



# The Dominion Income War Tax

## Its Meaning and Application

**T**HE Dominion Income War Tax Act, passed at the last session of Parliament is now in force and all those liable to taxation under the provisions of the Act must file the required returns for the year 1917, on or before 31st March, 1918.

The Act provides that there shall be assessed, levied, and paid upon the 1917 income of every person residing or ordinarily resident in Canada, a tax upon income exceeding \$1500 in the case of unmarried persons and widows or widowers without dependent children, and upon income exceeding \$3000 in the case of all other persons.

Corporations and joint stock companies carrying on business in Canada, no matter how created or organized, shall pay the normal tax upon income over \$3000. The fiscal year of corporations and joint stock companies may be adopted if desired.

**Your Immediate Obligation.**—You are now required by law to fill out in triplicate, one or more of the five special forms enumerated below. Read the particulars about the forms provided, then note the form or forms that fit your case. Don't forget to make three copies. You will keep one copy, and in the case of Forms T1 and T2, deliver two to the Inspector of Taxation for your district. In the case of Forms T3, T4 and T5, two copies must be filed with the Commissioner of Taxation at Ottawa.

**Penalties.**—Default in filing returns renders the person or persons liable on summary conviction to a penalty of one hundred dollars for each day during which the default continues. Any person making a false statement in any return or in any information required by the Minister of Finance shall be liable on summary conviction to a penalty not exceeding ten thousand dollars or to six months imprisonment, or to both fine and imprisonment.

### FORMS TO BE FILLED IN AND FILED

**Individuals.**—Form T1 is for all individuals having the requisite income. Fill in pages 1, 2 and 3, make no marks on page 4.

In giving particulars of dividends received, state amount received from each company, listing Canadian and Foreign Companies separately.

Partnerships as such need not file returns, but the individuals forming the partnerships must.

**Corporations and Joint Stock Companies** must fill in Form T2, showing total income. Amount paid during the year to Patriotic and Canadian Red Cross Funds, and other approved war funds, should be shown under Exemptions and Deductions. A financial statement should also be attached. In giving particulars of dividends received, state amount received from each Company, listing Canadian and Foreign Companies separately.

**Trustees, Executors, Administrators of Estates and Assignees** use Form T3, to state particulars of the distribution of income from estates they are handling. A separate form is required for each estate and total incomes must be given as well as distribution thereof.

**Employers.**—On Form T4 employers shall make a list of the names of employees and amounts paid to each in salaries, bonuses, commission, or other remuneration wherever the combined sum of such enumeration for the calendar year 1917, amounted to \$1000 or more. This applies to all classes, regardless of number of such employees.

**Corporations Listing Shareholders.**—Corporations and Joint Stock Companies shall list on Form T5 Shareholders residing in Canada to whom Dividends were paid during the calendar year 1917, stating the amounts of dividends and bonuses paid to each.

Don't wait till the last minute. Get the necessary forms now, and make your information accurate and complete.

Forms may be obtained from the District Inspectors of Taxation and from the Postmasters at all leading centres.

*Postage must be paid on all letters and documents forwarded by mail to Inspector TAYLOR.*

*Department of Finance,  
Ottawa, Canada*

**A. G. McCandless, Inspector of Taxation**

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