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Eing.: 24. JUL. 1937
Tageb. CIRCULAR
DEPARTMENT OF NATIONAL REVENUE
(EXCISE DIVISION)

No. 789-C

OTTAWA, July 12, 1937.

To Collectors of Customs and Excise and others concerned:

Section 2 of the general Regulations dated September 1st, 1936, pertaining to Part XIII (Sales Tax) of the Special War Revenue Act, is hereby cancelled and the following substituted therefor:—

2. RETURNS AND PAYMENT OF TAX.

(a) Everyone liable for payment of Consumption or Sales Tax under The Special War Revenue Act shall make a monthly return on Form B.93 to the Collector of Customs and Excise, showing the total amount of his taxable sales during the preceding month, if any, and the tax payable thereon, or if no taxable sales have been made during the preceding month, stating that no such taxable sales have been made.

(b) Each such return shall be delivered or mailed to the Collector of Customs and Excise and the amount of the tax due paid to him on or before the last day of the month next succeeding the month covered by the return. When a cheque is submitted in payment of tax, it is required to be accepted by a chartered bank before presentation to the Collector.

(c) The monthly return on Form B.93 shall be declared before a proper Officer of National Revenue, Justice of the Peace or Commissioner for taking affidavits. A certificate in the following prescribed form from an independent Auditor or Accountant, endorsed on the face of the return, may be accepted in lieu of the declaration of the licensee; and a person, firm or corporation located at a point where no Officer of National Revenue is situated may, if the return is for an amount of ten dollars or under, likewise endorse on the face thereof, a certificate in the following terms in lieu of the statutory declaration:—

“I,, do hereby certify that the above amount truly represents all the tax accrued upon sales of merchandise, as imposed by law.”

(d) The returns shall be delivered to the Collector or Sub-Collector of Customs and Excise at the Port or Outport where the licensee is located.

(e) Persons, firms or corporations operating offices or branches in more than one locality may, if they so desire, make one return to be filed by the head office for the entire business of the firm, or they may make returns and pay their tax at each of their branches; if payments are to be made by their branches, the Collector at the place where their head office is situated must be so advised when certified copies of licences are being issued.

The Department requires that whether one return and payment is made at head office, or returns and payments are made for each branch, purchasers' orders bearing certificates in prescribed form, also all other necessary records for audit purposes, shall be maintained at the locality or localities where returns are filed and taxes paid.

(f) The amount of tax due is to be shown in the column on the left of form B.93; where the payment accompanies the return the payment should be entered in the right-hand column.

(g) When a return is filed without payment accompanying it, one copy only is to be supplied to Ports, two copies to Outports. These are to be retained at Port and Outport offices.

When payments accompany the return, Form B.93 is to be delivered in triplicate to Ports and in quadruplicate to Outports; one copy of this form is to be stamped by the Cashier and returned to the licensee, who shall keep such copy on file for a period of not less than three years; one copy is to be retained at each Port and Outport, the original to be forwarded to the Department with the Excise Tax Cash Sheet.

(h) Returns shall be signed by the proprietor or a partner of the business, President, Manager, Secretary or Treasurer, of a company, or by any person duly authorized by Power of Attorney to sign on their behalf. When the return is to be signed by a person other than the proprietor, partner, President, Manager, Secretary or Treasurer, Power of Attorney executed in due form shall be filed with the Collector of Customs and Excise.

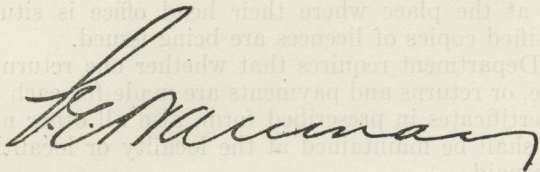
(i) The return delivered by a licensed wholesaler shall show the amounts of the non-taxable sales and the taxable sales separately and the amount of the tax payable.

(j) Manufacturers or producers manufacturing or producing goods for their own use and not for resale are required to account for Consumption or Sales Tax thereon in accordance with the provisions of Section 87 (d). Statements of such goods are to be separately shown on their tax returns.

(k) A licensed wholesaler or jobber is not required to pay the tax on imported goods at the time of entry for consumption, or on domestic goods on purchase, but is required to account to the Department monthly for Consumption and Sales Tax on all sales when the goods are sold to other than licensed manufacturers or producers, for further manufacture into taxable goods, to other licensed wholesalers for resale or on sales which are conditionally exempt, the tax to be computed on the duty paid value, or on the purchase price, as the case may be. Such price is to include the amount of Excise Duties on the goods sold in bond.

(l) The penalty of two-thirds of one per cent per month is to be added to all arrears of Sales or Excise Taxes outstanding on the first business day of each month during which default in payment continues. The penalty is to be computed on the arrears of taxes only. Penalty does not apply on penalty.

(m) Penalty is to be added in respect of accruing taxes not paid within the prescribed time. Arrears established by audit are subject to penalty.



Assistant Commissioner of Excise.