



# CANADIAN REVENUE NEWSLETTER

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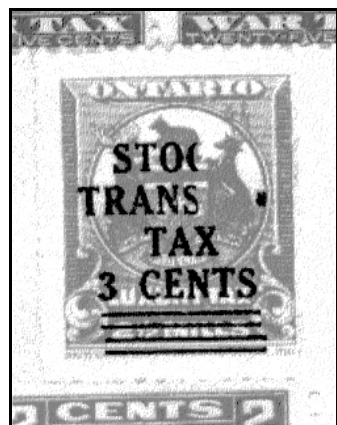
Number 47

## Ontario Stock Transfer Varieties

David G. Hannay



Partial doubling of the '3' and the 'S' in the black surcharge.



Missing the last letters in 'STOCK' and 'TRANSFER'.



Complete doubling of the lines and surcharge.

## Excise Tax Meter Update (2)

David G. Hannay

Many additions to the previous listing of excise tax meters (see *CRN* N<sup>o</sup> 34, February 2001, p. 4) have been identified and listed below. Readers are referred to *CRN* N<sup>o</sup> 29 (January 2000, p. 6) for the Ryan classification scheme for identifying excise tax meter Types.

Meter	Type	Colour	Values	Name or number in meter and/or (on document.)
45016	1B	Red	3	Eastern Car Company Ltd.
45100	4A	Red	.03, .06	Sample Impression "HX" Excise on card
49006	1A	Red	3	Canadian Westinghouse Co. Ltd.
49012	1A	Red	3	The Steel Co. of Canada Ltd.
49012	1A	Red	3	Imperial Oil Limited
49015			3	Andrew Jergens Co. Ltd.
49021	1A	Red	3	Belding-Corticelli Ltd.
49027	3A	Red	3	(Canada Cement Company)
49027	1A	Red	3, 6	Canada Cement Company Limited
49040	1A	Blue	3, 6	Boulevard Drive, W. R. Johnston & Co. Limited
49045	3A	Red	3	(Frederick Stearns & Co. of Canada Ltd.)
49053	1D	Red	3, 6	Quaker Oats Company of Canada Ltd.
49058	1A	Red	3, 6	E. L. Ruddy Co. Ltd.
49066	3A		3, 6	(? Leaside, Ont.)
49081	1A	Red	3, 6	The Steel Co. of Canada Ltd.
49086	1C	Red	3, 6	Imperial Oil Limited
49126	1A	Red	3	Dunlop Canada
49131	2A	Red	3, 6	"Tucketts" - (Tuckett Ltd.)
49134	1E	Blue	6	Personal Products Limited
49134	3A	Blue	3, 6	(Johnson & Johnson Limited)
49146	2B	Red	3, 6	2701 (Guarantee Glove & Sport Garment Co.)
49159	1D	Red	3, 6	Gutta Percha & Rubber Ltd.
49168	3A	Red	6	(Dominion Glass Company Limited)
49172	1D	Red	3, 6	The J. H. Ashdown Hardware Co. Limited
49174	2B	Red	3	2580 (W. J. Bell Paper Co. Ltd.)
49181	2B	Red	3, 6	2678 (General Steel Wares Ltd.)
49181	3A	Red	3, 6	(General Steel Wares Ltd.)
49209	3A	Blue	3	(Province of Saskatchewan, Treasury Department) seen on sample cheque
49218	2B	Red	3, 6	2525 (Beatty Bros. Ltd.)
49229	2B	Blue	3	2539 (Canadian Postage Meters Ltd.) seen on sample cheque
49237	2B	Red	3, 6	2606 (Zelikovitz Bros.)
49240	3A	Red	3, 6	"Sample impression "H3" Excise – regular" on card
49251	2B	Red	3, 6	2559 (Richmond Paper Co.)
49264	2B	Blue	3	2689 (Baker's Food Supplies Co. Ltd.)
49268	2B	Red	3, 6	2572 (Wood, Alexander & James Ltd.)
49283	2B	Red	3	2596 (William Paterson Limited)

(Continues on page 6.)

