

1950

c 216 Logging Tax Act

Ontario

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CHAPTER 216

The Logging Tax Act**1.** In this Act,Interpre-
tation.

- (a) "Controller" means Controller of Revenue for Ontario;
- (b) "income" means income derived from logging operations in Ontario;
- (c) "logging operations in Ontario" includes the sale of logs in Ontario, the export of logs from Ontario, the import of logs into Ontario, the acquisition of timber in Ontario from which logs are cut, the cutting of timber in Ontario, the transportation of logs in Ontario, the delivery of logs to any sawmill, pulp or paper plant or other place for processing or manufacturing in Ontario, or the delivery of logs in Ontario to a carrier for export from Ontario, or any combination of such operations;
- (d) "taxation year" means the calendar year or where the fiscal year of the taxpayer does not coincide with the calendar year, the fiscal year ending within the calendar year;
- (e) "taxpayer" means any person who engages in logging operations in Ontario;
- (f) "Treasurer" means Treasurer of Ontario. 1950, c. 39, s. 1.

2. Every taxpayer shall for each taxation year, pay a tax ^{Tax.} of nine per cent calculated on the income in excess of \$10,000 which he derives during such year from logging operations in Ontario. 1950, c. 39, s. 2.

3.—(1) Income derived from logging operations in Ontario ^{Income defined.} means the net profit or gain of the taxpayer during the taxation year determined by deducting from the value of logs disposed of,

- (a) the cost of the acquisition of or the right to cut the timber from which such logs were obtained;

(b) the cost of cutting the timber from which such logs were obtained; and

(c) the cost of transporting such logs to the point of delivery,

or where such logs are purchased from another person,

(d) the cost price of such logs; and

(e) the cost of transportation of such logs from the point of receipt to the point of delivery.

Saving.

(2) Where only a part of the tax for a taxation year calculated on income derived by a taxpayer from logging operations in Ontario as defined in subsection 1 is found to be deductible from his income under clause *n* of subsection 1 of section 11 of *The Income Tax Act* (Canada), his income derived from logging operations in Ontario for that taxation year shall be, in lieu of the income described in subsection 1, the total of the amount that results from capitalizing the amount of so much of such tax as is so deductible at nine per cent and \$10,000. 1950, c. 39, s. 3.

Interpretation.

4. In this Act, "value of logs disposed of" means,

(a) in the case of the sale by the taxpayer of logs to any person at the time of or prior to delivery to a saw-mill, pulp or paper plant or other place for processing or manufacturing thereof in Ontario, or delivery to a carrier for export from Ontario, or delivery otherwise, the sale price of such logs;

(b) in the case of logs processed or manufactured by the taxpayer during a taxation year, the difference between,

(i) the sale value of the product thereof,

and the total of,

(ii) the cost of such processing or manufacturing including depreciation of machinery, equipment, plant, buildings, works and improvements used therein and all charges relating thereto that would be deductible under subsections 4 (except the charge described in clause *n* thereof), 5, 6, 7, 8, 9, 10, 11 and 12 of section 14 of *The Corporations Tax Act*,

and the greater of,

(iii) 10 per cent of the original cost of the land and of the depreciable assets including machinery,

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equipment, plant, buildings, works and improvements used in the processing or manufacturing of the logs, or

- (iv) 30 per cent, in the case of saw mills, and 40 per cent, in the case of pulp and paper plants and other places used for the processing or manufacturing of the logs, of the net profit or gain derived by the taxpayer from all sources remaining after excluding therefrom the net profit or gain derived by him from, and attributable in accordance with sound accounting principles to, the carrying on of any business, or derived from or so attributable to any source, other than logging operations and the processing and manufacturing of the logs obtained from such operations,

and where such processing or manufacturing is outside of Ontario,

- (v) the cost of transportation of the logs from the point of delivery to a carrier in Ontario to the point of delivery to the sawmill, pulp or paper plant or other place used for the processing or manufacturing of the logs outside of Ontario. 1950, c. 39, s. 4.

