

Who Pays The Income Tax And How Much

The First Instalment for 1920 Will Be Due Soon—Change In The Law Makes It Necessary to Read The Rules

Dates to Remember.
March 31—Last day for companies' and employers' returns of shareholders and employees under the Income Tax Act, 1918.
April 30—Last day for filing return of income and payment of tax—25 per cent at least, if instalment payment plan be taken advantage of.
June 30—Last day for payment of second instalment of tax.
August 31—Last day for payment of third instalment of tax.
October 31—Last day for payment of fourth and final instalment of tax on income of 1920.

A change was made last session in the Federal Income Tax as originally passed September 20, 1917, and patched and revised in 1918 and 1919. The citizen now is forbidden to "pass the buck." He may not wait until the end of the year to pay his contribution to the public purse. Nor may he leave to public officials the calculation of the amount payable by him. With the form filled in to show his income for last year less all deductions therefrom legally claimable, he must send in by the last April day at least one-fourth of the tax for which he is liable, the rest being payable later in instalments, if desired, six per cent interest being charged for this accommodation.

Due Penalties and Penalties.
If he figures his taxable income too low, he becomes immediately and automatically liable to heavy penalties, even if his error be unintentional. Government officials have no power to go easy with him. The law decrees the precise sum he must be fined. If income is but nominally understated, say up to one-tenth of the deficiency, must pay income tax on the deficiency, with 10 per cent added. If he understates his income from 10 to 20 per cent, the fine is one-half the amount of omitted income, not merely half the tax. If the deficiency is 20 per cent or more, the whole of the unreported income is taken.

How It Works Out.
Thus if he gives his income as \$5,000, when it is really \$5,500, he is fined \$150, of course plus the unpaid tax. If he is late in sending in his return, 25 per cent is added to his tax bill. If he pays less than a fourth of the tax as estimated by himself to begin with or less than the proper amount in the case of alter instalments, 25 per cent of the deficiency (and in no case less than \$5) is added to his obligation. The same penalty is prescribed for not paying within thirty days any sum demanded in addition to the fourth of the tax as estimated by himself. If he is asked for further information and is late in sending it, or if he fails to keep such adequate records and for a false statement published by a may be fined \$100 a day for his default; and for a false statement published by a \$10,000 fine and six months in jail.

Who Pays and How Much.
Numerous other changes in the law date from last year's revision. Income from an estate is now taxable, whether or not such income has been distributed, and must be paid year by year; this provision also is retroactive, and specifies for taxation this year incomes of 1917, 1918 and 1919. Company profits paid to shareholders in stock dividends are now expressly allocated for income taxation, but such profits will not be levied upon if accumulated before 1917, and their distribution to shareholders voted prior to December 31 last. Five per cent has been added to the amount payable to any taxable income of \$5,000 or more, this also applying to incomes of 1917.

Who comes under this law? Everyone with \$1,000 a year if single, or \$2,000 if married, who ordinarily resides in Canada or has lived in Canada 183 days during the year, or is employed or carries on business in Canada, or is paid for services rendered in Canada, but in this last case only on income so earned.

How much is the tax? Normally four per cent on income up to \$5,000 and eight per cent on incomes exceeding that figure. There also is a surtax on incomes over \$5,000, rising by regular steps from ten per cent on the first \$1,000 over the \$5,000 mark, to sixty-five per cent on anything and everything over \$10,000—likewise five per cent of the combined normal tax and surtax is payable on any net taxable income of \$5,000 or more.

Incomes and Exemptions.
To the question, "What income has to be stated?" the answer is: "Your revenue for 1920 from salary and fees, business profits, rents, interests, dividends or other income, including any received from outside Canada. Allowed deductions in the calculation of normal income tax are: (1), \$1,000 if single or widow or widower without dependents; (2), \$2,000 if married; (3), \$2,000 if of class 1 but with dependent child or brother or sister under eighteen or parent or grandparent; (4), \$2,000 if a widow or widower with dependent child under twenty-one or incapacitated child of any age; (5), \$200 for each dependent child under eighteen; and (6), dividends from companies doing business in Canada which companies have themselves paid normal tax.

