

entered for deductions of the latter class, but instead thereof an item was inserted of "75 p.c. of premiums deposited with Government for protection of policy holders," which was an addition to the form. The statement showed that the deductions exceeded the gross income, leaving no net profits to be taxed. The assessors on receiving this statement disregarded the result shown thereby, and assessed the agent on net profits for the year of \$6,300. A rule *nisi* for a *cetiorari* to quash the assessment was obtained, in support of which it was shown by affidavit that the amount required to be deposited with the Dominion Government by the company assessed was about 75 p.c. of the premiums received, and that the amount of such deposits from time to time returned to the company was applied for the benefit of policy holders and formed no part of the income or profits of the company. The Supreme Court of New Brunswick discharged the rule and refused to quash the assessment, on the ground that the Government deposit was a part of the income of the company held in reserve for certain purposes and formed no part of the expenditure, and that the agent had no right to strike out certain requirements of the form prescribed and substitute different statements of his own.

Held, reversing the decision of the Court below, Fournier and Taschereau, JJ., dissenting, that the agent was justified in departing from the form to show the real state of the business of the company, and the deposit was properly classed with the deductions; and the assessors had no right to disregard the statement and arbitrarily assess the company as they did.

Appeal allowed with costs.

Weldon, Q.C., & Bruce, Q.C., for appellant.

Jack, Q.C., for respondent.

New Brunswick.]

TIMMERMAN v. CITY OF ST. JOHN.

Assessment and taxes—Taxation of railway—Statutory form—Departure from—Powers of assessors—53 V., c. 27, s. 125 (N.B.)—

By the assessment law of the City of St. John (53 V., c. 27, s. 125 [N.B.]) the agent or manager of any joint stock company or corporation established abroad or out of the limits of the Province may be rated and assessed upon the gross and total income received for such company or corporation, deducting only there-