5.—(1) Where a taxpayer purchases anything from a person with whom he is not dealing at arms-length at a price in excess of the fair market value, the fair market value thereof shall, for the purpose of computing the income of the taxpayer under sections 3 and 4, be deemed to have been paid or to be payable therefor. Inadequate consideration.

(2) Where a taxpayer sells anything to a person with whom he is not dealing at arms-length at a price less than the fair market value, the fair market value thereof shall, for the purpose of computing the income of the taxpayer under sections 3 and 4, be deemed to have been received or to be receivable therefor. Idem.

(3) Where a taxpayer pays or agrees to pay to a person with whom he is not dealing at arms-length as price, royalty, rental or other payment for use or reproduction of any property an amount computed at a rate higher than that at which similar payments by other persons in the same kind of business are computed, an amount computed at the rate at which similar payments are made by such other persons shall, for the purpose of computing the income of the taxpayer under sections 3 and 4, be deemed to have been the amount that is paid or is payable therefor. Idem.

Idem.

(4) Where a taxpayer is an incorporated company and directly or indirectly distributes to its shareholders any of its property either on winding-up, or otherwise, for no consideration or for a consideration below the fair market value, if the sale thereof at the fair market value would have increased the income of the taxpayer under sections 3 and 4, it shall be deemed, for the purpose of determining such income, to have sold the property during the taxation year and to have received therefor the fair market value thereof.

Arms-length.

(5) For the purpose of this section,

- (a) a corporation and a person or one of several persons by whom it is directly or indirectly controlled;
- (b) corporations controlled directly or indirectly by the same person; or
- (c) persons connected by blood relationship, marriage or adoption,

shall, without extending the meaning of the expression "to deal with each other at arms-length", be deemed not to deal with each other at arms-length. 1950, c. 39, s. 5.

Return.

6.—(1) A return of the income of each taxpayer for each taxation year shall, without notice or demand therefor, be filed with the Controller containing such information as is required,

- (a) in the case of a corporation, by or on behalf thereof, within six months from the end of the taxation year;
- (b) in the case of a person who has died without making the return, by his legal representatives, within six months from the day of death;
- (c) in the case of an estate or trust, within 90 days from the end of the taxation year;
- (d) in the case of any other taxpayer, on or before the 30th day of April in the next year, by that taxpayer or, if he is unable for any reason to file the return, by his guardian, committee or other legal representative;
- (e) in the case where no person described by clause *a*, *b*, *c* or *d* has filed the return, by such person as is required by notice in writing from the Treasurer to file the return, within such reasonable time as the notice specifies.

(2) Every person, whether or not he is liable to pay tax under this Act for a taxation year and whether or not he has filed a return under subsection 1, shall upon receipt at any time of a demand therefor in writing from the Treasurer, file forthwith with the Treasurer a return of his income for that year, containing such information as is required. Demand for return.

(3) Every trustee in bankruptcy, assignee, liquidator, receiver, trustee or committee and every agent or other person administering, managing, winding up, controlling or otherwise dealing with the property, business, estate or income of a taxpayer who has not filed a return for a taxation year as required by this section shall file a return of the income of such taxpayer for that year. Trustees, etc.

(4) Where a taxpayer who is a partner in or who is a proprietor of a business engaged in logging operations in Ontario died after the close of a taxation year but before the end of the calendar year in which the taxation year closed, a separate return of the taxpayer's income after the close of the taxation year to the time of death shall be filed and the tax payable under this Act shall be paid thereon as if that income were the income of another taxpayer. Death of a partner or proprietor.

(5) The Treasurer may at any time extend the time for making a return under this Act. 1950, c. 39, s. 6. Extension.

7. Every taxpayer required by section 6 to file a return shall estimate in the return the amount of tax payable. 1950, c. 39, s. 7. Estimate of tax.

8.—(1) The Treasurer shall, with all due despatch, examine each return and assess the tax for the taxation year and the interest and penalties, if any, payable. Rules for assessment.

(2) After examination of a return, the Treasurer shall send a notice of assessment to the person by whom the return was filed. Idem.

(3) Liability for tax under this Act is not affected by an incorrect or incomplete assessment or by the fact that no assessment has been made. Idem.

