

**Appropriation of Township School Levy.**

291—S. D.—Our school section hired a teacher for nine months, to commence the 1st of April. He did not teach through the months of measles, but taught the months following up to summer holidays, when he resigned, his resignation expiring on the 18th of August. We tried to get another, but failed, so when the trustees' requisition for school moneys was due to township clerk, they returned it as a six months' school, thinking that they possibly might get a teacher for two more months at the least, but failed, as before mentioned. Now the council will grant only \$25 of general school rate, saying that we are only entitled to the above amount, as we have only had the school open for two months. We paid the teacher four months and a half wages.

1. Is the council right in their contention?
2. If not, what course should we pursue, as we think it very unfair for a poor section to be squeezed down like that?
3. Has a poor section wherein are to be found quite a number of poor farms which do not contribute as many dollars towards the general school rate as some of the richer sections, as much right to its share of the general school rate as the richer sections, or is it to be thankful for small mercies?

1. We assume that the levy referred to is that provided by sub-section 2 or 3 of section 70 of The Public Schools Act, 1901, as enacted by section 39 of chapter 53 of The Ontario Statutes, 1906. If this is so, we are of opinion that the council is doing more for the school section than the statute authorizes. It is admitted that the trustees paid the teacher only 4½ months' wages, so we must assume that he was not engaged in teaching any longer. Therefore, since the teacher was not engaged for six months or longer, the section was entitled to no part of the levy provided for by sub-section 2 or 3.

2. Our answer to question number one renders it unnecessary to reply to this.

3. Every ratepayer throughout the township whether, he resides in a poor or wealthy school section should pay his proportionate part, according to the assessed value of his premises, of the levy authorized by sub-section 2 or 3 of section 70.

**Powers of Police Trustees.**

292—POLICE TRUSTEE—In a police village without an incorporated board of police trustees and within the fire limits an addition to the rear of a hardware store has been used as a coal oil room. The floor and inside woodwork are so saturated with coal oil that it is considered to be very dangerous.

1. What authority have the police trustees to deal with this condition?
  2. Where is the authority found?
  3. What is the proper method of procedure in dealing with it?
- 1, 2 and 3. We cannot find that the trustees of the police village have any authority to deal with a matter of this kind.

**Assessment of Boarding Houses—Of Fixed Machinery—Alteration of Assessment Roll—Assessment of Chemical Co.**

293—B. F. J.—1. A. and C. have a boarding house which is used to board their employees. A. and C. claim that the business assessment cannot be placed on this property. A. and C. have been in the habit of giving meals and accommodation to the public at said boarding house. Can the business assessment be placed thereon?

2. Are boilers and engines in factories or lumber mills assessable? If so, at what rate per h. p., or does the assessment go on at the cash value?

3. Can an assessor, after he has assessed property, return and make another assessment after finding out that he has assessed the property under value?

4. There is a chemical company operating in our township and some trouble has occurred in the valuation of this property; if the company appeal on their assessment can the township put on a licensed valuator to obtain the actual value on the buildings and machinery? Can this company's plant be assessed as a distillery?

1. Since A. and C. apparently make a business of furnishing accommodation to the general public, as well as boarding their employees at this lodging house, we are of opinion that it is a house of public entertainment within the meaning of clause (h) of sub-section 1 of section 10 of The Assessment Act, 1904, and is liable to the

business assessment mentioned in that clause calculated on its assessed value.

2. These are "fixed" machinery used for manufacturing purposes, and are exempted from assessment and taxation by clause 16 of section 5 of the above Act.

3. Yes, provided he does so before the time fixed for the return of the roll, and before he has actually returned it completed, as the Act requires. (See section 48 of the Act).

4. We do not know what is meant by a "licensed valuator." The law makes no provision for the appointment or licensing of such an official. If there is an appeal as to this assessment, the Court of Revision should obtain such expert evidence, as will satisfy it, as to the correct value of the property assessed to them. We do not think the company's plant can be assessed as a "distillery" within the meaning of clause (a) of sub-section 1 of section 10 of The Assessment Act, 1904, as we do not infer from the statement of the facts that it manufactures or distills intoxicating or spirituous liquors.

**Assessment of Income—Of Boarding Houses—Of Manufacturing Industries.**

294—A. MCP.—1. If a person borrows say \$2,000 from a bank, and lends out say \$1,000 on mortgages, invests the other \$1,000 in timber and lumber, paying interest on the \$2,000 to bank, can he be assessed for income tax on the interest he receives from the \$1,000?

2. We are connected with several saw mills, and usually at each of these places we have what they call a boarding house that a family lives in, and they board the men working in the mill. Often at times the men will go to other houses around and board there also. We would like to know if these boarding houses would come under the business assessment, as we do not think they would, as they are private boarding houses? Sometimes there are only two or three men, at others quite a number, in winter often none.

3. Another question we would like to ask: There was an assessment made on a large manufacturing concern here last year, and they appealed against the assessment, and it happened there was no one to represent the township, and they had the assessment reduced just to the value of farm land that the factory was on at the farming rate, we think \$25.00 or \$30.00 an acre. Might just say the assessment was \$26,000.00 and was reduced to \$4,000.00. The plant, which is practically a new one, we know cost upwards of \$100,000. Now could this be rectified, or is it too late for the township to take any action to obtain the proper assessment?

1. If the borrower is a householder or head of a family within the meaning of paragraph 19 of section 5 of The Assessment Act, 1904, as enacted by section 1 of chapter 36 of The Ontario Statutes, 1906, and the income derived from the investment of the \$1,000 is over \$300, or if his income derived from *all sources* is over \$300, he should be assessed for the whole income derived from the investment of the \$1,000. The interest he is paying to the bank on the amount borrowed should, however, be deducted so as to arrive at the actual profit made, which is the assessable income.

2. These are not "houses of public entertainment" within the meaning of clause (h) of sub-section 1 of section 10 of The Assessment Act, 1904, and we are therefore of opinion that they are not liable to any business assessment.

3. It is now too late to rectify this mistake in fixing the amount of LAST year's assessment. The assessor and Court of Revision should, however, see that it does not occur this or in any future year.

**Business Assessment of Chartered Bank.**

295—J. L. B.—Is a chartered bank in a village liable to assessment on business being conducted in a rented building?

Yes. A branch of a chartered bank, in rented premises, should be assessed for the business assessment mentioned in clause (c) of sub-section 1 of section 10 of The Assessment Act, 1904, calculated on the assessed value of the premises used and occupied in carrying on its business.