

1 GEORGE VI.

CHAP. 29.

An Act to amend The Excise Act, 1934.

[Assented to 10th April, 1937.]

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Paragraph (*k*) of section two of *The Excise Act, 1934*, chapter fifty-two of the statutes of 1934, is repealed and the following substituted therefor:—

“(k) ‘officer’ means every officer of excise who is employed or appointed to the survey of manufactures, operations, or premises subject to excise, and every person employed for the purpose of the administration or enforcement of this Act, including any member of the Royal Canadian Mounted Police.”

2. Section forty-three of the said Act is amended by adding thereto the following subsection:—

“(5) If application in writing is made within three years from the date when payment thereof is made, the Minister may refund any duty of excise or fee erroneously paid or overpaid under this Act, and in no case shall a refund or repayment be made unless application is made in accordance with this subsection.”

3. Section fifty-five of the said Act is amended by adding thereto the following proviso:—

“Provided further that spirits for the fortification of native wines when stored in wooden barrels in a bonding warehouse at a registered winery may, in the event of a deficiency arising, be subject to an abatement which shall not exceed two-thirds of one per centum for each complete month after the date of original warehousing, but no abatement shall be allowed for a period of more than twelve months, and every such abatement shall be made in respect of each specific package and shall in no case exceed the actual deficiency found to exist in the package.”

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4. Section sixty-six of the said Act is repealed and the following substituted therefor:—

Who shall
be deemed
officers.

“66. All persons employed for the purposes of this Act, including members of the Royal Canadian Mounted Police, shall be known as officers of excise”.

5. Section ninety-six of the said Act is repealed and the following substituted therefor:—

Refusing
to assist
officers.

“96. Every one who, when called upon in the King’s name by an officer of excise to aid or assist him in the execution of any act or duty required by this Act, refuses or neglects so to do, and every master or person in charge of any vessel and every driver or person conducting or having charge of any vehicle or conveyance, who refuses or neglects to stop such vessel, vehicle or conveyance when required to do so in the King’s name by an officer of excise, is guilty of an indictable offence, and liable to a fine not exceeding one hundred dollars and not less than fifty dollars, and to imprisonment for a term not exceeding six months and not less than three months”.

Penalty.

6. Subsection one of section one hundred and eighteen of the said Act is repealed and the following substituted therefor:—

Recovery of
penalties.

“118. (1) Every penalty or forfeiture incurred and any term of imprisonment imposed for any offence against the provisions of this Act, or any other law relating to excise, whether in conjunction with a pecuniary penalty or not, may be sued for and recovered in, or may be imposed, adjudged and ordered,

Exchequer
Court.

(a) by the Exchequer Court of Canada, or any court of record having jurisdiction in the premises: or

(b) if the amount or value of such penalty or forfeiture does not exceed five thousand dollars, and such term of imprisonment does not exceed twelve months with hard labour, whether the offence in respect of which it has been incurred is declared by this Act to be an indictable offence or not, by summary conviction, under the provisions of the *Criminal Code* relating thereto, before a police or stipendiary magistrate, or any two justices of the peace having jurisdiction in the place where the cause of prosecution arises, or wherein the defendant is served with process, or before any functionary, tribunal or person empowered by the proper legislative authority to perform acts usually required to be done by two or more justices of the peace and acting within the local limits of his or its jurisdiction”.

By
summary
conviction.

Procedure.

7.

7. Paragraph (b) of subsection one of section one hundred and thirty-four of the said Act is repealed and the following substituted therefor:— Licences

“(b) such person shall, before such licence is issued, jointly with a guarantee company, approved by the Minister, enter into a bond to His Majesty, in the sum of one thousand dollars”. Bond.

8. Section one hundred and thirty-six of the said Act is repealed and the following substituted therefor:—

“136. The person in whose favour a licence is granted to have and use any chemical still or stills mentioned in his application for a licence shall, upon receiving such licence, pay to the collector the sum of two dollars: Provided that any person using a chemical still, the measured content of which does not exceed three gallons, or any *bona fide* public hospital duly certified as such by the Department of Pensions and National Health using a chemical still of any capacity, may, upon registering the said still at the office of the collector of the division in which it is situated, be permitted to use the same without payment of licence fee or the giving of bonds; but the possession of any such still without registration shall be deemed a having in possession of a still contrary to the provisions of this Act”. Licence for having and using a chemical still.
Proviso.

9. Section one hundred and thirty-seven of the said Act is repealed and the following substituted therefor:—

“137. Everyone who, not being licensed as a distiller, applies for a licence to import or manufacture stills, worms, rectifying or other apparatus suitable for the manufacture of spirits, shall, when applying for such licence, pay to the collector the sum of two dollars”. Importing or manufacturing apparatus.

