

## Succession Duties

Only British Columbia, Ontario and Quebec levy succession duties. These are a tax on the right to succeed to property and are assessed upon the interest of benefit passing at death to an heir or beneficiary.

The three provinces impose succession duties on all property situated in the province belonging to the deceased and passing at his death whether the deceased was domiciled in the province or elsewhere. Personal property wherever situated of a person dying domiciled within the province is also liable if passing to a successor resident or domiciled in the province.

The rates of succession duty are governed by the value of the estate, the relation of the beneficiary to the deceased and the amount going to any one person. The rate of tax will increase as the degree of relationship between the decedent and his successor becomes more remote.

## Provincial Property Taxes

In unorganized (non-municipal) areas, British Columbia levies property taxes, at varying rates according to class, for provincial revenue. Improved, forest and tree-farm lands are taxed at 1 per cent of assessed value; farm land at  $\frac{1}{2}$  of 1 per cent; wild land at 3 per cent; coal land at 2 per cent (non-operating) or 7 per cent (operating); and timber land at  $1\frac{1}{2}$  per cent.

## Municipal Taxation

The municipalities in Canada levy taxes on the owners of property situated within their jurisdiction according to the assessed value of such property. Methods of determining assessed value vary widely, but for taxation purposes it is generally considered to be a percentage of the actual value. The revenues from such taxes are used to pay for street maintenance, schools, police and fire protection and other community services. Special levies are sometimes made on the basis of street frontage, to pay for local improvements to the property such as sidewalks, roads, and sewers. Not only is there a widespread difference in the bases used for property tax, but there is also a wide variety of rates applied, depending on the municipality.

In addition to the taxes described above, municipalities usually impose a charge for the water consumption of each property holder or a water tax based on the rental value of the property occupied. There are no municipal income taxes, though certain localities have retained the use of a poll tax. In Newfoundland, Quebec and Saskatchewan, municipalities are empowered to levy an amusement tax on the admission of persons to places of amusement. This practice differs from that of the other provinces, where the amusement tax is generally a provincial preserve. Electricity and gas are taxed at the consumer level in some Western municipalities, while coal and fuel oil for heating purposes are chargeable in urban areas of Newfoundland. Telephone subscribers are subject to a special levy in Montreal, while certain Ontario municipalities impose a tax on the gross receipts of telephone companies.

In most municipalities, a tax is levied directly on the tenant or the operator of a business. In general, business tax rates are lower than those applying to property. Three bases of assessment are in use: a fraction of the property assessment, the annual rental value of the premises, or the area of the premises. Certain municipalities may charge a licence fee instead of a business tax, while others will charge both a licence fee and business tax. In Nova Scotia, all but one of the municipalities tax personal property (stocks in trade, equipment, etc.) the same as real property.