince from a vendor any commodity for his own use  
or for any purpose other than the resale thereof;
- (d) "Sale" includes an agreement of sale whether  
absolute or conditional; and
- (e) "Vendor" means any person who in the Province  
sells in the course of his business or of continuous  
or successive acts any commodity to a purchaser  
thereof for his own use for any purpose other than  
the resale thereof.

3.—(1) On, from and after the first day of May, 1936,  
every person who purchases a commodity by retail for his  
own use or for any other purpose other than the resale  
thereof shall pay to His Majesty for the use of the Province  
at the time of making the purchase a tax of two per centum  
of the price of the commodity so purchased.

- (2) The tax shall be computed as follows:
- (a) The tax shall be computed on the price payable in respect of each separate purchase by retail;
  - (b) Where several commodities are purchased on the same occasion and as part of the same transaction by the same purchaser, the tax shall be payable on the aggregate price of the commodities so purchased; and
  - (c) Where the price amounts to or includes a fraction of a dollar any fraction of a dollar which does not exceed fifty cents shall be treated and computed as fifty cents, and every such fraction which exceeds fifty cents and does not exceed a dollar shall be treated and computed as a dollar.

(3) The tax shall be collected by the vendor from the purchaser for the use of the Province.

(4) In case a vendor in the ordinary course of his business sells any commodity to a person who alleges that he is purchasing it for purposes of resale, the vendor shall nevertheless require such person to deposit with him for the use of the Province an amount equal to the tax which would be payable under this Act if that sale were made to a purchaser as herein defined, but the Minister shall refund the deposit on evidence satisfactory to him that the commodity was purchased for the purposes of resale and not for the use of the buyer.

**4.** Every vendor and every person authorized to collect or receive the taxes from a vendor shall be a revenue officer within the meaning of *The Treasury Department Act* and shall be subject to the duties and liabilities of a revenue officer under that Act.

**5.**—(1) On or before the fifteenth day of each month the vendor shall forward to the Minister the amount of the tax which he has collected during the preceding month and any deposits received by him pursuant to this Act during the same period.

(2) With each remittance the vendor shall forward to the Minister upon a form prescribed by him a return showing the total amount of the tax collected and deposits received by him during the preceding month, and the return shall show such further information as the Minister requires and verified by his affidavit or statutory declaration if required.

**6.** Any person appointed by the Minister in writing for that purpose, which appointment may be general or specific, may enter upon the premises of any vendor, from time to time, to ascertain whether the tax is being duly paid and collected during any specified period or to inspect and examine the books, records or documents or the premises generally of the vendor for the purpose of ascertaining the quantities of commodities on hand at any specified time or times or sold by him during any specified period, and the

vendor shall answer all questions relating to those matters and shall produce to the person so appointed such books, records and documents as are required.

**7.** If any person appointed by the Minister pursuant to section 6 has cause to believe that any person has or had in his possession any commodity on which the tax was payable but has not been paid, he may without warrant enter upon the premises of the person suspected and make such inquiries and searches as are deemed necessary, and may interrogate such person concerning consumable things he has purchased, and such person shall produce for inspection by the person so appointed any consumable thing in his possession and answer any questions relating thereto.

**8.** The Minister may hold or appoint any person to hold an inquiry into the operation of this Act or into any charge or complaint that any purchaser has evaded payment of the tax or any vendor has neglected to collect the tax or to require the making of a deposit pursuant to section 3, or having collected any tax or received any deposit has not forwarded the same to the Minister, or has made a false return or statement, and also into any other matter arising in the administration of this Act, and for the purpose the Minister or persons so appointed shall have all the powers which may be conferred upon a commissioner appointed pursuant to *The Public Inquiries Act*.

**9.—(1)** Every person who,—

- (a) contravenes any of the provisions of this Act or the regulations thereunder; or
- (b) fails to make any return which he is required to make by this Act or the regulations; or
- (c) makes any incorrect return; or
- (d) refuses to answer any questions put to him by any person authorized to interrogate him by sections 6, 7 and 8; or
- (e) impedes or obstructs any person appointed by the Minister pursuant to sections 6, 7 and 8 in the making of any investigation or inquiry which he is authorized to make,—

shall in each case be guilty of an offence.

(2) A court or magistrate finding any person guilty of an offence may, instead of fining such person in the first instance, order such person to remedy his default and pay costs, and if he fails to comply with such order he shall be guilty of an offence.

**10.** Any vendor who makes default in keeping any records or in making any returns which he is required to keep or make by this Act or by any regulations made pursuant hereto shall be guilty of an offence and shall be liable on summary conviction therefor to a penalty of twenty-five dollars a day for each day during which the default continues.

**11.** Any person guilty of an offence for which no penalty is otherwise specifically provided shall be liable on summary conviction therefor to a penalty of not more than five hundred dollars and costs and in default of payment to imprisonment for a term not exceeding three months.

**12.** In any prosecution for failure to pay the tax or make a deposit or to collect the tax or receive a deposit or to forward the tax or any deposit, the onus of proving that the tax was paid or deposit received or that the same was collected or forwarded to the Minister, as the case may be, shall be upon the accused.

**13.—(1)** The Lieutenant Governor in Council may from time to time,—

- (a) declare that this Act shall not apply to retail sales in any specified area or areas of the Province which are adjacent to any boundary of the Province;
- (b) exempt from the liability to taxation under this Act any commodities;
- (c) exempt from the liability to taxation under this Act sales by or to any city, town, village, hospital, school, charitable institution, or any other public board or body designated by order in council;
- (d) prescribe as to the records to be kept and the returns to be made by any vendor or any person authorized to receive or collect the taxes from a vendor;
- (e) require all persons who make sales by retail to be registered and prescribe as to the manner of registration;
- (f) prescribe the remuneration which may be allowed or paid to any person who collects any tax imposed pursuant to this Act; and
- (g) make such regulations as may be deemed necessary and expedient for the purpose of carrying out the purposes of this Act.

(2) Every order made pursuant to this section shall be published in *The Alberta Gazette* and shall take effect on publication or on such later date as may be fixed for that purpose and shall thereupon have the same force and effect as if the same had been enacted by and as a part of this Act.

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

No. 107.

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FIRST SESSION  
EIGHTH LEGISLATURE  
1 EDWARD VIII  
1936

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**BILL**

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Ultimate Purchasers of Certain  
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Received and read the

First time .....

Second time .....

Third time .....

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HON. MR. COCKROFT.

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EDMONTON:  
A. Shnitka, King's Printer  
1936