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# Canada's Excise Tax on Advances of Money: 1920-1927

Christopher D. Ryan

In May of 1920, the federal budget speech announced the government's intention to increase excise tax on all promissory notes and bills of exchange (drafts) from a flat 2 cents to 2 cents per \$100 of the amount of the document. Before the July 1<sup>st</sup> introduction of the new rate, anticipated difficulties in its application resulted in it being limited to time-drafts and time-notes (drafts and promissory notes payable at a specified time greater than three days) and in the introduction of a tax on the advances of money given by banks.[1]

The anticipated difficulties took two forms, excessive taxation in some cases and evasion of the tax in others. Excessive taxation would have occurred in situations where a demand-note (a promissory note payable on demand) was renewed on a daily basis for a variable amount as determined by transactions in a commodity. The net effect would have been a multiplication of the tax on what was in effect a single, ongoing credit. Demand-notes could also have been used to evade the tax by acting as a substitute for the standard commercial practice of renewing a time-note each month. In this case, a single demand-note would be given to the bank against which periodic payments would be made over a long period of time. Another means of evading the proposed increase in the tax rate would have been the excessive use of overdrafts of bank accounts.[1]

To counter these potential difficulties, the government continued to tax demand-notes and drafts (other than time-drafts) at the old rate of 2 cents per document. However, the advances of money given by banks against demand-notes or by way of overdrafts were made taxable at 2 cents per \$100 or fraction thereof as of July 1<sup>st</sup>, 1920. This rate was increased to 2 cents per \$50 as of August 1<sup>st</sup>, 1922.[1, 2]

For consistency and equity, other forms of advances made against agreements to pay and/or pledges of security were also made taxable. This resulted in the taxation of three basic forms of advances:

- Overdrafts of bank accounts,
- Demand-loans (i.e. advances made against demand-notes), and
- Call-loans (i.e. advances made without demand-notes, but against agreements to pay and/or pledges of security),

All of these advances were now taxed on par with credits or advances granted by the use of time-notes and time-drafts. The tax on overdrafts, demand-loans and call-loans was to be paid by the bank affixing stamps to a statement of advances and charging the amount to the respective customer. Either excise tax or postage stamps were permitted through September 30<sup>th</sup>, 1923.[1, 2] As of October 1<sup>st</sup>, 1923, only excise tax stamps could be used.[3] (Note: 'War tax' was the pre-1920 designation for Canada's excise tax stamps.)

In December of 1920, the Revenue Department ruled that advances made prior to July 1<sup>st</sup>, 1920, and still outstanding on or after that date were not subject to the new tax regime. When forwarding details of the ruling, at least one bank instructed its employees not to refund any such tax that had already been paid.[4] As will be discussed later in this work, it appears that a similar ruling was made concerning the August 1<sup>st</sup>, 1922, introduction of the 2 cents per \$50 rate.

As of July 1<sup>st</sup>, 1925, the tax was extended to advances made by any financial institution against a loan agreement and/or pledge of securities. It was revoked as part of the July 1<sup>st</sup>, 1927, return to a flat 2-cent tax for commercial paper. The final payment for the month or quarter ending June 30<sup>th</sup> was to be made by July 6<sup>th</sup>, 1927.[5]

The excise tax on overdrafts was to be paid at the end of each month unless the account was closed or called in during the month at which time the tax was immediately due. The tax was to be calculated using the maximum amount of overdraft that was still outstanding after a three-day period. Overdrafts of three days or less in duration were not

taxable. This exemption allowed for accidental overdrafts.[1, 2]

Figure 1 opposite illustrates a stamped debit-slip used by the Union Bank of Canada to collect the tax on the overdraft for the month of July 1922 at the 2 cents per \$100 rate. Figure 2 illustrates the 2 cents per \$50 rate where the overdrawn account was closed or called in during the month of September 1925. This required the payment of the tax prior to the end of the month.

The tax on call-loans was to be paid quarterly at the end of March, June, September and December, respectively. If a call-loan were paid off, or called in, during a quarter, payment of the tax was to be made immediately.[1, 2]

Figures 3 and 4 respectively illustrate the first and last quarterly payments of the tax on call-loans. Both of the illustrated statements were issued by the Canadian Bank of Commerce in Montreal, Quebec at the respective rates of 2 cents per \$100 and 2 cents per \$50.

