

would indicate in connection with the reassessment how much more the taxpayers had to pay or was there any change in the actual assessment that had been previously made?

Mr. HENDERSON: No, I do not think we would have any figures as to the amount. We turn over such findings to the departmental officials and they take the whole thing from there. We have no contact whatsoever with the taxpayers.

Mr. PUGH: But you do with the file?

Mr. HENDERSON: And we do not keep any statistics on these. Letters covering our examinations have been addressed from time to time to the deputy ministers outlining or giving our comments in connection with their internal procedures and regarding some of our findings.

Mr. Long, would you care to say a word on that? I think you know of instances where letters have gone, in fact, to the deputy minister to this effect.

Mr. LONG: Mr. Chairman, I think I tried to make it clear that in recent years anything we have found has been in the nature of a very exceptional error or something like that; there was nothing that was not cleared up right on the spot by the chief assessor of the district.

Mr. PUGH: I want to make clear how far you did go in checking the actual assessment.

Mr. LONG: It simply would be a scrutinizing of the assessment. Obviously we could not go into a corporation and start questioning the basis of depreciation or some of the other complicated tax matters that are there. One thing that I remember we did find was a case where investment income had been under added on the return by \$1,000. There was just a brief glance at the file. We drew it to their attention and it was corrected. One could not assume that as indicating any slackness. It was a simple error.

Mr. PUGH: I am not saying there was any slackness at all. In fact, I take your word and that of Mr. Cheney for it that the tax department has done very well. However, what I am getting at—forgetting corporations—is this: in connection with personal income tax files, and as a result of your checking their assessment, has there been any reassessment on these personal income tax files?

Mr. LONG: There have been isolated cases such as the case I mentioned in the amount of \$1,000. There was a \$1,000 mistake in investment income.

Mr. PUGH: Was that in connection with a corporation or a private individual?

Mr. LONG: A private individual.

Mr. PUGH: Now, that is one thing, and this is the practice that has gone back over the last 16 years. Let us go back about four or five years. Have you found any need for reassessment of any of these personal income tax files?

Mr. CHENEY: Oh yes, sir; that would happen, not infrequently, but very likely, and by the time the reassessment took place we would be on the way somewhere else. It was brought to the attention of the chief assessor and he would in the normal course of events have it reassessed. Some of these have taken place while we were in the district.

Mr. PUGH: I am trying to get down to the number which you might run into.

Mr. CHENEY: I could not tell you. They are taken up individually and they do not even appear after that because we consider the matter as corrected. Unless there was a condition there would be nothing. Unless we came across dozens of these things one after the other, and there seemed to be a fault, that would never happen. These cases would be individual ones and we would pick