

The CHAIRMAN: The amendment to section 36 reads:

That paragraph (c) in Clause 36 be amended by deleting the words "a corporation resident in Canada exempt from tax under Part I by paragraphs (ea) or (eb)" and substituting the words "a corporation or trust resident in Canada exempt from tax under Part I by paragraphs (ea), (eb) or (ec).

Dr. EATON: The new paragraph is (ec).
Section 36, as amended, was agreed to.

On Section 37—Interest.

Mr. GAVSIE: This section reduces the interest rate on gifts from 7 per cent to 6 per cent.

Hon. Mr. HAIG: Carried unanimously.
Section 37 was agreed to.

On Section 38—Officers, clerks.

Mr. GAVSIE: Section 38 repeals the provision which says that the Governor in Council may make appointments in the Income Tax division. It is now brought under the Civil Service Act.

Section 38 was agreed to.

On Section 39—Repeal.

Mr. GAVSIE: This is an amendment consequential upon the change of bringing the tax division under the Civil Service Act.

Section 39 was agreed to.

Section 40—Information return.

Mr. GAVSIE: Section 40 adds a section giving the minister authority to demand information returns. The section we dealt with previously was as to income tax returns. One of the information returns is a T-4 return which is required to be filed by an employer with respect to reduction of wages from his employees. This section gives the minister authority to make demands for the returns.

Hon. Mr. HAIG: Does it not go further than that? If I collect rents, you can ask me for a return.

Mr. GAVSIE: Yes, there are a series of information forms; I have mentioned only the one.

Section 40 was agreed to.

Section 41—Penalty upon conviction.

Mr. GAVSIE: Section 41 brings about a change in the criminal section to tie the amendment provided by section 51A in with section 120, to say that the civil penalty, which we talked about a little while ago, must be assessed before a criminal charge is laid.

Section 41 was agreed to.

On Section 42—Proof of documents.

Mr. GAVSIE: The first part of this section provides that a document that has a printed signature of the minister or the deputy minister is a valid document, and that the form purporting to be issued by the minister is acceptable.

Section 42 was agreed to.