In the case of the quarterly tax on demand-loans, the 1920 Statute specified that whenever "*a promissory note, payable on demand*" was given to a bank against an advance of money that bank was to prepare "*a statement showing the maximum amount of advances*" made against such "*notes*" and to affix stamps equal to the value of "*two cents for every one hundred dollars or fraction thereof by which the maximum amount of the advances as aforesaid exceeds one hundred dollars.*" This phrasing was repeated in the 1922 Act at the new 2 cents per \$50 rate. As was the case with call-loans, the tax on demand-loans was immediately due if the loan was paid off or called in during a quarter. The Statutes also stated that the demand-notes received by the bank required only a two-cent stamp regardless of the amount of the note.[1, 2]

A strict reading of the statutory provisions would indicate that credit was to be given in the quarterly tax-payments for only one demand-note regardless of how many were actually issued. However, applicable tax-statements seen by this writer represent two other scenarios, credit given for multiple demand-notes and no credit given for any demand-notes. These applications of the tax may have been made by a Revenue Department ruling that has not yet been found. Such a ruling would have put the various types of demand-loans on an equal footing with respect to the total amount of excise tax paid.

An example of a stamped demand-loan statement in which multiple credits were apparently allowed is illustrated in Figure 5. This statement is for the quarter ending March 31<sup>st</sup>, 1922. It quotes a maximum advance of \$10 000, taxed at 2 cents per \$100, with an apparent credit of four cents presumably representing two demand-notes for a total tax paid of \$1.96.

Quarterly demand-loan statements that include no apparent credit, such as the one illustrated in Figure 6, may have been, given an undiscovered Revenue Department ruling suggested previously, the product of one of several situations as follows: First, the applicable demand-notes were issued in a previous quarter and therefore no credit was given in the current quarter. Second, the bank ignored the credit for the demand-notes and charged the tax on the whole amount of advances, which would have probably upset an attentive customer. Third, the portion of the advances represented by the credit was deducted from the quoted total amount of advances, which seems unlikely as it would have produced an inaccurate statement. Fourth, the bank had not affixed a single two-cent stamp to each demand-note as was required by the Statute.

Evidence for the fourth of the above situations is provided by the documents in Figures 7 and 8. The first item (Figure 7) is a stamped statement for an advance against what is specifically described in the document as a \$5000 demand-note given by the Rural Municipality of

Lipton, Saskatchewan to the Royal Bank of Canada. The twenty blue 10-cent Admiral postage stamps affixed to the back of the statement paid a tax of \$2 at the 2-cents per \$50 rate in place of the \$1.98 required by the Statute. As required by law, the statement was issued on December 18<sup>th</sup>, 1922, when the note was paid by the Municipality. Shortly thereafter, on December 21<sup>st</sup>, 1922, the Municipality gave the bank a second demand-note (Figure 8) for \$5000 that was likewise paid on December 30<sup>th</sup>, 1922. However, a stamped statement was not issued for this second note. In the place of the statement, the requisite stamps, ten 20-cent Admiral postage stamps, were affixed and cancelled on the back of the note. According to the Statute, this demand-note should have been stamped on December 18<sup>th</sup> with a single two-cent stamp. The

remaining \$1.98 in stamps should have been affixed on December 30<sup>th</sup> to a separate statement.

These documents suggest that the Royal Bank branch in Lipton (and, by extension, other branches and banks) had adopted the practice of stamping only the periodic statements of advances and not the individual demand-notes represented by the statement. Given the credit of two cents per note presumed earlier in this article, the practice suggested here would have simplified the application of the tax and yielded the same revenue for the government. One suspects that the consent of the Revenue Department would have been required, but this writer has not found an applicable ruling to confirm this.

(Text continues on page 6.)

Figure 1: Debit-slip of August 3<sup>rd</sup>, 1922, from the Union Bank of Canada at Blairmore, Alberta regarding the monthly excise tax on an advance by way of an overdraft of a bank account. A tax of \$17.90 for the month of July 1922 at the 1920-1922 rate of 2 cents per \$100 is paid by three \$5, two \$1 and three 20-cent George V excise tax stamps

FORM 213

**UNION BANK OF CANADA**

Blairmore, Alta. Aug 3/22/192

**DEBIT** West Canadian Collieries, Ltd.

Revenue Tax on overdraft for July 1922 ----- 17.60

Three \$5 stamps, two \$1 stamps, and three 20-cent stamps are affixed to the document.