In addition, four items are entirely exempt from federal income taxation; interest on tax-free Canadian war bonds; Great War pensions; moneys made by speculations outside of ordinary business, and legacies, gifts or the proceeds of life insurance policies, but not moneys earned by the investment of these.

Allow Business Deductions.
In arriving at the net income liable for taxation, deductions also are allowed of ordinary operation expenses of business or profession; interest on moneys borrowed as business capital; taxes, insurances, repairs and depreciation charges against non-residential lands and buildings; amounts paid by employees under superannuation funds or plans; and carrying charges on securities, not exceeding the income therefrom. It also is permissible to deduct payments made for corresponding periods under the Special War Revenue Act or the Business Profits War Tax Act; and income tax paid to another country, if this does not exceed the tax normally payable in Canada on the particular income for which tax has been paid elsewhere, and in the case of a foreign country, if that country reciprocates by allowing a similar credit to persons receiving incomes from Canada. Such credit is allowed by the United States.

A married woman with an independent private income may claim personal exemption up to \$2,000 for normal tax, but as her husband does. Beyond this figure she is liable for the same taxes

as anyone else and must apply for a form and send it in with the necessary certificate. In such a case the \$200 exemption for each dependent child may be claimed by either husband or wife, but not by both. No partnership between husband and wife is recognized by the income tax law, which treats such a pair of incomes as one. With respect to general business partnerships, no income tax is levied on partners collectively, but each partner individually must pay the tax on his or her proportion of the firm's profits.

How Companies Contribute.
As to companies' contributions to income tax revenue, a normal tax of ten per cent is payable on incomes exceeding \$5,000, and if the taxable income is

\$5,000 or over, the tax is increased by five per cent, making a total of 15 per cent, in such a case. Returns must still be made under the Business Profits War Tax Act as well as under the Income Tax Act; but only the greater of these two must be paid. The individual shareholder may be taxed on his proportion of a company's undivided profits, if it is considered that their accumulation is intended to evade the law or exceeds reasonable business requirement.

WORTHY RECORD

Eleven Years in North, Chief Fire Ranger Over 50,000 Square Miles Retires

Winnipeg, April 6.—Eleven years in the northland as chief fire ranger, with jurisdiction over 50,000 square miles of territory, is the record of J. T. Blackford, who recently arrived here from Norway House, which was Mr. Blackford's headquarters, has a population of about 1,100. Fifty per cent of the people are white and the balance are half-breeds and Indians. Employment is found for many in the service of the three chief trading companies, the Hudson's Bay, H. P. Hyre's and H. T. Beyer's companies. In the town there are Anglican and Methodist missions, a hospital, a public school for white children and one for Indians; an Indian agency is visiting all the reservations, an Indian boarding school, controlled by the Methodist mission, and other public institutions.

Why the Scraps Scrap.
Mrs. Scrapp—John, I've invited one of my old sweethearts to dinner. Do you mind?
Scrapp—Certainly not! I always like to meet lucky people.

district. The territory extends from Lake Winnipeg to Hudson's Bay and as far east as the Ontario boundary. Mr. Blackford, who was the first fire ranger in the district, organized it and now twenty rangers are on the staff. In all the time he was at Norway House, Mr. Blackford had no trouble with the Indians, he declared. As far as fires are concerned, the white traveler is far more careless, he said. Norway House, which was Mr. Blackford's headquarters, has a population of about 1,100. Fifty per cent of the people are white and the balance are half-breeds and Indians. Employment is found for many in the service of the three chief trading companies, the Hudson's Bay, H. P. Hyre's and H. T. Beyer's companies. In the town there are Anglican and Methodist missions, a hospital, a public school for white children and one for Indians; an Indian agency is visiting all the reservations, an Indian boarding school, controlled by the Methodist mission, and other public institutions.

