

INFORMATION ONTARIO PART III

By: Bev Young  
Northern Affairs

This is part 3 of a 4 part series of Information Ontario news releases concerning the Ministry of Revenue.

I again remind you, if you have a specific problem that you are encountering, you should contact your solicitor or the Ministry of Revenue, whose address you may obtain through the Northern Affairs Office.

8. A. If you sell your property at a profit over the original purchase price are you required to pay tax on the difference?

B. Must you file an income tax return in Canada showing this profit?

ANSWER: A. This question has over-simplified the determination of tax liability under The Land Speculation Tax Act, 1974. There are several exemptions that may be applicable, but, generally speaking, if the land is vacant land and you have done nothing to improve it and the value of the property has escalated through no efforts of your own, there would be a tax liability on the increase from April 9, 1974 to the date of sale.

B. Under these circumstances, presumably, you would be liable for a capital gains

tax and this is covered under your income tax return with the Federal Government.

9. Explanation on the property re: 'The Valuation Date'

ANSWER: The reference that you are making here would seem to be the valuation date specified in the capital gains legislation and this requires the valuation of the property on December 31, 1971, the date of the introduction of that legislation. For the purposes of The Land Speculation Tax Act, the value referred to is the value of the property on April 9, 1974, or the cost of acquisition if acquired after that date.

10. How can one go about securing a valid December 31, 1971 valuation of their property?

ANSWER: There are many sources of valuation of the property for either of the dates in question, and probably the best would be the sale of similar type of properties at those same points in time. Other sources may be local listings in the newspapers of those dates or the experience of real estate agents or brokers in the area as to the value of the property. It has been our experience that most owners have a reasonably good estimate of values for the properties on the dates in question. Again, it should be borne in mind the exemption provided Cont'd page 6 .....



**THE CONFEDERATION COLLEGE  
OF APPLIED ARTS AND TECHNOLOGY**

WILL OFFER

**EX 116**

**ADVANCED RUG HOOKING**

TIME: Tuesdays 7:00 - 9:00 p.m.

DATE: October 5th to December 7th, 1976

**EX 986 BEGINNERS**

**INTERMEDIATE RUG HOOKING**

TIME: Thursdays 7:00 - 9:00 p.m.

DATE: October 7th to December 10th, 1976

Cost for either course \$10.00 Tuition  
10.00 Lab Fee  
\$20.00 Total

LOCATION: Public School Library

INSTRUCTOR: Mrs. Dye

For further information and registration contact Mrs. Dye, 110 Bayview, Schreiber - 824-2613.

10am → 1pm  
first Saturday  
each month

**THE  
CRAFT  
MARKET**

Coming dates:  
June 5, July 3, August 7,  
Sept. 4, Oct 2, Nov 6, Dec 4, etc.

Ogden St. School  
600 M'kenzie  
(one block off Simpson  
corner of Ogden + M'kenzie)