

## TAXES PAID BY FIRE COMPANIES IN CANADA.

The taxes paid by the Dominion-licensed fire companies upon their Canadian fire business only during 1915 reached an aggregate of \$717,273, a proportion of 2.71 per cent. to premium income and of 5.83 per cent. to premium income less losses paid. The taxes similarly paid in 1914 were \$496,298, a proportion of 1.80 per cent. to premium income and of 4.09 per cent. to premium income less losses paid.

These are in the briefest form the results of a recent compilation by THE CHRONICLE of the taxes paid in Canada during the last two years by the Dominion-licensed fire companies. The figures are in part estimated. The statistics presented in official publications are in such form that exact totals of the taxation upon the fire companies for their Canadian fire business only cannot be arrived at. In some cases, taxes on fire business are lumped with taxes on subsidiary branches of insurance; in others, they are put down as one lump sum for both fire business in Canada and for foreign fire business. In such circumstances, the taxes on the Canadian fire business only have been taken as the same proportion to the whole of the taxes paid as the net premiums of the Canadian fire business bear to the whole net premiums reported by the company. The effect of this procedure is probably to make the total taxes above reported as having been paid on the Canadian fire business only, somewhat below the actual figures. However, it is believed that the figures given are very close to the actual amounts paid. In any case, they indicate publicly for the first time in recent years, the actual extent of the burden of taxation borne by the fire insurance companies transacting business in Canada.

### HOW THE BURDEN IS SHARED.

Naturally, the British companies, which in 1915 received about half the premium income paid in Canada to Dominion-licensed fire companies, paid last year the largest amount in taxation. Their share of the 1915 total of \$717,273 was \$350,252, a propor-

tion of 2.58 per cent. to their 1915 premium income and of 5.21 per cent. to their 1915 premium income less losses paid. In 1914, these companies paid in taxation an amount of \$230,078, a proportion of 1.68 per cent. to the year's premium income and of 3.89 per cent. to the premium income less losses paid. The taxation paid in Canada by the British companies thus showed an increase of \$120,000 last year over the taxation of 1914. This large increase, as also the large advance in the 1915 taxation upon the other classes of fire companies is, of course, due to the Dominion Government's war tax of 1 per cent. upon insurance premiums other than life, which was imposed by Sir Thomas White in his 1915 Budget.

The American and French companies paid in Canadian taxation last year \$222,904, a proportion of 2.68 per cent. to their 1915 Canadian premium income and of 6.09 per cent. to their Canadian premium income less Canadian losses paid. In 1914, these companies paid \$148,551, a proportion of 1.69 per cent. to Canadian premium income and of 3.54 per cent. to Canadian premiums less Canadian losses paid. The American and French companies thus paid about \$75,000 additional in Canadian taxes last year compared with 1914.

Proportionately, the Canadian companies come off worse in the matter of taxation than either of the other classes of fire companies transacting business here, owing to their smaller premium incomes relatively to the extent of their organisation throughout the Dominion. Last year, the Canadian companies paid in Canadian taxes \$144,117, a proportion of 3.16 per cent. to premium income in Canada and of no less than 7.45 per cent. to their 1915 Canadian premium income less Canadian losses paid. In 1914, the Canadian companies paid in taxes \$117,669, equal to 2.34 per cent. of their Canadian premium income and to 5.75 of their Canadian premium income less Canadian losses paid. The taxes paid by the Canadian companies last year thus increased \$27,000. (Continued on page 903)

## TAXES OF DOMINION-LICENSED FIRE COMPANIES

(CANADIAN FIRE BUSINESS ONLY).

(Compiled and estimated by THE CHRONICLE).

	1915.					1914.				
	Canadian Premium Income	Canadian Premium Income less Losses paid	Canadian Taxes Paid	% Taxes to Prem. Income	% Taxes to Prem. Income less Losses paid	Canadian Premium Income	Canadian Premium Income less Losses paid	Canadian Taxes Paid	% Taxes to Prem. Income	% Taxes to Prem. Income less Losses paid
Canadian Companies . . . . .	\$ 4,559,074	\$ 1,933,207	\$ 144,117	3.16	7.45	\$ 5,016,654	\$ 2,044,349	\$ 117,669	2.34	5.75
British Companies . . . . .	13,609,363	6,720,003	350,252	2.58	5.21	13,710,908	5,914,426	230,078	1.68	3.89
U. S. & French Companies . . . . .	8,306,395	3,659,673	222,904	2.68	6.09	8,771,599	4,193,099	148,551	1.69	3.54
<b>Totals and Averages . . . . .</b>	<b>26,474,832</b>	<b>12,312,883</b>	<b>717,273</b>	<b>2.71</b>	<b>5.83</b>	<b>27,499,161</b>	<b>12,151,874</b>	<b>496,298</b>	<b>1.80</b>	<b>4.09</b>