British Acreage AND LIVE STOCK
Complete official returns of the British ministry of agriculture show that the acreage under important crops in the United Kingdom in 1920 still exceeded the corresponding pre-war average. Cultivation of wheat, barley, oats and potatoes extended over approximately ten million acres in 1920, or about one million acres more than in 1913. The detailed figures have just been received by the Bankers Trust Company of New York, from its English information service, as follows:—

British Crop Acreage.

	1913	1920
Wheat	1,700,376	1,978,711
Barley	1,590,052	2,010,307
Oats	3,961,429	4,685,243
Potatoes	1,173,418	1,291,408

While exceeding the pre-war position the wheat acreage was about 40,000 less than in 1919, and there was also a decrease compared to 1919 of almost 500,000 acres in the area sown to oats. An increase in the number of holdings of cultivated land was apparent compared to 1919. These holdings in England and Wales numbered 417,991 in 1920, exceeding the individual holdings

In the preceding year by 1923. The number of owners occupying their agricultural lands increased from 48,465 in 1919, to 57,234 in 1920. Stock holdings compared to the pre-war number were:

BONES OF PREHISTORIC MONSTER FOUND IN WELL EXCAVATIONS

Regina, Sask., April 5.—A discovery which will be of interest to archeologists was recently made on a farm near Leamington, Sask., when bones of a prehistoric monster were found. The discovery was made by well diggers, who at a depth of fifty feet, embedded in a gravelly clay, and at a spot about one mile north of the Saskatchewan river, came upon the prehistoric bones. One of these is a tooth measuring over two inches across the crown, three inches to where it was apparently connected with the animal's jaw bone, and more than one inch thick. Other pieces of large bones have been brought to the surface, and local savants claim they are remains of a dinosaur.

RETIREES AFTER 36 YEARS AS POSTMASTER
Calgary, Alta., April 6.—George Chitt King, for thirty-six years postmaster of Calgary, retired April 1. Mr. King is a real pioneer of Calgary and the west. For three years he served in the Royal Northwest Mounted Police, leaving the force in 1877 to take up a store management. He became postmaster on April 15, 1885, and has held the position ever since.

Mr. King took a keen interest in the advancement of the city and held office of mayor for two years, 1886 and 1887, besides serving as an alderman three years. A veteran of the Riel rebellion, he became the first president of the Army and Navy Club in Calgary. Mr. King has always been a prominent figure in public affairs, and is now throwing all his enthusiasm into the organization of the Alberta Old Timers and Pioneers Association.

A six year old son of George Mason, Main street, boarded the Halifax train yesterday and was not discovered by the conductor for some time. He was taken off at Moncton and given in charge of officials there and was sent back last evening. His disappearance caused his parents great anxiety.

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Buy a bottle of Eau de Quinine Hair Tonic at the regular price, \$1.00, and we will give you another bottle for One Cent. or the 2 bottles for 1.01

ONE CENT SALE!

Another Example

Buy a 35c. tube Rexall Pearl Tooth Paste and we will give you a second tube for One Cent. or two tubes for .36 cents

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This ONE CENT SALE Plan was originated by the United Drug Company for the Rexall Drug Stores. The United Drug Company are the largest manufacturers and buyers of Toilet Articles, Remedies, Chocolates, Perfumes, Rubber Goods, Stationery and Drug Sundries in the world, and this is an advertising plan pure and simple, of which they bear most of the expense. Instead of spending money in the regular way, such as Free Samples, etc., it is their desire that we place full size packages, or articles, in your hands, giving you an opportunity to judge the real value of these goods, the cost of which they charge to advertising.

We will only be permitted to run this sale occasionally. Beware of imitations in other stores, and take advantage of this exceptional opportunity. We can not afford to charge or deliver goods during this sale. Come in and see the display of all New Merchandise.

