

Clause 1 of the new Bill C-207, deals with a gift tax. It is a completely new proposition and which was not dealt with in any way, shape or form in Bill C-193. Clause 2, of Bill C-207 on the other hand, is a repetition of clause 1 in Bill C-193. Clause 3 of Bill C-207 is consequential upon the change proposed in the previous clause and is also of a purely technical nature. However, this clause is an exact repetition of the corresponding clause in Bill C-193.

Clause 4 of Bill C-207 is identical with clause 3 of Bill C-193. This clause relates to deductions permitted in computing the tax payable under the farmers' and fishermen's averaging provision. This provision does not appear to be related to a surtax; it is an independent proposition standing by itself and I have serious doubts whether it ought to be reintroduced as part of the present bill.

Clause 5 of C-207 provides for prepayment of the corporation tax. There are different rates of prepayment. One honourable Member found it difficult to see the difference, but there is some difference between this clause and the corresponding clause of Bill C-193. Clause 6 of Bill C-207 is consequential upon the amendments set out in clause 1 thereof. It is entirely new, and therefore it is in no way objectionable.

Clause 7 of Bill C-207 contains the substantive part of the new taxation proposal. It is similar to the previous proposal in that it is a surtax. According to our authorities and precedents, the fact that they are similar proposals—this in itself—is not sufficient to justify a ruling that they are out of order. The test is whether or not there are substantial differences between the two proposals.

The new clause of Bill C-207 provides a special surtax of 3 per cent as compared with a surtax of 5 per cent in the original bill. The earlier resolution and bill carried a basic tax floor of \$100. The new clause of Bill C-207 increases the basic exemption to \$200. The first proposal fixed a ceiling of \$600 with regard to surtax payments. Bill C-207 imposes no such limitation. The original surtax was a continuing tax. The revised bill proposes a levy of a fixed duration for the years 1968 and 1969.

The new bill proposes, in clause 7, the imposition of a surtax on the tax paid by corporations. This, of course, is entirely new. There was no similar provision in the previous Bill. This in itself would appear to constitute a substantial change making clause 7 of Bill C-207 a new question in relation to clause 5 of Bill C-193. Finally, clause 8 of Bill C-207 dealing with the refund of tax repeats word for word clause 6 of Bill C-193. I find it difficult, again, to justify a repetition of this clause in the new Bill.

It will be seen therefore that, while the substantive clauses of Bill C-207 are, in general, substantially new, clauses 2, 3, 4 and 8 are a repetition of the clauses in Bill C-193 which was defeated on third reading.

Honourable Members have referred to a ruling which the Chair made last year in connection with the Transport Bill. The honourable Member for Acadia (Mr. Horner) in particular and also the honourable Member for Winnipeg North Centre referred to this ruling. I am in agreement with what the Chair stated at that time, which was: "The cumulation, however, of all these added changes does not obviate the basic requirement that no part of the new proposal should be inconsistent with the committee's previous decision."

That is a quotation from the ruling of the Chair made on January 26, 1967 at page 1233 of the *Journals* on an appeal from a ruling of the Chairman of the Committee of the Whole when the Committee was considering the Transport Bill. In other words, what we must guard against is putting the House in a position where it might have to take a decision which in part would be