

think you will find a disposition to have the following motion accepted at this time without debate. The motion is as follows:

● (1640)

That notwithstanding any Standing or Special Order of this House, when the motion for second reading of Bill C-71, an Act to amend the Customs Tariff, has been disposed of in this day's sitting, the said Bill shall stand referred to a Committee of the Whole and that not later than the end of the time provided for the Government Orders at this sitting, all questions necessary to dispose of the said Bill at the then remaining stages shall be put forthwith without further debate or amendment.

Mr. Guilbault (Saint-Jacques): Mr. Speaker, we on this side of the House would like to co-operate with the Government House leader (Mr. Hnatyshyn) and certainly would not object to this particular Bill going to a Committee of the Whole. However, with regard to completing the debate by five o'clock, which is part of the motion, I am afraid that in view of the great interest which the subject has elicited on the floor of the House of Commons, it may not be easy to agree to that particular part. I think it will be a fact of life that it will simply not happen. Maybe the Government House Leader would like to rephrase—

Mr. Hnatyshyn: That was my understanding of the arrangement, otherwise we will go to a legislative committee.

The Acting Speaker (Mr. Paproski): There does not seem to be unanimous consent. Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): Mr. Epp (Provencher) (for the Minister of Finance) seconded by Mr. MacKay, moves that Bill C-71, an Act to amend the Customs Tariff be read the second time and referred to a legislative committee. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to a legislative committee.

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[Translation]

TAX COURT OF CANADA ACT

MEASURE TO AMEND

Hon. Elmer M. MacKay (for the Minister of State (Finance)) moved: That Bill C-72, an Act to amend the statute law relating to income tax and to make a related amendment to the Tax Court of Canada Act, be read the second time and referred to a legislative committee.

Mr. Claude Lanthier (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the purpose of Bill C-72 is to propose certain amendments to the Income Tax Act and to make a related amendment to the Tax Court of Canada Act.

Tax Court of Canada Act

Bill C-72 derives from the notice of ways and means motion tabled in the House of Commons September 9 last. This notice includes under the same cover the measures proposed in two notices of ways and means motions tabled in the House earlier this year. The first, presented last January 30, dealt with contentious assessments, the second, tabled last May 9, contained a great many technical amendments to the Income Tax Act.

The amendments related to contentious assessments are a result of the Government's commitment to allow taxpayers who object to an assessment to delay the payment of contested taxes, interests and penalties until their case has been heard by a trial court. In that respect the Bill provides for repayment of amounts already paid, to the extent that they are the subject of appeal. The proposed amendments relate mainly to three points: first, collection restrictions; second, the repayment of contested taxes; third, preventive measures against abuses of the new system.

Although an assessment established by Revenue Canada under the Act is payable by the taxpayer without delay, the amendments pertaining to collection restrictions provide that no formal collection measure may be taken by Revenue Canada within 90 days of the assessment. During those 90 days the taxpayer may, as is the case now, appeal the decision of the Minister by producing a notice of objection to the assessment.

If a taxpayer does not produce a notice of objection and does not pay the assessed amount, according to the amendments, formal steps to collect this amount may be taken 90 days after the date of assessment. However, if the taxpayer does produce a notice of objection, formal steps to collect the amount in controversy shall be delayed until Revenue Canada has concluded its review of the objection and until the period the taxpayer has to appeal from Revenue Canada's decision on the objection has expired. If a taxpayer decides to appeal before a court, within the 90-day period provided under the Act, to challenge the assessment as confirmed or modified by Revenue Canada, the Bill provides that formal steps to collect the amount in controversy shall again be delayed until the court hands down its final decision.

Should the court's decision be favourable to the taxpayer, the latter must either pay the amount in controversy or provide security for that amount to Revenue Canada, even if he appeals from the decision to a superior court.

As in the present Act, interest on the amounts finally determined payable by the taxpayer is calculated from the date on which those amounts were initially determined to be payable.

In addition to provisions limiting the right of Revenue Canada to commence collection procedures before the taxpayer has had an opportunity to apply to a court, there are certain amendments allowing the taxpayer to ask that the amount in controversy that he has already paid be refunded to him or