

income tax reform. The issue at hand is equitable income tax treatment of small and part-time farmers.... Changes to section 31 do not necessitate changes to other sections".

We support this position and this Committee should not take into consideration the cash/accrual accounting system options available to farmers when considering the fate of Section 31.

TAX TREATMENT OF OTHERS

Any taxpayer in Canada, with some exceptions, can write off losses from business against other income, can speculate, can increase their equity, can receive government incentives, invest in MURBS and other tax shelters, can take advantage of fast write offs if provided, can operate a business in whole or in part from their home and deduct expenses and take advantage of many other tax incentives, but not persons who farm with other income. It can not be shown that persons who farm for profit with or without other income are receiving an unfair advantage over others.

2,390	58,868	27,696	Total Self-Employed Professionals
500	12,712	22,270	Teachers & Professionals
730	211,892	288,649	Employers of Business
4,150	244,422	28,913	Total Farmers
650	271,931	412,432	Total Employees
2,790	2,370,018	848,683	TOTAL

Source: Taxation Statistics 1981 edition for 1981