

(2) Where a person has received salary or wages as the employee of his spouse, the amount thereof shall not be deducted in computing the income from the spouse's business and shall not be included in computing the employee's income. 5

(3) Where a husband and wife are partners in a business, the wife's income from the business for a taxation year shall be deemed to belong to the husband except to the extent that it is established to be a reasonable return on the capital invested by the wife in the business. 10

(4) Where, in a taxation year, a person receives salary or wages as the employee of a partnership in which his spouse is a partner, the proportion of the salary or wages that the spouse's interest in the partnership business is of the interest of all the partners shall be deemed to have 15 been received by the spouse as part of the income from the business for the year and not to have been received by the employee.

Transfers
to minors.

22. (1) Where a person has, either before or during a taxation year, transferred property to a person who is not 20 more than 18 years of age, either directly or indirectly, by means of a trust or by any other means whatsoever, the income for the year from the property or from property substituted therefor shall be deemed to be income of the transferor and not of the transferee unless 25

(a) the transferee has before the end of the year attained the age of 19 years, and

(b) it is established by the transferor that the transfer was not made for the purpose of avoiding income tax.

Trusts.

(2) Where property is held in trust on condition 30

(a) that the property or property substituted therefor shall

(i) revert to the donor or other person from whom the property or property for which it was substituted was directly or indirectly received, or 35

(ii) pass to persons determined by him at a time subsequent to the creation of the trust, or

(b) that, during the lifetime of the donor or other person from whom the property or property for which it was substituted was directly or indirectly received, the 40 property shall not be disposed of except with his consent or in accordance with his direction,

income from the property shall be deemed to be income of the donor or such other person.

Transfers of
income.

(3) Where a person has, before or during a taxation year, 45 transferred the right to income from property to a person connected with him by blood relationship, marriage or adoption or to a trust for such a person's benefit, without transferring the property, the income for the year shall be deemed to be income of the transferor. 50