(4) The Treasurer may, at any time, assess tax, interest or penalties and may, Idem.

(a) at any time, if the taxpayer or person filing the return has made any misrepresentation or committed any fraud in filing the return or supplying information under this Act; and

- (b) within six years from the day of an original assessment in any other case,

re-assess or make additional assessments.

Idem.

(5) The Treasurer is not bound by a return or information supplied by or on behalf of a taxpayer and, in making an assessment, may, notwithstanding a return or information so supplied or if no return has been filed, assess the tax payable under this Act.

Idem.

(6) An assessment shall, subject to being varied or vacated on appeal under this Act and subject to re-assessment, be deemed to be valid and binding notwithstanding any error, defect or omission therein or in any proceeding under this Act relating thereto. 1950, c. 39, s. 8.

Taxes,
when to
accrue.

9.—(1) The taxes imposed by this Act shall be deemed to be due on the last day of the taxation year of the taxpayer for which such taxes are imposed.

Dates of
payment.

(2) Every taxpayer on which a tax is imposed by this Act shall pay,

- (a) not later than the close of the taxation year in respect of which the tax is payable, an amount equal to one-half of the tax as estimated by him for the last preceding taxation year or for the taxation year in respect of which the tax is payable, at the rate applicable for such last-mentioned taxation year;
- (b) not later than the fifteenth day of the third month following the month in which the taxation year in respect of which the tax is payable closed, an amount equal to the balance of the tax as so estimated; and
- (c) at the time of making the return under subsection 1 of section 6 the balance, if any, of the tax payable as estimated by the taxpayer in the return.

Interest on
unpaid tax.

(3) Where the amount paid on account of tax payable by a taxpayer for a taxation year before the expiration of the time allowed for filing his return under section 6 is less than the amount of tax payable for the taxation year, the taxpayer liable to pay the tax shall pay interest on the difference between those two amounts from the expiration of the time for filing the return to the date of payment at the rate of six per cent per annum.

Idem.

(4) Where a taxpayer being required by subsection 2 to pay a part or instalment of tax has failed to pay all or any

part thereof as required, the taxpayer, in addition to the interest payable under subsection 3, shall pay interest on the amount he failed to pay at six per cent per annum from the day on or before which he was required to make the payment to the day of payment or the beginning of the period in respect of which he became liable to pay interest thereon under subsection 3, whichever is earlier.

(5) For the purposes of subsection 4, the taxpayer shall be *Idem.* deemed to have been liable to pay a part or instalment under subsection 2 computed by reference to the tax payable for,

- (a) the last preceding taxation year; or
- (b) the taxation year in respect of which the tax is payable,

whichever is lesser.

(6) No interest under this section upon the amount by *Limitation on interest.* which the unpaid tax exceeds the amount estimated under section 7 is payable in respect of the period beginning 20 months after the day fixed by section 6 for filing the return with respect to which the taxes are payable or 20 months after the return was in fact filed, whichever was later, and ending 30 days from the date of the mailing of the notice of the original assessment for the taxation year. 1950, c. 39, s. 9.

10.—(1) When any taxpayer is in default in complying *Penalty for default.* with subsection 1 of section 6, he shall be liable to a penalty of,

- (a) an amount equal to five per cent of the tax that was unpaid when the return was required to be filed, if the tax payable by him for the taxation year that was unpaid at that time was less than \$10,000; and
- (b) \$500, if at the time the return was required to be filed, tax payable by him for the taxation year of \$10,000 or more was unpaid.

(2) When any taxpayer fails to complete the information *Idem.* required on the return under subsection 1 of section 6, he shall be liable to a penalty of one per cent of the tax payable by him; provided that such penalty shall not be less than \$1 or more than \$20. 1950, c. 39, s. 10.

11.—(1) Every person required by section 6 to file a *Payments on behalf of others.* return for a taxpayer for a taxation year shall, within 30 days from the date of mailing of the notice of assessment, pay all taxes, penalties and interest payable by or in respect of that

taxpayer to the extent that he has or had, at any time since the taxation year, in his possession or control, property belonging to that taxpayer or his estate and shall thereupon be deemed to have made that payment on behalf of the taxpayer.

