Before the Court of Revision the Company contended that it was only assessable in respect of income to the amount of $34,000, and that all in excess of that sum should be struck off the assessment roll. The Court of Revision confirmed the assessment of $692,000, and the Company then appealed to a Board of three County Judges, under the provisions of the Assessment Act, 1892, as amended by 60 Vic., ch. 45, sec. 70.

The Board, consisting of the Senior Judge of the County of Wentworth and the Judges of the Counties of Halton and Brant, heard evidence and argument, and after consideration confirmed the assessment and dismissed the appeal, and the Company appealed to this Court.

Mr. Bruce for the appellants contended that the income assessable under the Act is the amount which the shareholders of the Company become entitled to receive for themselves as being their own. This he claimed amounted to no more than $29,735.82, but he submitted to it being placed at $34,000, that amount having been fixed by the late County Judge Sinclair, and adhered to in subsequent years though in excess of the amount properly assessable. As to the remainder of the $692,000, he contended that it was not income within the meaning of the Assessment Act.

The sum seems to have been fixed by the assessor as the amount shown to have been received in former years for interest, and dividends derived from the investments in which the Company has placed the surplus funds, which have been accumulated and form part of the assets of the Company. It is not disputed that so much of these earnings as are allocated to the shareholders should be treated and assessed as income. But it is argued that the portion which may be allocated amongst the participating policy-holders by virtue of the Act of the Parliament of the Dominion, 42 Victoria, ch. 71, is a liability of the Company—is money of the policy-holders and not of the Company—and so not income of the Company in respect of which it is assessable. But it is money received by the Company through its transactions. It is earnings of the Company's moneys under investment. The fact that the Company does not propose to apply all of its earnings for corporate purposes or for division amongst its shareholders cannot alter the nature of the receipts. It is due only to the constitution of the Company and the relations between it and its participating policy-holders that a portion only and not all of these receipts is divisible amongst the shareholders. The participating policy-holders occupy a position somewhat analogous to that of partners in profits only, and so entitled to share in the profit income earned by the business.

The proceedings now in appeal having been taken under the Assessment Act, 1892, we must resort to it.

The personal property of this Company [included in which is income, sec. 2 (10)], is to be assessed against it in the same manner as if it were an unincorporated partnership [sec. 34 (1)].

Section 31, seems to define the extent to which income is assessable and to virtually exclude all methods of reducing the amount of income below what may be produced by applying the rules there laid down. Reading that section as applicable to this Company, it enacts that: "No Company deriving an "income from any trade, or other source what-"soever not declared exempt by this Act, shall be "assessed for a less sum as the amount of its net per-"sonal earnings or income during the year then last "past than the excess of such earnings or income "over and above the exemptions specified in sub-"sections 23 and 24 and 24 (a) of section 7 of this "Act, and such last year's income in excess of such "exempted sums shall be held to be its net personal "property."

All deductions other than these specified in this section are excluded. Nowhere in the Act is this sort of income declared exempt from assessment, and the greatest amount of exempted income under sub-sects. 23 and 24 and 24 (a) of section 7 is $700.

By the very terms, therefore, of section 31, these earnings form income liable to assessment.

But for the explicit language of section 31, I would have been inclined to agree with the view suggested by Snider, Co. J.

But Mr. Bruce conceded that the application of that mode of assessment would afford but slight relief to the Company.

I agree that the decision of the Board of Judges has not been successfully impeached, and that the appeal must be dismissed.

BOOK NOTICES.

WE have received the reports of the Insurance Commissioner of the State of Alabama, Mr. I. K. Jackson; of the State of New Jersey, Mr. William Bettle; and of the State of New Hampshire, Mr. John C. Lineham.

THE special number of the Insurance Monitor for July is an excellent production, and fully deserves the praise bestowed upon it by those who possess a copy.

PERSONALS.

MR. A. GILLEAN, District Inspector of the Standard Life for London district, was in Montreal during the week.

Notes and Items.

The Metropolitan Plate Glass Insurance Company of New York will charge the cost of stamps upon all new policies issued to general expenses.

The city fathers of Denver, Col., propose to inflict a specific tax of $200 upon every person, firm corporation or agency doing an insurance business or writing a policy.

The Northern Pacific will try the experiment of "carrying its own fire risk." As fast as policies now in force expire, they will be cancelled, and the amount usually paid in premiums will be set aside as a fire fund.

Another lamp explosion An office man employed by a fire insurance company in New York lost his all last week by a fire in his apartments, caused by a lamp exploding. His loss was $200, without a cent of insurance. He has one consolation in his loss. He cannot be fairly charged with incendiarism.