

Mr. Turner (Ottawa-Carleton): This covers quite simply \$1,000 a year. That is not complicated. He gets the deductibility on the way in, and there has to be some sanction if he tries to over-deduct.

Mr. Stevens: This is a question of degree, I suppose, but I should have thought that the obvious sanction would be to require the man simply to bring back into income the amount of the over-payment and pay taxes on it, which is certainly what happens under the registered retirement savings plan. I am little surprised that this provision would have such a vicious penalty in it for a person who has, for some reason or other, over-paid. Is there any reason why a person who goes into a registered ownership savings plan should be more severely penalized for a mistake, such as I have referred to, than the person in respect of a registered retirement savings plan?

Mr. Turner (Ottawa-Carleton): There is quite a difference. The RRSP is a pension, whereas this allows a maximum of \$1,000 a year. It is not complicated, therefore a sanction is required.

Amendment agreed to.

Clause 100, as amended, agreed to.

Clauses 101 and 102 agreed to.

On Clause 103.

Mr. Turner (Ottawa-Carleton): Madam Chairman, I have circulated this amendment which replaces the one tabled on February 10. The only difference is in the page reference. Otherwise the amendment is exactly the same as the one tabled. The amendment relates to Clause 103 as found at page 246, and I would move:

That clause 103 of Bill C-49 be amended by striking out lines 34 to 40 on page 246 and substituting the following:

"(6) Subsections (1) and (2) and paragraph 149(1)(v) of the said Act as enacted by subsection (4) are applicable to the 1974 and subsequent taxation years; subsection (3) and paragraph 149(1)(u) of the said Act as enacted by subsection (4) are applicable to the 1972 and subsequent taxation years; and subsection (5) is applicable after November 18, 1974."

This amendment relates to the coming into force of the provisions as they apply to Clause 103.

Amendment agreed to.

Clause 103, as amended agreed to.

On Clause 104.

Mr. Turner (Ottawa-Carleton): I have circulated the following technical amendment to Clause 104, and I move:

● (1640)

That clause 104 of Bill C-49 be amended

(a) by striking out line 37 on page 247 and substituting the following:
"1974, 1975 and 1976 taxation years, subsection"

and

(b) by adding thereto, immediately after line 41 on page 247, the following:

"(5) Subparagraph 157(1)(a)(i) of the said Act shall, for the 1977 and subsequent taxation years, be read as it read immediately before the coming into force of subsection (1)."

That is found on page 247 of the bill.

Amendment agreed to.

Income Tax

Clause 104 as amended agreed to.

Clause 105 agreed to.

On clause 106.

Mr. Turner (Ottawa-Carleton): I move:

That clause 106 of Bill C-49 be amended

(a) by striking out line 11 on page 248 and substituting the following:

"106. (1) Paragraph 161(4.1)(a) of the said Act is repealed and the following substituted therefor:

"(a) the tax payable under this Part by it for the year computed without reference to section 123.2,"

(2) Section 161 of the said Act is further'

and

(b) by striking out lines 26 and 27 on page 248 and substituting the following:

"(3) This section is applicable to the 1974 and subsequent taxation years except that for the 1977 and subsequent taxation years paragraph 161(4.1)(a) of the said Act shall be read as it read immediately before the coming into force of this section."

Amendment agreed to.

Clause 106, as amended, agreed to.

Clause 107 agreed to.

On clause 108.

Mr. Stevens: Madam Chairman, as this clause proposes to give the right of appeal from the refusal of the minister to register an educational savings plan or a home ownership savings plan, or from his revocation of registration of those plans, would the minister give us an outline as to whether this provision is one that is also included with respect to standard registered plans? Is it a provision that is unique to the two plans to which reference is made here?

Mr. Turner (Ottawa-Carleton): No, Madam Chairman, there are many similar provisions of appeal to the Federal Court throughout the act.

Mr. Stevens: Does the Registered Retirement Savings Plan allow for the right of appeal also?

Mr. Turner (Ottawa-Carleton): Yes, Madam Chairman.

Mr. Stevens: Could the minister indicate how many appeals have been launched?

Mr. Turner (Ottawa-Carleton): I will ask my colleague, the Minister of National Revenue, or one of the officials to provide the hon. gentleman with the information.

Mr. Stevens: Could the minister give us some indication of the number, whether there are many or few such appeals? I think it is relevant when we are considering the right of appeal.

Mr. Turner (Ottawa-Carleton): The answer is that there have been no appeals.

Clause agreed to.

Clauses 109 to 117 inclusive agreed to.

On clause 118.

Mr. Turner (Ottawa-Carleton): Madam Chairman, on February 10 I tabled an amendment to clause 118. Now I