<p>Rubber Goods</p> <p>25c. box Rexall Beauty Hot Water Bottle Full 2 quarts and guaranteed for 2 years. 2 for 2.51</p> <p>20c. roll Firstaid Gauze Bandages 2 for .21</p> <p>75c. Sorbo Rubber Sponges 2 for .76</p> <p>10c. Transparent Ribbed Nipples 2 for .11</p>	<p>Pills and Tablets</p> <p>25c. box Rexall Orderlies 2 for .26</p> <p>50c. box Rexall Orderlies 2 for .51</p> <p>25c. bot. of 100 A. B. S. & C. Tabs. 2 for .26</p> <p>25c. pocket pkg. Aspirin Tablets 2 for .26</p> <p>50c. box Rexall Blood Tablets 2 for .51</p> <p>50c. box Rexall Dyspepsia Tabs. 2 for .51</p> <p>25c. box Little Liver Pills 2 for .26</p> <p>25c. bot. of 100 Bland Iron Pills 2 for .26</p> <p>25c. box Stomach and Liver Pills 2 for .26</p> <p>50c. box Rexall Kidney Pills 2 for .51</p> <p>50c. bot. of 100 Cascara Tablets 2 for .51</p> <p>25c. box Rikers Laxative Bromide of Quinine 2 for .26</p> <p>25c. box Laxative Aspirin Cold Tablets 2 for .26</p> <p>25c. box Rikers Regulators 2 for .26</p>	<p>Good Teeth Keep You Healthy</p> <p>35c. tubes REXALL PEARL TOOTH PASTE Cleans and whitens the teeth, prevents decay and sweetens the breath. 2 for .36</p> <p>25c. tin Rexall Antiseptic Tooth Powder 2 for .26</p> <p>15c. Camphorated Chalk 2 for .16</p> <p>25c. Tooth Brushes 2 for .26</p> <p>35c. Klezno Liquid Antiseptic, kills mouth, nose and throat germs 2 for .36</p>	<p>Talcum Powders</p> <p>75c. jar Paradis Talcum Powder The favorite everywhere. In white, flesh or brunette. 2 for .76</p> <p>25c. tin Rexall Baby Powder 2 for .26</p> <p>50c. Bouquet Rames Talcum 2 for .51</p> <p>25c. Harmony Rose Talcum 2 for .26</p> <p>35c. Corylopsis Talcum 2 for .36</p> <p>25c. Rexall Violet Talcum 2 for .26</p> <p>35c. Fascinette Talcum 2 for .36</p> <p>35c. Ipomea Talcum 2 for .36</p>	<p>Remedies for Ordinary Ills</p> <p>\$1.00 bot. Rexall Syrup of Hypophosphites Compound The best tonic for the nerve system and the blood. Tones you up and gives you an appetite. 2 for 1.01</p> <p>25c. box Rexall Healing Salve 2 for .26</p> <p>40c. jar Mustard Ointment, prevents pneumonia 2 for .41</p> <p>35c. bot. Penetrating Liniment 2 for .36</p> <p>1.25 bot. Celery and Iron Tonic 2 for 1.26</p> <p>35c. tube Rexall Catarrh Jelly 2 for .36</p> <p>1.00 bot. Rexall Blood Purifier 2 for 1.01</p> <p>60c. bot. Rikers Healing Oil 2 for .61</p> <p>1.00 bot. Rexall Tonic Bitters, for stomach and appetite 2 for 1.01</p> <p>35c. tube Anal-gesic Balm 2 for .36</p> <p>25c. tin Carbolic Salve, keep it handy 2 for .26</p> <p>75c. bot. Rexall Nerve Tonic 2 for .76</p> <p>50c. Bronchial Salve, for colds and sore throat 2 for .51</p> <p>35c. bot. Cherry Bark Cough Syrup 2 for .36</p> <p>60c. jar Mentholine Balm 2 for .61</p>	<p>Toilet Waters</p> <p>\$1.00 bottle of Lilac Lotion has the most refreshing odor for bath and after shaving. 2 for 1.01</p> <p>1.00 bot. Rose Toilet Water 2 for 1.01</p> <p>1.00 bot. Violet Toilet Water 2 for 1.01</p> <p>1.00 bot. Lilac Toilet Water 2 for 1.01</p> <p>75c. bot. No-O-Dora deodorant 2 for .76</p>