10. Subparagraph (ii) of paragraph (d) of subsection one of section one hundred and forty-two of the said Act is amended by inserting in line eleven thereof, after the word “barrels”, the following words:— Duties of excise upon spirits.

“an abatement which shall not exceed”.

11. Section one hundred and sixty-one of the said Act is amended by adding thereto the following subsection:—

“(2) No permit shall be granted for the removal of any spirits for export in bond unless the person applying for the same has paid to the collector or sub-collector a validation fee of twenty cents for every gallon of the strength of proof to be removed as provided by regulations made in that behalf by the Governor in Council: Provided no fee shall be payable upon the export of denatured alcohol or specially denatured alcohol: Provided further, that the fee Validation fee on removal of spirits for export.

fee hereby imposed may be reduced or abolished by the Governor in Council if such reduction or abolition appears to be in the public interest."

Term of imprisonment for distilling without licence.

12. Subsection one of section one hundred and sixty-four of the said Act is amended by striking out the word "three" in the forty-ninth line thereof and substituting therefor the word "six".

13. The said Act is further amended by inserting, immediately after section 169A thereof, the following section:—

Illegal possession if two or more persons found together.

"**169B.** If any two or more persons are found together and they, or any one of them, have in their or his possession any spirits liable to seizure under this Act, each of such persons having knowledge of the fact of such possession is guilty of an offence and punishable in accordance with the provisions of this Act as if the goods were found in his possession."

Duties.
Repeal.

14. Section one hundred and seventy-six of the said Act is repealed.

Least quantity to be ex-warehoused for consumption.

15. Section two hundred and thirty-three of the said Act is repealed and the following substituted therefor:—

"**233.** No less quantity of goods manufactured in bond shall be ex-warehoused for consumption by one entry than would be liable to a duty of twenty dollars".

Definitions

"Wood alcohol."

16. Section three hundred and eight of the said Act is amended by adding the following paragraph thereto:—

"(d) 'wood alcohol' means any volatile liquid whether obtained by the destructive distillation of wood, or otherwise, the chief constituent of which is methyl alcohol and which contains not more than twenty-five per centum by weight of acetone."

17. Subsection two of section three hundred and eleven of the said Act is repealed and the following substituted therefor:—

Specially denatured alcohol subject to regulations.

"(2) Specially denatured alcohol shall only be sold or delivered under a departmental permit to dealers and manufacturers to be used in the arts and industries in cases where denatured alcohol would be unsuitable, and shall only be imported, manufactured, transported or sold under such conditions as the Minister may by regulations prescribe".

Penalty provision repealed.

18. Subsection two of section three hundred and thirteen of the said Act is repealed.

19.

19. The said Act is further amended by inserting, immediately after section three hundred and nineteen thereof, the following section:—

“319A. Except as herein otherwise provided, any person who holds in possession, sells, exchanges or delivers any alcohol, denatured alcohol, specially denatured alcohol, or wood alcohol contrary to the provisions of this Act, or of any regulations made thereunder, is guilty of an indictable offence and shall, for a first offence, be liable to a penalty not exceeding one thousand dollars and not less than one hundred dollars, or to imprisonment with or without hard labour for a term not exceeding three months and not less than one month, or to both fine and imprisonment, and in default of payment of any pecuniary penalty imposed under this section, to a term of imprisonment not exceeding six months and not less than three months, such term of imprisonment to be in addition to any imprisonment already imposed under this section, and for every subsequent offence to a penalty not exceeding one thousand dollars and not less than two hundred dollars, or to imprisonment, with hard labour, for a term not exceeding twelve months and not less than three months, and, in default of payment of the penalty, to a further term of imprisonment equal to that already imposed by the Court for such subsequent offence; and all such alcohol unlawfully held in possession, sold, exchanged or delivered, wheresoever found, and all horses, vehicles, vessels and other appliances which have been or are being used for the purpose of transporting the same, or in or upon which the same are found, shall be seized as forfeited to the Crown, and shall be dealt with accordingly.”

Penalties for violating provisions of the Act and regulations.

20. Sections seven, eight and nine of this Act shall be deemed to have come into force on the first day of April, 1937.

Coming into force of sections seven, eight and nine.

21. Section eleven of this Act shall be deemed to have come into force on the second day of December, 1933.

Coming into force of section eleven.

1 GEORGE VI.

CHAP. 41.

An Act to amend the Special War Revenue Act.

[Assented to 10th April, 1937.]

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

R.S., c. 179;
1928, c. 50;
1929, c. 57;
1930, c. 43;
1931, c. 54;
1932, c. 54;
1932-33, c. 50;
1934, c. 42;
1935, c. 33;
1936, c. 45.

