EXEMPTIONS AND DEDUCTIONS.

To the question "What Income has to be stated?" the answer is:—

Your revenue for the calendar year 1920, from salary and fees, business profits, rents, interest, dividends, and other income, including that received from another country.

WHAT DEDUCTIONS ARE ALLOWED IN CALCULATING NORMAL TAX?

1. $1,000, if you are unmarried or widow or widower and without dependents.
2. $2,000 if married.
3. $2,000 if unmarried or a widow or widower with dependent child or brother or sister under 18, or with a dependent parent or grandparent.
4. $2,000 if a widow or widower with dependent child under 21, or with incapacitated child of any age.
5. $200 for each dependent child under 18.
6. Dividends from companies doing business in Canada, which have themselves paid Normal Tax.

EXEMPTIONS FROM ALL INCOME TAX.

In addition, the following four items are entirely exempt from Federal Income Taxes:—

1. Interest on any Dominion of Canada War Bonds issued free from income tax.
2. Pensions granted to any member of His Majesty's forces or their dependents, on account of disabilities suffered in the Great War.
3. Money made by speculation outside the ordinary course of your business.
4. Legacies, gifts, and proceeds of Life Insurance Policies, but not money earned by the investment of these.