Figure 2: Statement of September 18<sup>th</sup>, 1925, from the Standard Bank of Canada at Picton, Ontario regarding the monthly excise tax on an advance by way of an overdraft of a bank account. A tax of four cents is paid by a 4-cent Two Leaf excise tax stamp. The account was evidently closed or called in on September 15<sup>th</sup>, requiring payment of the tax prior to the end of the month.

FORM NO. #48

**The Standard Bank of Canada**

PICTON, ONT. SEP 18 1925

To: *W. B. Mc Kibbin*

*Picton*

The maximum amount of your borrowing account with this Bank by way of \* *overdraft* at the close of business on any day during the *period* ending *Sept 15* 1925, was \$ *52.00*.

Stamps to the value of \$ *04c* are affixed to this statement pursuant to the provisions of amendments to the special War Revenue Act, 1915, and your account is accordingly charged with this amount.

*[Signature]*  
Manager.

4c stamp affixed to the document.

Statements are rendered to borrowers, in connection with loans made on Demand Notes or Loan Bonas, quarterly, on last days of March, June, September and December, or when an account is closed and in connection with overdrawn accounts at the end of every month or when the account is closed.

ADVANCE TO CUSTOMER THE CANADIAN BANK OF COMMERCE Form 815  
 5th October 1920  
 Messrs. Mackenzie & Kingman,  
 10 St. Johns St. Montreal Que.  
 The maximum amount of the advances made by the Bank to you on any day during the three months ending on the last day of September, 1920, in respect of which no promissory note was taken or bill of exchange negotiated but which was evidenced by a document containing a promise to pay the advances or containing a pledge of securities to secure the payment of the advances, was \$ 57,500.00 on July 2nd 1920.  
 Stamps to the value of \$ 11.50 are affixed to this statement pursuant to the provisions of The Special War Revenue Act, 1915, and your account has been charged with this amount.  
 (PLACE STAMPS ON BACK.) H. B. WALKER MANAGER

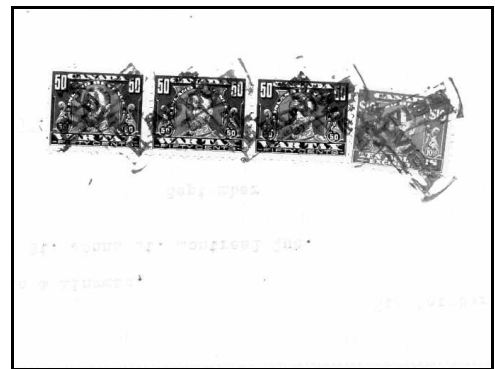


Figure 3: Bank statement of October 5<sup>th</sup>, 1920, regarding the excise tax for the quarter ending September 30<sup>th</sup> on a call-loan of \$57 500. The \$11.50 in tax at the 1920-1922 rate of 2 cents per \$100 was paid by one \$10 George V excise tax stamp and three 50¢ George V war tax stamps. This document represents a first payment of the tax, which took effect July 1<sup>st</sup>, 1920.

George V excise and war tax stamps affixed to the back of the statement at left.

DEBIT VOUCHER THE CANADIAN BANK OF COMMERCE Form 815  
 Montreal, Que. 30th June 1927  
 To Mackenzie & Kingman,  
 10 St John St, Montreal, Que.  
 The maximum amount of the advances made by the Bank to you on any day during the three months ending on the last day of June, 1927, in respect of which no promissory note was taken or bill of exchange negotiated but which was evidenced by a document containing a promise to pay the advances or containing a pledge of securities to secure the payment of the advances, was \$ 51,000.00 on 26th June 1927.  
 Stamps to the value of \$ 20.40 are affixed to this statement pursuant to the provisions of The Special War Revenue Act, 1915, and your account has been charged with this amount.  
 THE CANADIAN BANK OF COMMERCE PAID FOREIGN TELLER  
 MANAGER