Certificate
before dis-
tribution.

(2) Every assignee, liquidator, administrator, executor and other like person, other than a trustee in bankruptcy, before distributing any property under his control, shall obtain a certificate from the Treasurer certifying that there are not outstanding any taxes, interest or penalties that have been assessed under this Act and are chargeable against or payable out of the property.

Liability.

(3) Distribution of property without a certificate required by subsection 2 renders the person required to obtain the certificate personally liable for the unpaid taxes, interest and penalties. 1950, c. 39, s. 11.

Refunds.

12.—(1) The Treasurer may, upon mailing the notice of assessment, refund, without application therefor, any over-payment made on account of the tax and he shall make such refund after mailing the notice of assessment if application in writing is made therefor by the taxpayer within 12 months from the date the over-payment was made or the day on which the notice of assessment was sent.

Application
to other
taxes.

(2) Instead of making a refund that might otherwise be made under this section, the Treasurer may, where the taxpayer is liable or about to become liable to make another payment under this Act, apply the amount of the over-payment to that other liability and notify the taxpayer of that action.

Interest
on over-
payment.

(3) Where an amount of \$50 or more in respect of an over-payment is refunded or applied on other liability under this section, interest shall be paid or applied for the period commencing,

- (a) six months from the day when the over-payment arose;
- (b) on the day on or before which the return in respect of which the tax was paid was required to be filed; or
- (c) on the day that the return was in fact filed,

whichever was later, and ending with the day of refunding or application aforesaid at the rate of three per cent per annum.

(4) For the purpose of this section, "over-payment" means the aggregate of all amounts paid on account of tax minus all amounts payable under this Act or an amount so paid when no amount is so payable. 1950, c. 39, s. 12. Interpretation.

13.—(1) Every taxpayer shall keep records and books of account at his place of business or at such other place as may be designated by the Treasurer, in such form and containing such information as will enable the taxes payable under this Act to be determined. Records and books.

(2) Where a taxpayer has failed to keep adequate records and books of account for the purposes of this Act, the Treasurer may require him to keep such records and books of account as he may specify and the taxpayer shall thereafter keep records and books of account as so required. Idem.

(3) Every taxpayer required by this section to keep records and books of account shall, until written permission for their disposal is obtained from the Treasurer, retain every such record or book of account and every account or voucher necessary to verify the information in any such record or book. 1950, c. 39, s. 13. Idem.

14.—(1) Any person thereunto authorized by the Treasurer for any purpose related to the administration or enforcement of this Act may, at all reasonable times, enter into any premises or place where any business is carried on or any property is kept or anything is done in connection with any business or any books or records are, or should be, kept pursuant to this Act, and Investigation.

- (a) audit or examine the books and records and any account, voucher, letter, telegram or other document that relates or may relate to the information that is or should be in the books or records or the amount of tax payable under this Act;
- (b) examine property described by an inventory or any property, process or matter, an examination of which may, in his opinion, assist him in determining the accuracy of an inventory or in ascertaining the information that is or should be in the books or records or the amount of any tax payable under this Act;
- (c) require the taxpayer or manager of the property or business being examined and any other person on the premises or place to give him all reasonable assistance with his audit or examination and to answer all proper questions relating to the audit or

examination either orally or, if he so requires, in writing on oath or by statutory declaration and, for that purpose, require the taxpayer or other person to attend at the premises or place with him; and

- (d) if during the course of an audit or examination it appears to him that there has been a violation of this Act, seize and take away any of the books, records, accounts, vouchers, letters, telegrams and other documents and retain them until they are produced in any court proceedings.

Idem.

(2) The Treasurer may, for the purposes related to the administration or enforcement of this Act, by registered letter or by demand served personally, require from any person,

- (a) any information or additional information, including a return or a supplementary return; or
- (b) production or production on oath of any books, letters, accounts, invoices, financial or other statements or other documents,

within such times as may be stipulated therein.

Inquiry.

(3) The Treasurer may authorize any person to make such inquiry as he may deem necessary with reference to anything relating to the administration and enforcement of this Act.

Copies.

