

## C A P. X I.

An Act to impose certain direct taxes on certain commercial corporations.

[Assented to 12th July, 1888.]

**H**ER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

- 1.** In order to provide for the exigencies of the public service: every bank carrying on the business of banking in this Province, every insurance company accepting risks and transacting the business of insurance therein, every incorporated company carrying on any labor, trade or business therein, every incorporated loan company making loans therein, every incorporated navigation company running a regular line of steamers, steamboats or other vessels in the waters therein, every telegraph company working a telegraph line or part of a telegraph therein, every telephone company working a telephone line therein, every city passenger railway or tramway company working a line of railway or tramway therein, and every railway company working a railway or part of a railway therein, shall, annually, pay the several taxes mentioned and specified in section 3 of this act; which taxes are hereby imposed upon each of such commercial corporations respectively.
- 2.** In this act the following words and expressions have the meaning and application indicated in this section :
- “Bank” includes Savings Banks;
- “Insurance Company” comprises Life, Fire, Ocean or Inland Marine, Guarantee and Accident Insurance Companies, but does not include Mutual Insurance Companies organized under the laws of this Province;
- “Incorporated Loan Company” includes Building Societies; but does not include those Mutual Building Societies which have not a fixed capital, do not lend money to the public but only to their members, do not lend money at interest, do not levy any interest upon their members and whose members receive no dividend.
- “Incorporated Company” does not include companies publishing newspapers or periodicals, societies or establishments in this Province for the manufacture of butter or cheese or both combined established under the act 45 Victoria, chapter 65, the Dairy Association of the Province of Quebec, established under the act 45 Victoria, chapter 66, mutual insurance societies recognized by or established under the act 45 Victoria, chapter 51, or
- Imposing of certain taxes on certain companies.
- Meaning and application of certain words: “Bank.” “Insurance Company.”
- “Incorporated Loan Company.”
- “Incorporated Company.”

those under the act 42-43 Victoria, chapter 39 and its amendments, companies established for the construction and maintenance of toll-bridges or associations or companies established for drainage, agricultural or colonization purposes.

“Head office.” “Head office” means the most important office or place of business, in the Province of Quebec, of any commercial corporation.

The following annual taxes imposed on : **3.** The annual taxes imposed upon and payable by the commercial corporations mentioned and specified in section 1 of this act, shall be as follows :

#### I.—BANKS.

Banks :

(a) One hundred dollars, on every one hundred thousand dollars or fraction of one hundred thousand dollars of the paid up capital, up to one million dollars, inclusively ; fifty dollars for each one hundred thousand dollars or fraction of one hundred thousand dollars of the paid up capital, from one million dollars to three million dollars inclusively ; twenty-five dollars for each one hundred thousand dollars or fraction of one hundred thousand dollars of the paid up capital from three million dollars to six million dollars, inclusively, and fifteen dollars for each one hundred thousand dollars or portion of one hundred thousand dollars over six million dollars ; except in the case of banks whose organization is outside of this Province but which have branches or agencies in the Province, which shall each pay a principal tax of a fixed amount of one tenth of one per cent upon the amount of the paid up capital if such capital is one million dollars or less, one thousand dollars if the paid up capital exceeds one million dollars but does not exceed two million dollars, and of fifteen hundred dollars if the paid up capital exceeds two million dollars.

Additional tax on offices in Montreal and Quebec, and on offices elsewhere :

(b) An additional tax of one hundred dollars for each office or place of business in the cities of Montreal and Quebec, and of twenty dollars for each office or place of business in any other place.

#### II.—INSURANCE COMPANIES.

Insurance company doing only one kind of insurance :

(a) An insurance company carrying on the business of one kind of insurance only, five hundred dollars ;

Insurance company doing two or more kinds of insurance :

(b) An insurance company carrying on the business of two or more kinds of insurance at the same time, five hundred dollars for the first kind of insurance, and an additional sum of fifty dollars for each kind of insurance beyond one ;

(c) Companies known as Plate Glass Insurance Companies shall each pay a tax of one tenth of one per cent upon the amount of their paid up capital ;

Plate Glass Insurance Companies.

(d) An additional tax of one hundred dollars for each office or place of business in the cities of Montreal and Quebec, and of five dollars for each office or place of business established in any other place ;

Additional tax on offices in Montreal and Quebec, and on offices elsewhere ;

(e) Every person acting as a broker for marine insurance companies, which do not carry on the business of insurance in the Province and have no office or place of business therein, shall pay a principal tax of two hundred dollars and an additional tax of fifty dollars for each of his offices or places of business.

Broker for insurance companies doing business in Province and having no office therein ; Additional on each office.