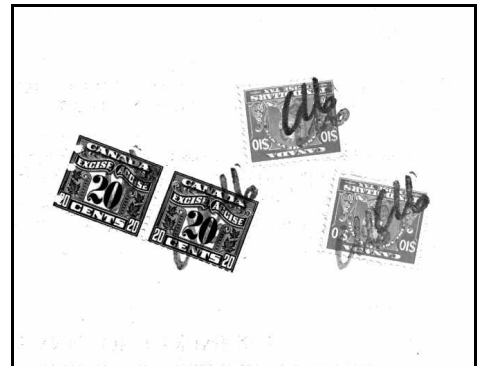


Figure 4: Bank statement of June 30<sup>th</sup>, 1927, regarding the excise tax for the quarter ending June 30<sup>th</sup> on a call-loan of \$51 000. The \$20.40 in tax at the 1922-1927 rate of 2 cents per \$50 was paid by two \$10 George V and two 20¢ Two Leaf excise tax stamps. This document represents a final payment of the tax, which was revoked as of July 1<sup>st</sup>.

George V and Two Leaf excise tax stamps affixed to the back of the statement at left.

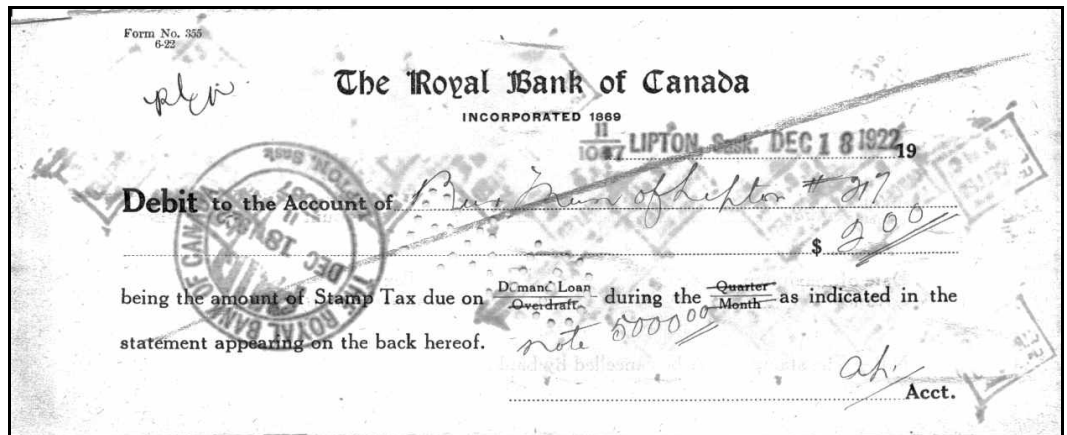
Form No. 355 N.B.—Stamps must be cancelled by bank.  
 The Royal Bank of Canada  
 792 Bloor St. W. TORONTO, ONT. APR - 7 - 1922  
 Dear Sir:—  
 We append a statement showing the amount of the Stamp Tax due by you on your demand loans overdraft current with this bank during the quarter ending as indicated, in accordance with the Special War Revenue Act, 1915, and amendments.  
 This amount has been charged to your account.  
 Yours truly,  
 E. S. CRACKER Manager.  
 Quarter ending MAR 31 1922 Amount \$10,000.00  
 Date of maximum advance Jan 1/22 Tax \$1.96 (Stamp affixed hereto)  
 To W. Walker  
 Revenue Tax on Demand Loans for current quarter

Royal Bank of Canada  
 MOUNT FOREST, ONT. JUN 30 1921  
 Dear Sir:—  
 We append a statement showing the amount of the Stamp Tax due by you on your demand loans overdraft current with this bank during the quarter ending as indicated, in accordance with the Special War Revenue Act, 1915, and amendments.  
 Please remit by return mail or authorize us to charge your account.  
 Yours truly,  
 Manager.  
 Quarter ending JUN 30 1921 Amount \$ 10,375.00  
 Date of maximum advance June 5 Tax \$ 2.08 (Stamp affixed hereto)  
 To H. E. Graham

Figure 5: Statement of April 7<sup>th</sup>, 1922, from the Royal Bank of Canada at Toronto, Ontario regarding the excise tax for the quarter ending March 31<sup>st</sup> on demand-loans totalling \$10 000. The \$1.96 in tax at the 1920-1922 rate of 2 cents per \$100 suggests that a credit was given for two demand-notes. See text for details.