(4) Where any book, record or other document has been seized, examined or produced under this section, the person by whom it is seized or examined or to whom it is produced or any officer of the office of the Controller may make or cause to be made one or more copies thereof and the document purporting to be certified by the Treasurer or a person thereunto authorized by the Treasurer to be a copy made pursuant to this section is admissible in evidence and has the same probative force as the original document would have if it had been proven in the ordinary way.

Compliance.

(5) No person shall hinder or molest or interfere with any person doing anything that he is authorized by or pursuant to this section to do or prevent or attempt to prevent any person doing any such thing and, notwithstanding any other law to the contrary, every person shall do everything he is required by or pursuant to this section to do.

Powers.

(6) For the purpose of an inquiry under subsection 3, the person authorized to make the inquiry shall have all the powers that may be conferred upon a commissioner appointed under *The Public Inquiries Act*.

15. The Treasurer shall administer and enforce this Act <sup>Adminis-
tration.</sup> and control and supervise all persons employed to carry out or enforce this Act and the Controller may exercise all the powers and perform the duties of the Treasurer under this Act. 1950, c. 39, s. 15.

16.—(1) Any taxpayer who objects to an assessment <sup>Notice of
appeal.</sup> under this Act may, within 60 days from the date of the mailing of the notice of assessment, by himself or by his solicitor, serve a notice of appeal on the Treasurer.

(2) The notice of appeal shall be served by mailing it by ^{Service.} registered post addressed to the Treasurer.

(3) The notice of appeal shall follow Form 1 to this Act <sup>Form of
notice of
appeal.</sup> as closely as may be and shall set out clearly the reasons for appeal and all facts relative thereto. 1950, c. 39, s. 16, *amended.*

17. Upon receipt of the notice of appeal, the Treasurer <sup>Decision
of the
Treasurer.</sup> shall duly consider it, affirm or amend the assessment appealed against, and notify the appellant of his decision by registered post. 1950, c. 39, s. 17.

18.—(1) If the appellant, after receipt of the decision, <sup>Notice of
dissatisfac-
tion.</sup> is dissatisfied therewith, he may, within 60 days from the date of the mailing of the decision, mail to the Treasurer by registered post, a notice of dissatisfaction.

(2) The notice of dissatisfaction shall follow Form 2 to this Act as closely as may be and shall state that the appel- <sup>Form of
notice of
dissatis-
faction.</sup> lant desires that his appeal be set down for trial.

(3) The appellant shall forward with the notice of dissatis- <sup>Statement
with notice.</sup> faction a final statement of such further facts, statutory provisions and reasons that he intends to submit to the court in support of the appeal as were not included in the notice of appeal, or in the alternative, a recapitulation of all facts, statutory provisions and reasons included in the notice of appeal, together with such further facts, provisions and reasons as the appellant intends to submit to the court in support of the appeal. 1950, c. 39, s. 18, *amended.*

19.—(1) The appellant shall thereupon give security in ^{Security.} the sum of \$400 or such other sum as the Treasurer may

require for the costs of the appeal in a form satisfactory to the Treasurer; provided that in lieu of other security the appellant may pay into court the sum of \$200 or such other sum as the Treasurer may require, in which case the appellant shall, when paying such sum in, state the purpose for which it is paid in and shall forthwith serve a notice on the Treasurer specifying the fact and purpose of the payment.

Proceedings
voided.

(2) Unless such security is furnished by the appellant within 30 days after the mailing of the notice of dissatisfaction the appeal and all proceedings thereunder shall be null and void. 1950, c. 39, s. 19.

Decision
upon
receipt of
statement
of facts.

20. Upon receipt of the notice of dissatisfaction and statement of facts, the Treasurer shall mail by registered post to the appellant a reply admitting or denying the facts alleged and confirming or amending the assessment or any amended, additional or subsequent assessment. 1950, c. 39, s. 20.

Copy of
documents
to be filed.

