

union dues;

general employment expenses of employees: 3 per cent of earned income up to \$150 *per annum*;

expenses of lodging and meals while away from home where the employee's work requires him to travel;

child-care expense deduction for mothers (or fathers, in certain circumstances) who have their children cared for while earning income away from the home: up to \$500 a child under 14 to a maximum of \$2,000 a family, *per annum*;

expenses of moving to a new work location;

tuition fees in excess of \$25 *per annum* for students attending a university, college, high school or other certified institution;

business expenses and other expenses of earning income including rents, wages, contributions to a pension plan, capital-cost allowances, municipal taxes, interest on borrowed money, business losses.

**Other considerations in computing income** Half of capital losses are deductible against half of capital gains. Where losses exceed gains, up to \$1,000 of the excess losses may be set off against other income. Losses not deducted in the year may be carried back one year and carried forward until used up.

The sale of personal property for less than \$1,000 and the sale of a principal residence do not give rise to a taxable gain.

Upon death, the taxpayer is deemed to have sold all of his capital property at fair market value, except where the property is passed on to the surviving spouse. A gift of property between living persons also gives rise to a disposition that may be taxable unless the recipient is the taxpayer's spouse. Special rules apply in the case of farms.

The amount of a capital gain or loss is determined by reference to its adjusted cost-base — that is, cost plus or minus adjustments. Cost for capital gains on property owned at the start of 1972 is computed by reference to the higher of its cost or value on "valuation day" at the end of 1971. For property acquired after