<p>Stationery</p> <p>75c. box of Tangara Linen in tints with colored borders 2 for .76</p> <p>60c. box Rosedale Linen 2 for .61</p> <p>50c. box Venus Stationery 2 for .51</p> <p>75c. box Westminster Lawn 2 for .76</p> <p>15c. pkg. Clearwood Linen Envelopes 2 for .16</p> <p>10c. pkg. Business Envelopes 2 for .11</p> <p>10c. Writing Pads 2 for .16</p> <p>15c. Linen Writing Pads 2 for .16</p> <p>25c. Linen Writing Pads 2 for .26</p> <p>35c. Linen Writing Pads 2 for .36</p> <p>10c. bottles Ink 2 for .11</p> <p>15c. bottles Ink 2 for .16</p> <p>15c. Fountain Pen Ink 2 for .16</p> <p>15c. tube Photo Paste 2 for .16</p> <p>10c. bot. Photo Paste, with brush 2 for .11</p> <p>10c. bot. Mucilage, with brush 2 for .11</p>	<p>Soaps</p> <p>25c. cakes Rexall Medicated Skin Soap 2 for .26</p> <p>25c. cakes Klezno Tar Shampoo Soap 2 for .26</p> <p>50c. cakes Bouquet Rames Toilet Soap 2 for .51</p> <p>15c. cake Harmony Floating Bath Soap 2 for .16</p> <p>25c. Zephyr Shaving Sticks 2 for .26</p>	<p>Toilet Creams</p> <p>35c. bot. Rexall Antiseptic Cream 2 for .36</p> <p>60c. jar Rexall Cold Cream 2 for .61</p> <p>50c. jar Rikers Disappearing Face Cream 2 for .51</p> <p>25c. jar Rikers Peroxide Cream 2 for .26</p> <p>60c. jar Paradis Cold Cream 2 for .61</p> <p>60c. jar Paradis Dry Cream 2 for .61</p> <p>60c. jar Paradis Massage Cream 2 for .61</p> <p>35c. bot. Rose or Violet Witch Hazel Cream 2 for .36</p>	<p>Face Powders</p> <p>60c. box Violet Dulce Face Powder In White, Flesh or Brunette 2 for .61</p> <p>1.25 box Paradis Face Powder, supreme in face powders 2 for 1.26</p> <p>75c. Alma Zada Face Powder, White, Flesh and Brunette 2 for .76</p> <p>25c. Paradis Face Powder Books, most convenient to carry and use when out-of-doors 2 for .26</p>	<p>Drugs and Things</p> <p>Peroxide of Hydrogen should be in every home for Cuts, Scratches, Sore Throat, or wherever an antiseptic is needed.</p> <p>25c. bots. Peroxide 2 for .26</p> <p>40c. bots. Peroxide 2 for .41</p> <p>65c. bots. Peroxide 2 for .66</p> <p>15c. Menthol Inhalers 2 for .16</p> <p>25c. pkg. Red Cedar Flakes with Naphthalene to prevent moths 2 for .26</p> <p>10c. Styptic Pencil 2 for .11</p> <p>40c. bot. Emulsified Coconut Oil 2 for .41</p> <p>35c. Nailoid Cuticle Solvent 2 for .36</p> <p>35c. Nailoid Nail Polish 2 for .36</p> <p>35c. Nailoid Wonderdust Polish 2 for .36</p>	

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