21.—(1) Within 60 days from the date of the mailing of the reply, the Treasurer shall cause to be transmitted to the Registrar of the Supreme Court or the local registrar of the court for the county or district in which the appellant has his office or transacts business, to be filed in the court, copies of,

- (a) the return of the appellant, if any, for the taxation year under review;
- (b) the notice of assessment appealed;
- (c) the notice of appeal;
- (d) the decision;
- (e) the notice of dissatisfaction;
- (f) the reply; and
- (g) all other documents and papers relative to the assessment under appeal.

Matter
deemed
action.

(2) The matter shall thereupon be deemed to be an action in the court and shall be set down for trial forthwith by the Registrar or local registrar, as the case may be, and thereafter shall be proceeded with in the same manner as an action commenced in the court; provided that the court or a judge may at any time before the commencement of the trial make such other order relating to the delivery of pleadings as may be deemed proper.

(3) The practice and procedure of the Supreme Court, Supreme Court practice to govern. including the right of appeal and the practice and procedure relating to appeals, shall apply to every such action, and every judgment and order given or made in every such action may be enforced in the same manner and by the like process as a judgment or order given or made in an action commenced in the court. 1950, c. 39, s. 21.

22. All subsequent proceedings shall be entitled: Title of cause.

In re *The Logging Tax Act* and the appeal of.....
of.....in the
 Province of.....

and notice and copies of all further proceedings shall be served on the Treasurer. 1950, c. 39, s. 22, *amended*.

23.—(1) After an appeal has been set down for trial, any Conditional limitations of evidence. fact or statutory provision not set out in the notice of appeal or notice of dissatisfaction may be pleaded or referred to in such manner and upon such terms as the court or a judge thereof may direct.

(2) The court may refer the matter back to the Treasurer Matter may be referred back to Treasurer. for further consideration. 1950, c. 39, s. 23.

24. Subject to the provisions of this Act, the Supreme Jurisdiction of court. Court shall have exclusive jurisdiction to hear and determine all questions that may arise in connection with any assessment made under this Act and in delivering judgment may make any order as to the payment of any tax, interest or penalty or as to costs as to the court may seem right and proper. 1950, c. 39, s. 24.

25. An assessment shall not be varied or disallowed Irregularities. because of any irregularity, informality, omission or error on the part of any person in the observation of any directory provision up to the date of the issue of the notice of assessment. 1950, c. 39, s. 25.

26. Any such proceedings before the Supreme Court Proceedings in camera. hereunder shall be held *in camera* upon request made to the court by any party to the proceedings. 1950, c. 39, s. 26.

27. If a notice of appeal is not served or a notice of dis- Right of appeal barred. satisfaction is not mailed within the time limited therefor, the right of the taxpayer assessed to appeal shall cease and the assessment shall be valid and binding notwithstanding any error, defect or omission therein or in any proceedings required by this Act. 1950, c. 39, s. 27.

Debts to His Majesty.

28. All taxes, interest, penalties, costs and other amounts payable under this Act are debts due to His Majesty in right of Ontario and recoverable as such in any court of competent jurisdiction or in any other manner provided by this Act. 1950, c. 39, s. 28.

Warrant of execution.

29. Where an amount payable under this Act has not been paid, the Treasurer may upon the expiration of 30 days from the default, issue a warrant and may direct it to the sheriff of any county or district in which any property of the taxpayer is located or situated, for the amount of the tax, interest and penalty, or any of them, owing by the taxpayer to the Treasurer, together with interest thereon from the date of the issue of the warrant and the costs, expenses and poundage of the sheriff, and such warrant shall have the same force and effect as a writ of execution issued out of the Supreme Court. 1950, c. 39, s. 29.

Garnishment.

30.—(1) When the Treasurer has knowledge or suspects that any person is or is about to become indebted or liable to make any payment to a taxpayer liable to make a payment under this Act, he may, by registered letter, require him to pay the moneys otherwise payable to that taxpayer in whole or in part to the Treasurer on account of the liability under this Act.

Idem.

(2) The receipt of the Treasurer for moneys paid as required under this section is a good and sufficient discharge of the original liability to the extent of the payment.

Idem.

(3) Every person who has discharged any liability to a taxpayer liable to make a payment under this Act without complying with a requirement under this section is liable to pay to His Majesty in right of Ontario an amount equal to the liability discharged or the amount which he was required under this section to pay to the Treasurer, whichever is lesser. 1950, c. 39, s. 30.