Figure 6: Statement of June 30<sup>th</sup>, 1921, from the Royal Bank of Canada at Mount Forest, Ontario regarding the excise tax for the quarter ending June 30<sup>th</sup> on demand-loans totalling \$10 375. The \$2.08 in tax at the 1920-1922 rate of 2 cents per \$100 suggests that no credit was given for any stamps affixed to demand-notes. See text for details.

Figure 7: Statement of December 18<sup>th</sup>, 1922, for an advance of money against what is specifically described in the document as a \$5000 demand-note given by the Rural Municipality of Lipton, Saskatchewan to the Royal Bank of Canada. As required by law, the statement was issued when the note was paid by the Municipality, rather than at the end of the quarter.



The twenty blue 10-cent Admiral postage stamps affixed to the back of the statement paid a tax of \$2 at the 2 cents per \$50 rate in place of the \$1.98 required by the Statute. The difference of \$0.02 to make a total of \$2 tax should have been affixed to the demand-note.

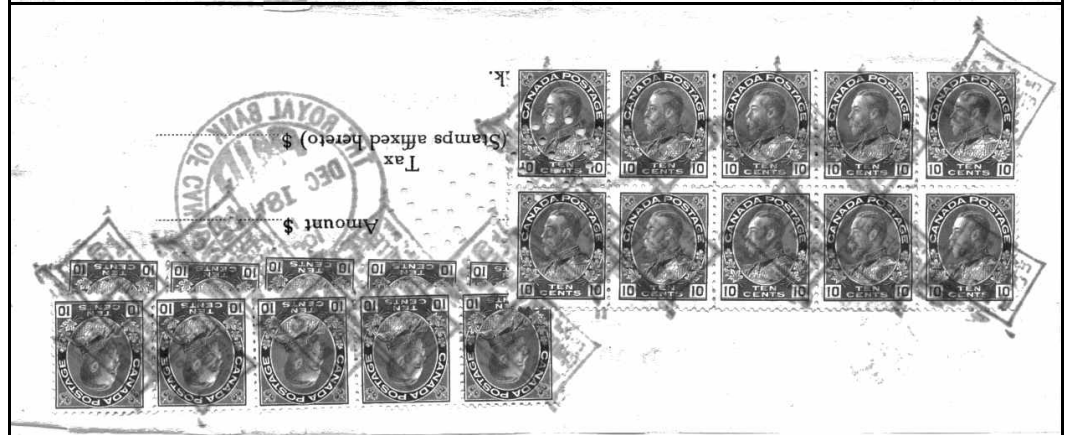
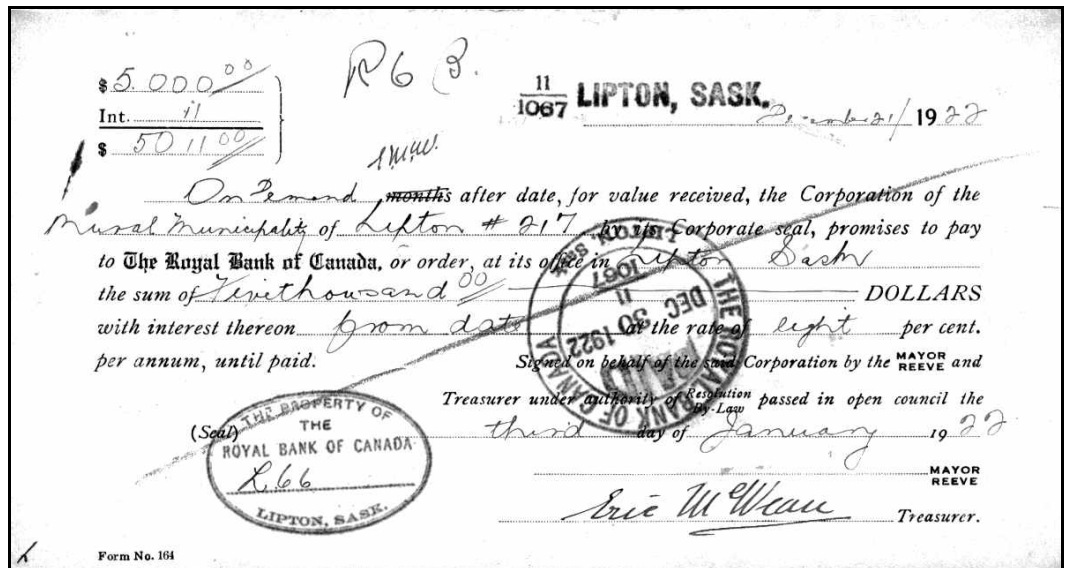