1. Paragraph (c) of section eighty-five of the *Special War Revenue Act*, chapter one hundred and seventy-nine of the Revised Statutes of Canada, 1927, as enacted by section eight of chapter forty-two of the statutes of 1934, is repealed and the following substituted therefor:—

“(c) ‘partly manufactured goods’ shall mean only goods which are to be incorporated into and form a constituent or component part of an article which is subject to the consumption or sales tax; the Minister shall be the sole judge as to whether or not goods are ‘partly manufactured goods’ within the meaning of this section.”

“Partly manufactured goods.”

2. Subsection four of section eighty-six of the said Act, as enacted by section nine of chapter forty-two of the statutes of 1934, is repealed and the following substituted therefor:—

“(4) There shall be imposed, levied and collected a like tax of eight per cent. upon the current market value of all furs dressed and/or dyed in Canada, payable by the dresser or dyer at the time of delivery by him.

Tax on furs dressed or dyed.

The Minister may make regulations for the purpose of determining what constitutes the current market value of furs, and the tax shall be computed upon the value so determined. Such regulations shall be binding upon the owner of the furs as well as upon the dresser or dyer.”

Regulations.

3. Section one hundred and twenty A of the said Act, as enacted by section eleven of chapter thirty-three of the statutes of 1935, is re-numbered to read “129A”.

Sec. 120A re-numbered 129A.

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French
version
amended.

4. Subsection one of section one hundred and six of the French version of the said Act, as enacted by section thirteen of chapter fifty-four of the statutes of 1932 and as amended by section nine of chapter forty-five of the statutes of 1936, is repealed and the following substituted therefor:—

“106. (1) Quiconque est assujéti aux taxes prévues aux Parties XI, XII et XIII de la présente loi et tout fabricant ou producteur patenté sous le régime de son article quatre-vingt-quinze, et tout marchand en gros ou commissionnaire patenté sous le régime de son article quatre-vingt-seize doivent produire chaque mois, conformément aux règlements édictés par le Ministre, un rapport véridique de leurs ventes taxable effectuées pendant le mois précédent. Ledit rapport doit être certifié par une déclaration statutaire faite par la personne tenue de payer la taxe, son procureur ou son agent.”

Schedule III
amended.

5. Schedule III to the said Act, as enacted by section sixteen of chapter forty-five of the statutes of 1936, is amended as follows:—

(a) by striking out in lines thirty-five and thirty-six thereof the words “grain or seed cleaning machines” and substituting therefor the words “grain or seed cleaning machines and complete parts therefor;”

(b) by striking out in lines one hundred and nineteen to one hundred and thirty inclusive the paragraphs reading as follows:—

“Fire brick, containing not less than ninety per cent of silica; magnesite fire brick or chrome fire brick; other fire brick when for use exclusively in the construction or repair of a furnace, kiln or other equipment of a manufacturing establishment, and articles and materials to be used exclusively in the manufacture of such fire brick; materials, not to include plant equipment, consumed in the manufacture or production, and which enter directly into the cost of the manufacture of such fire brick;

Materials, not to include lubricating or fuel oils or plant equipment, consumed in the process of the manufacture or production of taxable goods;”

and substituting therefor the following:—

“Fire brick, plastic refractories, high temperature cement, fire clay and other refractory materials for use exclusively in the construction or repair of a furnace, kiln or other equipment of a manufacturing establishment, and materials to be used or consumed exclusively in the manufacture or production of such fire brick or refractory materials.

Materials (not to include abrasives, lubricating oils, fuel oils or non-permanent plant equipment) consumed, otherwise

than by waste or wear, in the process of manufacture or production of taxable goods.

Raw and salted hides;

Photographs, paintings, pastels, drawings and other art work and illustrations of all kinds, whether originals, copies or proofs, and printing plates made to reproduce the same, for use exclusively as non-advertising news pictures or for illustrating non-advertising articles or stories in periodical publications enjoying second-class mailing privileges, the pages of which are regularly bound, wire stitched or otherwise fastened together;

Materials used as ingredients in canned fish;"

(c) by adding thereto, after the heading "Goods enumerated in Customs Tariff items" and in their proper place amongst the other items therein enumerated, the following Customs Tariff items:—

"236b. Spinal braces and parts thereof;" and

"698. All articles specially designed for the use of the blind, whether for educational, recreational, industrial, personal or other purposes, when for blind persons and imported by, or on the order or certificate of, the Canadian National Institute for the Blind, or other *bona fide* institution or association for the blind."

6. Section two of this Act shall be deemed to have come into force on the second day of May, 1936, and to have applied to all furs delivered by the dresser or dyer on and after that date.

Coming into force of section two.

7. Section five of this Act shall be deemed to have come into force on the twenty-sixth day of February, 1937, and to have applied to all goods mentioned therein, imported or taken out of warehouse for consumption on and after that day, and to have applied to goods previously imported for which no entry for consumption was made before that date.

Coming into force of section five.