Priority of tax.

31. All taxes, interest, penalties, costs and other amounts payable under this Act shall be a first lien and charge upon the property in Ontario of the taxpayer liable to pay such taxes, interest, penalties, costs and other amounts. 1950, c. 39, s. 31.

Compromise.

32. If any doubt or dispute arises as to the liability of any taxpayer to pay a tax or any portion of a tax demanded under this Act, or, if owing to special circumstances, it is deemed inequitable to demand payment of the whole amount imposed under this Act, the Treasurer may accept such amount as

he may deem proper, and if the tax demanded has been paid under protest, he may refund the amount paid or any part thereof. 1950, c. 39, s. 32.

33.—(1) Every person who has failed to file a return or Offences. any information as and when required by or under this Act is guilty of an offence and, in addition to any penalty otherwise provided, is liable on summary conviction to a penalty of \$25 for each day of default.

(2) Every person who has failed to comply with or con- Idem. travened section 13 or section 14 is guilty of an offence and, in addition to any penalty otherwise provided, is liable on summary conviction to a penalty of not less than \$200 and not more than \$10,000 or to imprisonment for a term of not more than six months or to both.

(3) Every person, Idem.

(a) who has made, or participated in, assented to or acquiesced in the making of false or deceptive statements in a return, certificate, statement or answer filed or made as required by or under this Act;

(b) who has, to evade payment of a tax imposed by this Act, destroyed, altered, mutilated, secreted or otherwise disposed of the records or books of account of a taxpayer;

(c) who has made, or assented to or acquiesced in the making of false or deceptive entries in records or books of account of a taxpayer;

(d) who has failed, or assented to or acquiesced in the failure, to enter a material particular in records or books of account of a taxpayer;

(e) who has wilfully, in any manner, evaded or attempted to evade compliance with this Act or payment of taxes imposed by this Act; or

(f) who has conspired with any person to commit any offence under clauses *a* to *e*,

is guilty of an offence and, in addition to any penalty otherwise provided, is liable on summary conviction to a penalty of not less than \$25 and not more than \$10,000 or to imprisonment for a term of not more than two years or to both. 1950, c. 39, s. 33.

Communi-
cation of
information.

34. Every person who, while employed in the service of His Majesty, has communicated or allowed to be communicated to a person not legally entitled thereto any information obtained under this Act, or has allowed any such person to inspect or have access to any written statement furnished under this Act, is guilty of an offence and liable on summary conviction to a penalty of not more than \$200. 1950, c. 39, s. 34.

Declara-
tions.

35. Declarations or affidavits in connection with returns filed under this Act may be taken before any person having authority to administer an oath, or before any person specially authorized for that purpose by the Lieutenant-Governor in Council, but a person so specially authorized shall not charge a fee therefor. 1950, c. 39, s. 35.

Information
or complaint.

36.—(1) An information or complaint under this Act may be laid or made by any officer of the Treasury Department or by any person thereunto authorized by the Treasurer and, where an information or complaint purports to have been laid or made under this Act it shall be deemed to have been laid or made by a person thereunto authorized by the Treasurer and shall not be called in question for lack of authority of the informant or complainant except by the Treasurer or by some person acting for him.

Two or
more
offences.

(2) An information or complaint in respect of an offence under this Act may be for one or more than one offence and no information, complaint, warrant, conviction or other proceeding in a prosecution under this Act is objectionable or insufficient by reason of the fact that it relates to two or more offences.

Territorial
jurisdiction.

(3) A complaint or information in respect of an offence under this Act may be heard, tried or determined by a magistrate if the accused is resident, carrying on business, found or apprehended or is in custody within his jurisdiction although the matter of the information or complaint did not arise within his jurisdiction.

Limitation
of prosecu-
tion.
R.S.C., 1927,
c. 36.