Figure 8: \$5000 demand-note of December 21<sup>st</sup>, 1922, given by the Rural Municipality of Lipton, Saskatchewan to the Royal Bank of Canada. The note was paid on December 30<sup>th</sup>, 1922, making the advance that it represented taxable as of that date.



The \$2 in tax at the 1920-1922 rate of 2 cents per \$50 was paid by ten green 20-cent Admiral postage stamps affixed to the back of the note. This was an improper procedure. Only a 2-cent stamp was to be affixed to the note on December 21<sup>st</sup> with the remaining \$1.98 in tax being paid by stamps affixed to a separate statement (such as the one in Figure 7) on December 30<sup>th</sup>.



An interesting example of the tax on advances is illustrated in Figure 9 opposite. This statement of April 4<sup>th</sup>, 1923, for the quarter ending March 31<sup>st</sup>, 1923, represents a total advance of \$193 000 against demand-notes with \$64.70 paid by a large number of \$1 and \$2 George V excise tax stamps. A notation present at the left side of the document, just above the stamps, reads as follows:

**62 500 @ 2¢ per \$100    12.50**  
**130 500 @ 4¢ per \$100    52.20**  
**64.70**

This tax assessment can be explained by a scenario in which the Revenue Department had ruled that advances accumulated before the mid-quarter increase on August 1<sup>st</sup>, 1922, to 2 cents per \$50 remained subject to the old rate of 2 cents per \$100. Such a ruling would be in keeping with the precedence set in 1920 when the Department ruled that pre-July 1920 advances were not subject to the new tax. In addition, the proposed 1922 ruling would have put the tax on advances on the same footing as that on time-notes.

Given the above analysis, the advances represented by the document in Figure 9 were accumulated over a period of at least nine months. The accumulation of advances against numerous demand-notes over a long period of time is also illustrated by the documents in Figure 10. (See page 8.) The demand-note at the bottom of the figure was given to the bank on October 30<sup>th</sup>, 1931. Its excise stamp was cancelled on October 31<sup>st</sup>, 1931, with a simple straight-line date in green and again in July of 1934 with a boxed cancel in pink. The later cancel would appear to mark the time at which the note was paid. Accompanying the demand-note was a form, also dated October 30<sup>th</sup>, 1931, in which sixty-two demand-notes of various amounts from \$300 to \$2000 were listed as comprising a cumulative advance of \$57 500. The dates of the notes ranged over a fourteen-month period of August 30<sup>th</sup>, 1930, through October 30<sup>th</sup>, 1931.

