

Toilet articles, including cosmetics, perfumes, shaving creams, antiseptics, etc.	10% <u>ad valorem</u>
Wines - *	
Wines of all kinds containing not more than 7 per cent absolute alcohol by volume	25 cents a gallon
Non-sparkling wines containing more than 7 per cent absolute alcohol by volume but not more than 40 per cent proof spirit	50 cents a gallon
Sparkling wines	\$2.50 a gallon
Insurance premiums paid to British or foreign companies not authorized to transact business in Canada or to non-resident agents of authorized British or foreign companies	10% of net premium for property surety, fidelity and liability insurance. (Most other kinds of insurance are exempt.)

All the foregoing items, except the last one, are also subject to the general sales tax of 8 per cent and the old-age security tax of 3 per cent. Cigarettes, cigars and tobacco are subject to further taxes under the Excise Act (referred to as excise duties).

Excise Duties

The Excise Act levies taxes (referred to as excise duties) on alcohol, alcoholic beverages and tobacco products produced in Canada. These duties are not levied on imported goods but the customs tariff on these products includes a levy to correspond to the duties levied on domestic production. These duties are not levied on goods exported.

1. Spirits - The duties are on a gallon basis, in proportion to the strength of proof of the spirits. These duties do not apply to denatured alcohol intended for use in the arts and industries, or for fuel, light or power, or any mechanical purpose. The various duties are as follows:

- (A) on every gallon of the strength of proof distilled in Canada, \$13.00;
- (B) on every gallon of the strength of proof used in the manufacture of
 - (a) medicines, extracts, pharmaceutical preparations, etc., \$1.50 a gallon,
 - (b) approved chemical compositions, 15¢ a gallon,
 - (c) spirits sold to a druggist and used in the preparation of prescriptions, \$1.50 a gallon,
 - (d) imported spirits when taken into a bonded manufactory in addition to other duties, 30¢ a gallon.

* These taxes apply only to wines manufactured in Canada. The customs tariff on wines includes a levy to correspond to these taxes on domestic production.