

allow discussion and that it not become effective until Royal Assent is given to the enabling legislation.

28. We recommend that the proposal to impose a penalty tax equal to 50 percent on interest due for failure to remit tax instalments on time not be implemented and that the current rules continue to apply in such circumstances.
29. We recommend that the Department of Finance begin consultations with interested groups to determine which parts of the *Income Tax Act* would lend themselves to structural simplification and to proceed with dispatch to amend the Act, using the same guidelines as were used in simplifying the small business rules.