(4) An information or complaint under Part XV of the *Criminal Code* (Canada) in respect of an offence under this Act may be laid or made on or before a day five years from the time when the matter of the information or complaint arose or within one year from the day on which evidence, sufficient in the opinion of the Treasurer to justify a prosecution for the offence, came to his knowledge, and his certificate as to the day on which such evidence came to his knowledge is conclusive evidence thereof.

(5) Where by this Act provision is made for sending by mail a request for information, notice or demand, an affidavit of an officer of the Treasury Department sworn before a commissioner or other person authorized to take affidavits, setting out that he has charge of the appropriate records, that he has knowledge of the facts in the particular case, that such a request, notice or demand was sent by registered letter on a named day to the person to whom it was addressed, indicating such address, and that he identifies as exhibits attached to the affidavit the post-office certificate of registration of the letter or a true copy of the relevant portion thereof and a true copy of the request, notice or demand, shall be received as *prima facie* evidence of the sending of the request, notice or demand. ^{Proof of service by mail.}

(6) Where by this Act a person is required to make a return, statement, answer or certificate, an affidavit of an officer of the Treasury Department, sworn before a commissioner or other person authorized to take affidavits, setting out that he has charge of the appropriate records and that after a careful examination and search of the records, he has been unable to find in a given case that the return, statement, answer or certificate, as the case may be, has been made by such person, shall be received as *prima facie* evidence that in such case that person did not make the return, statement, answer or certificate, as the case may be. ^{Proof of failure to comply.}

(7) Where by this Act a person is required to make a return, statement, answer or certificate, an affidavit of an officer of the Treasury Department, sworn before a commissioner or other person authorized to take affidavits, setting out that he has charge of the appropriate records and that, after careful examination of such records, he has found that the return, statement, answer or certificate was filed or made on a particular day, shall be received as *prima facie* evidence that it was filed or made on that day. ^{Proof of time of compliance.}

(8) An affidavit of an officer of the Treasury Department, sworn before a commissioner or other person authorized to take affidavits, setting out that he has charge of the appropriate records and that a document annexed thereto is a document or a true copy of a document made by or on behalf of the Treasurer or some person exercising the powers of the Treasurer or by or on behalf of the taxpayer, shall be received as *prima facie* evidence of the nature and contents of the document and shall be admissible in evidence and have the same probative force as the original document would have if it had been proven in the ordinary way. ^{Proof of documents.}

(9) An affidavit of an officer of the Treasury Department, sworn before a commissioner or other person authorized to take affidavits, setting out that he has charge of the appro- ^{Proof of no appeal.}

ropriate records and has knowledge of the practice of the Department and that an examination of the records shows that a notice of assessment for a particular taxation year was mailed to a taxpayer on a particular day pursuant to this Act and that, after careful examination and search of the records, he has been unable to find that a notice of appeal from the assessment or a notice of objection to the decision of the Treasurer was received within the time allowed therefor, shall be received as *prima facie* evidence of the statements contained therein.

Presump-
tion.

(10) Where evidence is offered under this section by an affidavit from which it appears that the person making the affidavit is an officer of the Treasury Department, it is not necessary to prove his signature or that he is such an officer nor is it necessary to prove the signature or official character of the person before whom the affidavit was sworn. 1950, c. 39, s. 36.

Effect.

37. This Act shall be effective with respect to the taxation years of taxpayers ending in 1949 and subsequent taxation years. 1950, c. 39, s. 37, *amended*.

FORM 1
(Section 16 (3))

NOTICE OF APPEAL

In re *The Logging Tax Act* and
of the of in the
Province of
(Name of taxpayer)
(Address)
Appellant.

Notice of Appeal is hereby given from the assessment bearing date the day of 19..... wherein a tax of \$..... was levied in respect of income from logging operations in Ontario for the taxation of the year 19.....

Then follow with,

- 1. Full statement of facts.
- 2. Full statement of reason for appeal.

Dated this day of 19.....
(Signature of Appellant)

1950, c. 39, Sched.

FORM 2
(Section 18 (2))

NOTICE OF DISSATISFACTION

In re *The Logging Tax Act* and the appeal of
of the of in the
Province of
(Name of taxpayer)
(Address)

I desire my appeal to be set down for trial.

Dated this day of 19.....
(Signature)