

and that a taxpayer's liability for gift tax for the taxation year 1968 shall be the aggregate of

- (f) an amount in respect of gifts made in the period January 1 to October 22, inclusive, computed in accordance with the present provisions of Part IV of the said Act as though the said period were a complete taxation year, and
- (g) an amount in respect of gifts made in the period October 23 to December 31, inclusive, computed in accordance with the provisions of Part IV of the said Act, as amended to give effect to this resolution, as though the said period were a complete taxation year except that the value of gifts made to an individual in the period January 1 to October 22, inclusive, shall reduce the exemption described in clause (ii) of subparagraph (a) of this resolution with respect to that individual,

and that, for the purposes of Part IV of the said Act, rules similar to certain of the valuation rules now set out in the Estate Tax Act be provided for valuation of property that is the subject-matter of a gift.

3. That for 1969 and subsequent taxation years amounts paid for

(a) an oxygen tent and other equipment necessary to administer oxygen, and

(b) an artificial kidney machine,

as prescribed by a medical practitioner shall be classified as medical expenses for purposes of paragraph (c) of subsection (1) of section 27 of the said Act.

4. That for 1969 and subsequent taxation years, a taxpayer in computing taxable income may not include in medical expenses any expense paid by or on behalf of the taxpayer or his legal representative for which the taxpayer or such representative has been reimbursed or is entitled to be reimbursed pursuant to a medical care insurance plan established pursuant to an act of the legislature of a province that satisfies the criteria set forth in subsection (1) of section 4 of the Medical Care Act.

5. That for 1969 and subsequent taxation years, the deduction in computing taxable income of \$300, or of an amount not exceeding \$300, now based on a child who is qualified for family allowance be based on a child who has not attained the age of sixteen years before the end of the year and the deduction of \$550, or of an amount not exceeding \$550, now based on a child not so qualified be based on a child who has attained the age of sixteen years before the end of the year.

6. That with respect to 1969 and subsequent taxation years there shall be included in computing the income of a taxpayer resident in Canada an amount paid or credited to him during the year as taxable proceeds of a life insurance policy and that the said taxable proceeds shall be the amount by which the amount paid or credited to the taxpayer on surrender of a policy, other than on death of the person insured, or received on the sale of a policy,