

I would refer you to my registered letter of the 15th of March last, to which I have had no reply.

I may say that the question of taxation on foreign corporations, of corporations with head office outside the Dominion of Canada, doing business in our province through the medium of a manufacturers Agent, on a commission basis, has been carefully considered and examined.

You will, therefore, understand that it is our duty to apply the Corporation Tax Act to all companies subject to it, and it is our contention that business in this Province within the meaning of the Act and therefore subject to taxation.

I may say however that in cases where the sales do not exceed \$ 25 000,00, it is our intention to exact a rather nominal tax, the said tax to be based upon the amount of the annual sales made to Quebec residents, and any such nominal tax as will be determined, shall cover taxes on paid-up capital, place of business and profits imposed by the Act.