

Imports from Czechoslovakia and Poland; values for duty

22. The Minister of National Revenue, referring to discussion at the meeting of May 22nd, 1952, recommended that a new directive be sent to customs officers, modifying the original directive concerning the establishment of values for duty of imports from Poland and Czechoslovakia and adding three items to the list of goods subject to valuation.

The new directive had been prepared because certain goods were coming from Poland and Czechoslovakia at values which appeared to be below the legal values provided by section 35 of the Customs Act and Poland and Czechoslovakia would not permit first hand verification in the place of origin. The items to be added to the list were toys, cut glassware and pencils. It had originally been planned also to add umbrellas but that was now considered to be unnecessary. The revised wording of the directive would put it in accord with Canadian obligations under the General Agreement on Tariffs and Trade.

An explanatory memorandum had been circulated.

(Minister's memorandum, February 17, 1953-  
Cab. Doc. 41-53; draft revised directive March 1953)

23. The Cabinet approved the recommendation of the Minister of National Revenue and agreed that a revised directive be sent to customs officers concerning the establishment of values for duty of certain importations from Czechoslovakia and Poland and adding certain items to the earlier list of goods on which appraisal should be made under section 38 of the Customs Act.

National Revenue; income tax collections

24. The Minister of National Revenue said a difficult administrative problem had arisen from the change in the tax table on the short income tax form. Many taxpayers were taking as their proper tax the amount for the income figure in the table closest to their own income rather than the amount for the figure next above their income. The errors appeared to be numerous and, while estimates were difficult, the loss to the Crown might amount to about \$1,650,000. It would be spread over a large number of income tax cases and the amounts involved would be small in each instance. There appeared to be three possibilities; not to attempt to have any correction made in such cases; to seek adjustment in cases only where there was some further

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