### III.—INCORPORATED COMPANIES.

(a) One tenth of one per cent, upon the amount of the paid up capital to one million dollars, inclusively, and twenty-five dollars for each one hundred thousand dollars or fraction of one hundred thousand dollars for all sums over one million dollars ;

Incorporated companies ;

(b) An additional tax of fifty dollars for each place of business, factory or workshop in the cities of Montreal and Quebec, and of twenty dollars for each place of business, factory or workshop in every other place.

Additional tax on offices, etc., in Montreal and Quebec, and on offices, etc., elsewhere ;

### IV.—INCORPORATED LOAN COMPANIES.

(a) A company with a fixed capital exceeding five hundred thousand dollars, four hundred dollars, with an additional sum of fifty dollars for each million dollars or fraction of one million dollars of the paid up capital of the company, over one million dollars ;

Incorporated loan companies ;

If the fixed capital exceeds four hundred thousand dollars, but does not exceed five hundred thousand dollars, three hundred dollars ; if it exceeds three hundred thousand dollars, but does not exceed four hundred thousand dollars, two hundred and fifty dollars ; if it exceeds two hundred thousand dollars, but does not exceed three hundred thousand dollars, two hundred dollars ; if it exceeds one hundred thousand dollars, but does not exceed two hundred thousand dollars, one hundred and fifty dollars ; if the fixed capital is one hundred thousand dollars or less, one tenth of one per cent upon the amount of the capital.

(b) A company without a fixed capital, one hundred dollars ;

Additional tax on offices in Montreal and Quebec, and on offices elsewhere ;

(c) An additional tax of one hundred dollars for each office or place of business in the cities of Montreal and Quebec, and of fifty dollars for each office or place of business in every other place, when the fixed capital of the company exceeds one hundred thousand dollars ; when the fixed capital is one hundred thousand dollars or less, and when there is no fixed capital, the additional tax shall be fifty dollars for each office or place of business in the cities of Montreal and Quebec and twenty-five dollars for each office or place of business in every other place.

#### V.—INCORPORATED NAVIGATION COMPANIES.

Incorporated navigation companies ;

(a) One tenth of one per cent upon the amount of the paid up capital up to five hundred thousand dollars inclusively, and fifty dollars for every one hundred thousand dollars or fraction of one hundred thousand dollars above five hundred thousand dollars.

Additional tax.

(b) An additional tax of fifty dollars for the most important office or place of business in each of the cities of Montreal and Quebec, and of twenty dollars for the most important office or place of business in every other place.

#### VI.—TELEGRAPH COMPANIES.

Telegraph companies ;

(a) Every telegraph company and every other company working a telegraph line for the use of the public, one tenth of one per cent upon the amount of the paid up capital up to fifty thousand dollars inclusively ;

(b) Two thousand dollars for every company the paid up capital whereof exceeds fifty thousand dollars ;

#### VII.—TELEPHONE COMPANIES.

Telephone companies ;

One tenth of one per cent upon the amount of the paid up capital if it is fifty thousand dollars or less, and fifteen hundred dollars if the paid up capital exceeds fifty thousand dollars.

#### VIII.—CITY PASSENGER RAILWAY OR TRAMWAY COMPANIES.

City passenger railway or tramway companies ;

Fifty dollars for each mile of single track of railway or tramway in operation, and one hundred dollars for each mile of double track in operation.

#### IX.—RAILWAY COMPANIES.

Railway companies ;

(a) The railway companies mentioned in the schedule of this act, and every railway company having

received or receiving subsidies from the Government of this Province, ten dollars for each mile of railway in operation.

(b) All other railway companies, five dollars for each mile of railway in operation.

**4.** Such taxes shall be payable on the first juridical day of the month of July in each year. Taxes when payable.

**5.** The total amount of the taxes imposed upon any commercial corporation coming under this act shall be payable annually to the collector of provincial revenue of the revenue district in which the commercial corporation has its head office. To whom payable.

**6.** On or before the first day of May in each year, every commercial corporation doing business in the Province shall, without awaiting any notice or demand to that effect from the Government, forward in duplicate to the Provincial Treasurer, a detailed statement in which shall be set forth, in so far as required, in view of the collection of such taxes, by that part of section 3 referring to each class of commercial corporations, the name of the corporation, its nature, the amount of its capital paid up, the number and situation of each and all of its offices, places of business, agencies, stations, factories and workshops, and, in the case of railway and tramway companies, the number of miles in operation in the Province. Corporations to send annually to Provincial Treasurer detailed statement.

