

The Municipal Miscellany.

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Calendar, March, '91.

1. Separate School Supporters to notify municipal clerk.
- County clerks to furnish Minister of Education with copy of minutes relating to school assessments, etc.
- Public School Inspectors' annual report to Minister of Education.
- Auditors' Reports of school accounts due.
- Financial Statement of Teacher's Associations to Education Department due.
26. High, Public, and Separate Schools close for Easter holidays.
27. Good Friday.
31. High, Public, and Separate Schools open after Easter holidays.
- Last day for councils of cities, towns, and villages, to pass by-laws limiting number of shop licenses to be granted.

THE ASSESSORS' WORK.

In continuation of the above subject, we will as briefly as possible explain the nature of the various kinds of property liable to assessment, and also a list of the exemptions.

Real property includes all land and buildings or other things erected upon or affixed to the land, and all machinery or other things so fixed to any building as to form in law a part of the realty. Also all mines, minerals, quarries, fossils, growing trees, and even land covered with water. We have heard of wooden dwelling houses that were merely set upon loose blocks on the surface of the ground, having been seized and sold under a sheriff's *fi fa* against goods, the contention being that as it could be removed without injury or disturbance of the soil such building was only a chattel and no part of the realty. The assessor, however, will have no such knotty question to solve, as the Act clearly states that all buildings erected upon the land are to form part of the realty. Not so with machinery; it must be a fixture in order to be considered a part of the real estate. Machines spiked to the floor or securely attached in some other manner would be fixtures. If not so fixed it would be assessable as personal property.

Personal property includes all goods, chattels, interest on mortgages, dividends on bank stock, dividends on shares or stocks of other incorporated companies, money, notes, accounts and debts at their actual value, income, and all other property except real estate. In assessing personal property it is almost impossible for any assessor to feel satisfied in his own mind that he has fully complied with the law, or that strict justice has been done to taxpayers of real estate. Real estate is visible and requires only good judgment and a knowledge of values to enable the assessor to do his duty. With much of the assessable personal property it is different, and the assessor has in a great measure to be guided by the statements of the persons interested in shirking taxation. It is not to be expected that the average assessor is able to tell within a very close margin the value of a merchant's stock, nor yet how much of the stock is paid for, as the liabilities for the purchase of

the goods, (if such have not been secured by a mortgage on real estate,) have to be deducted. Naturally enough, merchants interpret the deductions liberally, and liabilities other than those specifically laid down in the Act are often made to do duty. Still more difficulty is experienced in getting at the amounts received by money lenders as interest on mortgages, or of the cash on hand or in bank, or amounts received as dividends from bank stock or other like investments. Some wealthy persons think it a hardship to pay taxes on their cash or income from investments, but we see no good reason to treat their capital differently from the capital of the farmer, merchant or manufacturer. If any class should be favored it is these latter classes who are taking the risks in developing the resources and carrying on the trade of the country, whereas the money lender takes no risks, and invariably exacts his pound of flesh. A correspondent in last MISCELLANY asked the question, if it was the par value of money or the interest only that was assessable. The statute says "money," and does not in that connection refer to the produce or interest of it, and we think that the total or actual money has to be assessed. Money is only capital in the form of cash, land is only capital bought with money, and there is no more injustice in assessing the one kind of capital than the other; but there is a great deal more difficulty in getting at the true facts in the former case, so much so, indeed, that the law is almost a dead letter so far as the assessment of cash is concerned. Rentals and profits or income derived from property that is assessable is exempt. Interest derived from mortgages on real estate is assessable, but not the cash secured to be paid by such mortgages. To assess both the land and the mortgage would be tantamount to a double assessment on the land. If it were made compulsory for every person to fill up schedules or statements of his personal property liable to assessment, to be attested by affirmation, with a penalty in case of misinformation, then the assessment of personal property would be comparatively easy.

Income assessment in some municipalities is fairly well looked after, but in others very little attention has been paid to it by assessors. Incomes derived from personal earnings, such as wages, salaries, commissions, fees, and the like are assessable provided the amount exceeds \$700, up to that amount is exempt. If it exceeds \$700 and does not exceed \$1,000, then \$400 only is exempt; thus an income of \$750 would be liable to be assessed for \$350, and if \$1,000 it would be assessed at \$600. An income exceeding \$1,000 has no exemption whatever, the full amount being liable. Formerly clergymen were exempt on their stipends up to \$1,000, but this has been done away with, and clergymen are now to be treated, both in the matter of income and on the realty of their parsonages and grounds, the same as their parishioners.

The exemptions from taxation assessments are somewhat numerous, and are included in the following, as copied