

The Address—Mr. Castleden

people. There should be a higher exemption in the case of the farm family. That is the only way in which justice can be done and production maintained.

There remains the question of farm help. Most farmers after a few years of farming like to see their boys go off and start up on a farm of their own. The farmer does not pay his boys much in the way of wages during all the years they have been working for him. Very little cash passes between them. The boy does not look for it, but as he grows up the father likes to hand him over a parcel of land to get him started on a farm of his own. That is part of the wages which are paid year by year. The farmer expects it and the boy accepts it; it does not go down in the actual transactions of the farm in the particular year, but actually it goes into the cost of production because that boy's work is in it. Income of the family is all piled on the one farmer and in the one income tax, and he pays for it.

Another thing is the lack of opportunity to appeal against the decisions of the board. If a tax collector comes in and assesses the farmer at a particular rate the farmer may want to appeal the decision. He appeals to the department, and then the regional division officer will send it in to the office in Ottawa. That is hardly good enough. There should be a proper appeal board to which the farmer can go; it should not all be departmental officials. Then there should be someone there who can present the case for the farmer. Because these tax forms are so complicated the farmer will, of necessity, have to go to a specialist of some kind, either a lawyer or a special accountant, to make up his returns and give him clearance.

The thing which happened in my constituency should never occur in any department. I have an actual case of a farmer in my own constituency who had made out his tax form and paid his taxes as he went along. He had a receipt in his pocket. He showed me the receipt—I have a copy of it here—for the taxes that he had paid on his income for 1944. He received a letter from the Regina district office telling him he had to send in another form. He could not understand why he should send in another form for 1944, because he had already sent in one and he was waiting until he got to town to get more forms in this town. When he got to town he received a letter from the Ottawa branch. Remember, he had paid his farm income tax for 1944 and had the receipt for it and a

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clearance showing he had paid it. But he got this letter from the department:

Dear Sir or Madam:

It is a printed type of form.

Re: Your income tax return on Form T-1 Spcl. 1944-45-46 & Farm Supp.

The inspector of income tax reports that he has been unable to obtain from you the above return(s), as required under the provisions of the Income War Tax Act, notwithstanding that he has made previous written requests.

He had put in his form; he had paid one of the years completely. I continue with the letter:

This therefore gives you final notice, in accordance with the terms of the Income War Tax Act, that the above referred to income war tax return(s) is (are) required to be filed within thirty days from the date of this letter.

The return(s) may be filed with the inspector of income tax at dominion government building, Regina, Sask., from whom the necessary forms, if not already received by you, may be procured upon request.

Section 79 of the Income War Tax Act provides penalties for failure to file the return(s) within thirty days from the date hereof. Thereafter, you become liable to a penalty of \$25 for each day of default, and this is so whether you have a taxable income or not, and whether a return for the same period has previously been filed by you or not.

Whether you file your income tax return or not, if you do not file it again they can charge you \$25 a day. I wish they would take section 79 and quote it as it actually appears in the act, instead of putting their own interpretation on it, because it conveys an entirely different idea from that which appears in this letter. I should like to point out to the house that the man had already paid his taxes for 1944 and had a receipt from the government.

When going around the district the income tax officials should take into consideration some of the people to whom they are talking. I have an instance of a returned soldier who came to me and told me what they did to him. He lives near the village of Stornoway. They came to him and told him that they had his permit books for 1944, 1945 and 1946 which showed that he had received grain during those years and therefore they were going to tax him on it. This young fellow had enlisted. He was overseas at the time, and he told them that his father and brother were running the farm during his absence and had put the grain in his name. The money was spent on the regular routine of the farm. He came back and had his first crop in 1946. They came along and taxed him for these years when he