

**Insurers
branch tax**

(20) That for the 1978 and subsequent taxation years,

(a) subsections 219(5) and (6) of the Act be deleted, and

(b) the rules in subsection 219 (4) of the Act be amended to limit the amount by which a non-resident insurer may reduce its Canadian investment fund by paying the 25% tax to the portion of its surplus that exceeds a minimum required level to be prescribed by regulation.