

of the Montreal business tax. The latter alternative is strongly recommended for two reasons,—

1. The rate of 10 per cent. on 10 per cent. of assessed value of premises is much in excess of the Montreal rate of $7\frac{1}{2}$ of $7\frac{1}{2}$, the proportion being 100 to $56\frac{1}{2}$. This means that, although the Halifax business class will be greatly relieved by the proposed change, that their taxes will still be much heavier than the Montreal ratepayers. It is desirable, therefore, to reduce the business tax if possible, and make it level with that of Montreal.

2. The small retail dealers are opposed to the change on the ground that their taxes will be increased. Were the present law impartially carried out against this class, they would in many cases find the business tax as proposed a relief; but, as a matter of fact, a reduction of from 50 per cent. to 60 per cent. is commonly made by the assessors off the actual value of the stocks of small dealers, while a reduction of not more than 20 per cent. is made off the actual value of the heavy stocks of merchants. A reduction in the rate of the business tax would still further tend to disarm the aversion of small tradesmen to the proposed change who really have no sound reason for their alarm.

In regard to the business tax, it has much to recommend it. As a general rule, with few exceptions, a man's business is commensurate with the store or warehouse that he occupies, and its extent is indexed by his rental. There is also no sound reason why the occupant of a spacious building, carrying on an important business without merchandise, should not contribute the same taxes as a neighbor occupying a similar building where from the nature of his business he requires to store goods of value. The city furnishes the same advantages in each instance—the same police protection, streets, lights and business facilities. Hence under the proposed reform a basis is arrived at which would diffuse taxation equally and equitably among all business men. This form of tax cannot be shirked or evaded and does not.