

Income Tax Act

the aggregate of the cost to it of all such foreign properties so acquired by it after 1971 and before the particular time, be deemed

(a) for the purposes of Part XI of the amended Act, to have been acquired before June 19, 1971 and not to have been acquired after June 18, 1971, and

(b) notwithstanding paragraph 146(1)(g) of the amended Act, to have been a qualified investment for the purposes of section 146 of that Act.

"Foreign re-investment limit" defined

(4) In subsection (3), "foreign reinvestment limit" of a trust governed by a registered retirement savings plan means such portion of the aggregate of

(a) the trust's income from property for its 1972 and 1973 taxation years, and

(b) all amounts each of which is such portion of any premium paid in 1972 or 1973 by the annuitant under the plan as was deductible under subsection 146(5) of the amended Act in computing the annuitant's income for the 1972 or 1973 taxation years,

as was, under the terms and conditions of the plan as fixed on or before June 18, 1971,

required to be invested by the trust in foreign property described in paragraph (1) (a) or (b) or foreign property that would be described in paragraph (1) (c) if the references therein to the "1971 taxation year" of the trust were read as references to the "1971 and 1972 taxation years" of the trust.'

New clause 65.1 (page 699)

That the said Bill be amended by adding, immediately after clause 65, on page 699, the following clause:

Part XV of amended Act

65.1 For greater certainty,

(a) section 9 is not applicable in respect of the repeal, by section 1, of Part V of the former Act and the substitution therefor, by that section, of Part XV of the amended Act, and

(b) in its application in respect of any offence described in subsection 239(1) of the amended Act that was committed before the coming into force of this Act, paragraph 239(1)(f) of the amended Act shall be read as follows:

"(f) a fine of not less than \$25 and not exceeding \$10,000 plus, in an appropriate case, an amount not exceeding double the amount of the tax that should have been shown to be payable or that was sought to be evaded, or".'

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Chairman, was it not also agreed that at this point the Acting House Leader, or someone, would put on the record the agreement that we reached regarding the groups of sections that we will ask the committee to consider after we have finished this group known as 4 to 8?

Mr. Mahoney: Mr. Chairman, again it is my understanding that the House leaders agreed this morning that the following three groupings would be considered in sequence immediately following the disposition of the sections now before the Committee. The first grouping will be sections 56, 57, 58, 60, 61, 62 and 63. The second grouping will be sections 117, 118, 119, 120, 146, 147 and 204. The third grouping will be sections 9 to 13 inclusive, 15, 18, 20, 28 and 29.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, may I just confirm that these are the numbers of the sections we agreed to group for consideration, and it was also understood that in each case we will be doing what we have been doing thus far. Your Honour will call the first one in each group and the discussion will be permitted to range over all the others in that group.

The Deputy Chairman: Is it agreed by the committee that we will follow the same procedure we have previously followed, calling the first section in each of the three categories but allowing discussion on all the other ones mentioned in the groupings outlined by the parliamentary secretary?

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): Yes, Mr. Chairman, and may I point out that this is a preliminary grouping. I believe there may be some ancillary ones that may come in subsequently with regard to personal income. However, this is the grouping that has been made now. It is being put on the record so there may be some coherence in the discussion and to take pity on the parliamentary secretary, the minister and his officials, so they will not have to check back and forth too far in replying to questions. When discussion is finished on a grouping, the question can then be put with regard to the various sections.

The Deputy Chairman: Shall section 4 carry?

On clause 1—Section 4: *Income or loss from a source or from sources in a place.*