

Taxation Decisions and Rulings

Parliament was dissolved before the legislation implementing the Budget Resolutions was brought down. Accordingly the amendments to the Income War Tax Act, the Income Tax Act and the Excise Tax Act proposed by the Budget Resolutions have not been translated into statutory form.

By P. C. 1423 dated March 24th, 1949, and reproduced in The Canada Gazette, Part II, of April 27th, 1949, at pages 758 *et seq.*, the Income Tax Regulations Part I and Schedule A thereto were revoked and replaced. The Regulations deal with tax deductions at source from salaries, wages and other remuneration and the Schedule sets forth the revised rates at which deductions are to be made to give effect to Budget Resolutions One and Two which provide for increased individual exemptions and decreased individual rates of tax.

Expenses of Attending Bar Association and Other Conventions and Meetings

The following statement is understood to reflect the present attitude of the Taxation Division toward the deductibility of expenses of attending conventions and other meetings. It is of particular interest to lawyers who are considering attending the annual meeting of the Canadian Bar Association at Banff and is, of course, of general interest to all members of organizations, membership fees of which are deductible in computing income subject to tax.

Expenses of attending annual or other meetings will only be allowed if membership fees in the organization sponsoring the meeting are recognized as legitimate deductions from the income of the taxpayer. The expenses to be allowed must be reasonable.

In claiming the expenses as deductions, the following information must be given:—(1) date of meeting; (2) number of days present attested by a certificate of attendance issued by the sponsoring organization; (3) the expenses should be subdivided as follows: (a) transportation; (b) meals; (c) hotel expenses. Vouchers supporting these expenses should be kept available.

No expenses of this nature will be allowed against salary income.

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