

(ii) the date any property is disposed of under a disposition or agreement described in paragraph (1) of subsection (1) of section 3,

in any other case,

reassess or make additional assessments, or assess tax, interest or penalties under this Part, as the circumstances require."

Mr. FLEMING (*Eglinton*): Mr. Chairman, perhaps I could just say a word about the changes that have been made here.

The change in the first part—that is in (a)—consists of an addition. In other words, where in the bill now it is provided that the minister may at any time assess, it is now provided as well that he may notify in writing any person by whom no return is filed that no amount is payable as tax under this part.

In other words, in cases where he does not issue a notice of assessment because no tax is payable, we now intend to add a provision that in that case he may notify anyone in writing by whom the tax is not payable that no tax is payable.

Mr. CRESTOHL: Does that mean the four years begins to run?

Mr. FLEMING (*Eglinton*): Now, we come to the second part, (b). Where formerly a four-year limitation was applied from the date of the original assessment or the date any property is disposed of, it will also apply now in the case where a modification is sent that no amount is payable as tax under this part in respect of the death of a deceased.

If I can clarify that one stage further: there is still no notice of assessment in the proper sense of that word in a case where there is no tax payable, but in that case we propose to add a provision that the minister may issue a notice in writing to that individual. It will not be a notice of assessment. When he does issue that notice in writing, so far as the four-year limitation is concerned, it has the same effect as in the case where the notice of assessment is issued.

Mr. CRESTOHL: Is there any indication of when that notification must be issued after the death? Assuming the minister does not choose to send that notification, that there is no tax payable, for a year or two after death that means that the heirs will then lose the benefit of two years of the four-year period.

Mr. FLEMING (*Eglinton*): That is true with a taxable estate, too, Mr. Crestohl.

Mr. CRESTOHL: Yes.

Mr. FLEMING (*Eglinton*): But this is opening up something of a new procedure in order to give the estate that is not taxable the benefit of the four year limitation. That is the point which was raised yesterday by Mr. Jones and Mr. Drysdale.

Mr. CRESTOHL: That is perfectly right. The remedy you suggest is a good one.

Mr. FLEMING (*Eglinton*): And may I add also in any case where any taxpayer makes a request for such a notice the department will issue it and in that case the department would say: "Well, all right, you file a return". You would have to have a return filed, but in that case the notice in writing will be issued on request.

Mr. FRASER: May I ask a question? The wording is "may notify". Well, anyone that sent in would he not notify everyone that sent in, or would it be left up to him?