

THE BUSINESS PROFITS WAR TAX ACT, 1916

6-7 Geo. V., Chap. 11, and AMENDMENT ACT, 1917,
7-8 Geo. V., Chap. 6

Definitions

"Minister" means the Minister of Finance.

"Board" means the Board of Referees appointed under Section 9.

Sec. 2
(a to f)

"Non-Canadian Company" means an incorporated company having its head office or principal place of business outside Canada, but having assets in or carrying on business in Canada, either directly or through or in the name of any other person.

"Person" means any individual or person and any partnership, syndicate, trust, association or other body and any body corporate, and the heirs, executors, administrators, curators and assigns or other legal representatives of such person, according to the law of that part of Canada to which the context extends.

"Tax" means the tax authorized by Section 3.

"Taxpayer" means any person paying, liable to pay, or believed by the Minister of Finance to be liable to pay, any tax imposed by this Act.

Amount of Tax

In the case of a business owned by an incorporated company, profits earned in excess of 7% per annum are subject to a tax of 25% of the amount by which such profits exceed 7%. In the case of a business owned by any other person, a tax of 25% is levied on profits in excess of 10% per annum upon the capital employed. (These taxes are payable for each and every accounting period ending after December 31, 1914.)

Where profits in any business exceed 15% per annum the above taxes are increased to 50% with respect to profits