

# The Business Tax.

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What is it ?

And what is the occasion which has given rise to it ?

These questions naturally suggest themselves to the readers of THE JOURNAL who have been following the proceedings of the City Council during the past few weeks. Naturally, we say, because any change in our system of municipal taxation, so sweeping as that proposed, should be sustained by very strong reasons to justify its agitation.

Some three or four weeks ago the desirability of adopting a "business tax" was brought up in the council by Ald. Henderson, and on motion was referred to the finance committee for consideration. The committee reported at the meeting held on the 12th instant, recommending that the system be adopted in Ottawa and stating briefly the reasons which had influenced them in coming to this decision. On account, however, of some of the members of the council not being prepared—in view of the novelty of the subject—to pronounce upon it intelligently, the report was withdrawn for the present, but will most probably be re-introduced at an early date. In view of this position of the matter, we propose briefly to reply to the questions propounded and shall deal with the second one first, viz., "What is the occasion which has given rise to the proposed tax ?"

## THE OCCASION.

1. Briefly speaking, it springs from the present unsatisfactory condition of the law relating to the taxation of personal property and income. That taxation in some shape or form is inevitable and that all benefitting by the expenditure of public moneys have a right to bear their fair proportion of its burdens, are principles admitted by all. The principles are sound, but their practical application from an equitable point of view is not so simple, as we know of no country in which the question has been satisfactorily settled, or in which great conflicts of