At the same date in each year, every person acting as a broker for one or more marine insurance companies, which do not carry on the business of insurance in this Province and have no office or place of business therein, shall make a report of the number and the situation of his offices or places of business, as well as the name and nature of each company for which he transacts the business of insurance. Brokers to do likewise.

Every year also, on or before the first day of May, every person or firm carrying on business under a corporate name, without being incorporated, shall notify the Provincial Treasurer thereof, without waiting a notice or demand from the Government and so as to satisfy the Government that there is no incorporation. And also persons or firms carrying on business under corporate name without being incorporated.

For the year 1888, the detailed statement required by this section shall be furnished on or before the first day of August next. Statement for 1888.

**7.** Every commercial corporation carrying on business in the Province of Quebec, and every broker acting for the marine insurance companies described in the preceding section who neglect to conform to the provisions of the preceding section. Penalty for non-compliance with provisions of preceding section.

sions of the preceding section shall *ipso facto* be liable to a fine of ten dollars per day for each day during which such negligence continues, counting from the day such taxes become due until the reports required by the said preceding section are forwarded to the Provincial Treasurer.

Incomplete reports considered null.

Every such commercial company and every such broker, who shall make an incomplete or incorrect statement, shall be deemed not to have made a report.

Fine on persons not incorporated, not sending in statement.

8. Every person or firm not incorporated carrying on business under a corporate name, who have not on the first juridical day of July in each year made the statement required by section 6 of this act, shall be liable to the fine imposed by the preceding section.

Action for recovery of tax if imposed.

9. Every annual tax imposed by this act, which is not paid, may be recovered with legal interest thereon from the date upon which such tax became due, by an action brought in his own name, on behalf of Her Majesty, by the collector of provincial revenue of the district in which such tax was payable.

For recovery of fine.

The fine imposed by sections 7 and 8 of this act shall be recoverable in the same manner.

Before what court brought.

10. All actions for the recovery of such taxes shall be brought in the judicial district in which they are payable, either before the Circuit Court or the Superior Court, according to the competence of the court with reference to the amount claimed.

Costs not to be adjudged against collector of Provincial revenue; Proviso as to certain cases.

11. Costs shall not be adjudged against the collector of provincial revenue in any action instituted by him under this act; but, on the recommendation of the court, the Provincial Treasurer may, in his discretion, pay to the commercial corporation, in favor of which judgment has been rendered, the costs to which he may deem it equitably entitled.

Return by clerks, etc., to Provincial Treasurer as to commercial corporations in their municipalities.

12. The clerks or secretary-treasurers of every municipal corporation shall, annually, on or before the first day of June, make a report to the Provincial Treasurer setting forth the names of all commercial corporations of the nature of those above mentioned, established or doing business within their respective municipalities, specifying the number of offices, places of business, factories or workshops of each;

Fine for default.

In default of so doing, they shall severally be liable to a fine of twenty-five dollars, and, in default of payment of such fine, to an imprisonment of twenty-five days.

**13.** The taxes imposed by this act shall form part of the consolidated revenue fund of the Province.

Taxes to form part of consolidated revenue fund.

**14.** Any proportion of such taxes may be applied, from time to time, by the Provincial Treasurer, under the direction of the Lieutenant-Governor in Council, to the payment of the expenses incurred for carrying out of this act.

Part of taxes may be applied to payment of expenses in carrying out act.

**15.** The acts 45 Victoria, chapter 22, and 46 Victoria, chapter 7, are repealed; and in lieu of the taxes exigible under the said acts on the first day of July, 1888, the taxes set forth in this act shall be exigible on the first day of September, 1888.

45 V., c. 22 and 46 V., c. 7, repealed; Taxes exigible on 1st September 1888.

**16.** This act shall come into force the day of its sanction.

Act in force.

---

### SCHEDULE.

*Railway Companies referred to in clause (a) of number IX of section 3, and towards the construction of whose railways public moneys have been expended or have been appropriated, either by this Province or by the late Province of Canada.*

Canadian Pacific Railway Company, for that portion of its railway in the Province, extending from Montreal to St. Jérôme, Aylmer and Ottawa City, together with the St. Lin and St. Eustache Branches;

Grand Trunk Railway Company of Canada, for that portion of its railway in the Province;

International Railway Company;

Lake Champlain and St. Lawrence Junction Railway Company;

Missisquoi Valley Railway Company;

Montreal and Laurentian Colonization Railway Company;

Montreal, Portland and Boston Railway Company;

North Shore Railway Company;

Pontiac Pacific Junction Railway Company, for the portion of its railway in the Province;

Quebec Central Railway Company;

Quebec and Lake St John Railway Company;

South Eastern Railway Company;

Waterloo and Magog Railway Company.

---