

*Private Members' Business*

below which limit you would only need to make an annual payment.

It seems to me that by setting an amount such as that, you catch those who are well able to afford to pay their taxes in instalments. In fact as we look at it in the Standing Committee on Public Accounts, some of those with tax collection problems should probably be paying those instalments. If they have income on interest and pensions that tax payable is \$15,000 or \$20,000 a year, it seems to me that those people can well afford to pay their taxes.

I think the major thrust should be a simplification of the system as suggested by the member for Winnipeg—St. James. We should ensure that for the vast majority of seniors who make just enough to get by on in this world and are often still below the poverty line, their taxation qualification and their taxation requirements be made much simpler.

It seems to me that an annual instalment is not going to make that much difference. It makes it simpler, it makes it easier, because once a year these people know as of April 30 they must file their income tax returns. They know they must complete the necessary forms in order to qualify for guaranteed annual income supplements, guaranteed income supplements and this type of thing.

They are used to doing the paperwork at that time of year. But they are not used to, and I believe should not have to each quarter try to figure out well, what investment have I got, what amount of money is that investment making for me. Goodness knows, we know how the interest rates climb up and down. Some years you may invest your money if you are very fortunate at 11 per cent, 11.5 per cent, 12 per cent, and other years you may be much less fortunate and end up with your money at 6.5 per cent to 7.5 per cent.

You have to watch this and do your calculations and try to ante up the required amount. I know from listening to the speeches of other members throughout the course of this debate and from my own experience speaking with seniors within my own riding that the penalty provisions of this for seniors and others not filing their quarterly instalments on time are another step, another road block if you will, in the way of seniors.

I look at the over-all effect of the taxation. We should be trying to make it easier for people to pay their taxes,

to encourage them to pay their taxes. I mean, we talk to seniors and we talk to others and over the course of years since income tax was imposed back in the First World War, people have always tried to work out ways so they do not have to pay the—and I quote—"tax man" as much each year. I believe that has become part of what we all look at, regardless of age, in trying to work out ways of avoiding the payment of taxation. When talking to a number of seniors this summer I ran into situations where seniors were investing their money at low or no interest rates in order to get out of paying income tax at all. In this way they do not run into the quarterly instalment provisions. In some cases they were investing their money at low or no income rates in order to ensure that they continue to get the guaranteed income supplement.

It seems to me that instead of making it more difficult for them and penalizing them by adding interest and penalty charges when they do not pay their quarterly income tax instalments, we should be making it easier for them and encouraging them and explaining to them that if they pay their taxes they can assist all Canadians. The government should be saying to them: "We will make it easier for you to ante up your taxation at the end of the year in one simple form, but we will also teach you, if you do not already know, that it is to your advantage to invest your money at high interest rates, paying the tax and taking the balance and putting it in your pocket".

What I have found is that the government does not do that. Some people are confused by the complicated tax rules. When you look at some of the pamphlets that are sent out and the instructions in them, it is confusing. Some of the wording of these pamphlets is sort of ridiculous with respect to this particular provision within the tax, which says "You may be required to pay your taxes for 1990 by quarterly instalments". To my way of thinking, "may" is not mandatory, it is optional. It makes sense that they do not have to, that there is another option and yet if they do not they are penalized.

The thrust of what I want to say in concluding is that we should be making it easier over all, for not only seniors but all Canadians to pay their taxes, but particularly for those who are in their golden years we should ensure that things are made easy for them and that they are not made more complicated, as this provision within the Income Tax Act is. I implore this government to pay attention to the member's motion and pay attention to