

goods tax free as the beneficiary of an estate will be extended from 15 to 36 months. When a corporation reports a loss or tax credit for a previous taxation year, the interest on the tax refund resulting from that report will be calculated from the filing date on the taxpayer's return for the subsequent year. At the present time, the interest is not calculated over the period prior to the final filing date. When a refund is made following overpayment of income tax by a corporation for a given taxation year, any interest will be calculated from the 120th day after year-end and not from the day six months after year-end, as is the case at the present time.

Losses deductible as business investments which cannot be fully deducted will be converted into net capital losses, and will thus be calculated over a longer period.

A corporation will also be able to benefit to a greater extent from the foreign tax credit for a given year by increasing its taxable income for the year and by creating a loss other than a compensatory capital loss, which is then deductible over other years.

A taxpayer will no longer be required to tell his creditor that he has elected to declare every year the interests on his debt; he will simply have to indicate that election in his tax return.

A corporation which, under a tax convention between Canada and another country, is deemed to be a resident of that other country but which would otherwise reside in Canada, will be considered as not being a resident of Canada.

Mr. Speaker, this Bill ought to be considered and passed as soon as possible in the best interest of all Canadians. We would then be in a position to introduce the legislation related to the Budget tabled last May 23. It should be noted that many of the Budget provisions will call for changes in the tax forms of Revenue Canada which must be printed and distributed before the end of the year.

On behalf of all Canadians anxious to benefit from the fairness inherent in our national renewal, we urge all Hon. Members of the House of Commons to act quickly and adopt this Bill, technical though it may be but essential for the well-being of our taxpaying fellow Canadians.

[English]

The Acting Speaker (Mr. Paproski): Are there any questions or comments? There being no questions or comments, we will resume debate. The Hon. Member for Gander-Twillingate (Mr. Baker).

Mr. George Baker (Gander-Twillingate): Mr. Speaker, only one minute remains but I simply want to say that we have no objections to the technical amendments in this Bill. Some of them are good. I do not think it is an outrageously differing opinion than the hon. gentleman outlined but I have to point out to the hon. gentleman that this Bill also makes an amendment to the Tax Court of Canada Act. We wish to put on the record, perhaps after today's sitting, in more comprehensive terms why we object to not having more substantial changes

Income Tax Act

made to the Tax Court of Canada Act since the Government of Canada has decided to crack down on people collecting unemployment insurance.

The Tax Court of Canada actually deals with the determination on every claim which is made by the Minister of National Revenue (Mr. MacKay). At a time like this when the Government of Canada is cracking down, and perhaps we will have thousands of appeals against a determination made by the Minister of National Revenue go to the Tax Court of Canada, we feel that the Government of Canada should have taken other measures. The determination process should be put right back into the lap of the Minister of Employment and Immigration (Miss MacDonald) and not be kept with the Minister of National Revenue with the extensive changes that are coming in.

Perhaps on the next sitting day I will outline in greater detail the problem with the amendments as they relate to the Tax Court of Canada Act. May I call it five o'clock, Mr. Speaker.

[Translation]

The Acting Speaker (Mr. Paproski): Order, please. It being five o'clock, the House will now proceed with the consideration of Private Member's Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS— MOTIONS

[English]

INCOME TAX ACT

SUGGESTED AMENDMENT RESPECTING WORKMEN'S COMPENSATION BENEFITS

The House resumed from Thursday, February 14, 1985, consideration of the motion of Mr. Dingwall:

That in the opinion of this House, the Government should consider the advisability of amending the Income Tax Act, in order to eliminate the hardships brought about by previous amendments, which now make Workman's Compensation reportable as "income" for Guaranteed Income Supplement purposes.

Mr. Bruce Halliday (Oxford): Mr. Speaker, I am pleased to have an opportunity to speak on this issue again today. I am somewhat surprised that the Hon. Member for Cape Breton-East Richmond (Mr. Dingwall) does not want to bring forward his points again and discuss them in some detail. However, I know his commitment to this subject and I certainly share his feelings.

● (1700)

The history of this problem goes back a number of years. In fact, it is fair to say that all of us in the House have been anxious to see what could be done for old age pensioners and, in particular, to give higher priority to those who are in some kind of special need. As a result, over the years a number of