#### References

- [1] a- Anonymous, "Memo for Mr. Roberts" of June 7<sup>th</sup>, 1920, National Archives of Canada, Records of the Finance Department, RG 19, Vol. 445, File 111-2-1.  
 b- Canada, *Debates of the House of Commons*, 1920, pp. 2494, 3624-2625, 3797-3800.  
 c- Canada, *Statutes*, 1920, 10-11 Geo. V, Chapter 71.  
 d- Richardson, H.A., Circulars of May 19<sup>th</sup>, May 20<sup>th</sup> and June 7<sup>th</sup>, 1920, Scotiabank Group Archives, Chief General Manager's Circulars & Letters, Book 10.
- [2] - Canada, *Statutes*, 1922, 12-13 Geo. V, Chapter 26.
- [3] a- Canada, Customs and Excise Circular N<sup>o</sup> 274C of September 12<sup>th</sup>, 1923, National Archives of Canada, Records of the Department of National Revenue, RG 16, Vol. 1057, File *Circulars 244C to 336C*.  
 b- Canada, *Statutes*, 1923, 13-14 Geo. V, Chapter 70.
- [4] - Richardson, H.A., Circular of December 21<sup>st</sup>, 1920, Scotiabank Group Archives, Chief General Manager's Circulars & Letters, Book 10.
- [5] a- Anonymous, Enclosure with Circular N<sup>o</sup> 54-Z, Scotiabank Group Archives, Secretary's Departmental fonds, Canadian Bankers' Association files series.  
 b- Canada, Bill N<sup>o</sup> 119 of May 18<sup>th</sup>, 1925, Customs and Excise Library, Connaught Building, Ottawa.  
 c- Canada, *Debates of the House of Commons*, 1925, pp. 3332-3333.  
 d- Canada, *Statutes*, 1925, 15-16 Geo. V, Chapter 26; 1927, 17 Geo. V, Chapter 36.  
 e- McLeod, J.A., Circular N<sup>o</sup> 99 of June 23<sup>rd</sup>, 1927, Scotiabank Group Archives, Chief General Manager's Circulars & Letters, Book 17.

## Excise Tax Meter Update (2) (continued from page 1.)

Meter	Type	Colour	Values	Name or number in meter and/or (on document.)
49293	2B	Red	3, 6	2610 (Rock City Tobacco Co. (1936) Limited)
49331	2B	Red	3, 6	2649 (Canada Varnish Co.)
49362	2B	Red	3, 6	2728 (Elkin Sportswear Limited)
49370	2C	Red	3	2748 (Slade & Stewart Ltd.)
493(9?)4	2B	Red	6	2735 (Cameo Crafts Inc.)
49413	3A	Red	3	(Smith Davidson & Wright Ltd.)
49415	3A	Red	3, 6	(The Andrew Jergens Co. Ltd.)
49417	3A	Red	6	(The Canadian Fishing Company Limited)
49454	3A	Red	3	(Vancouver General Hospital)
49490	4A	Red	.03	(Bancroft Industries Ltd.)
49493	4A	Red	.03	("?"ric Supply Co. Ltd.)
49531	4A	Red	.03	(General Western Supply)
49532	4A	Red	.03	(Nyal Company Limited)
49569	4A	Blue	.06	(Hobbs Hardware Co. Limited)
49576	4A	Blue	.03	(Canadian White Pine Company Ltd.)
49580	4A	Red	.03	(Modern Office Industries)
49618	4A	Red	.03, .06	(The Andrew Jergens Co., Limited)
49629	4A	Red	.03, .06	(Standard Oil Company of British Columbia Limited)
49638	4A	Violet	.03, .06	(The G. McLean Company Limited)
49640	4A	Red	.03	(Shell Oil Company of British Columbia Limited)
49674	4A	Red	.03	(Electrolux (Canada) Limited)
49662	4A	Red	.03, .06	(N. C. Polson & Company Ltd.)
49789	?	Red	3, 6	(Personna Blade Co. of Canada)
54900	4A	Red	.03, .06	Proof impression on card "CV-2" sample impression previously used by Robert Simpson Co.
249065	7A	?	6	(Parke, Davis Co.) (See Figure 1 below.)
---	?	Blue	0, 3	Sample impression Pitney Bowes meter from 1951 on Canadian Bank of Commerce cheque paper (See Figure 2 below.)

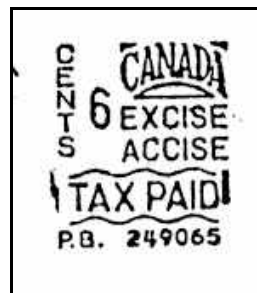


Figure 1: Ryan Type 7A.  
(Courtesy of C.D. Ryan.)



Figure 2: Sample Pitney Bowes meter from 1951.

## MEMBERSHIP NOTES

New Member:

✉ Ian Mowat, Victoria, British Columbia

Mail returned as undeliverable, current addresses unknown:

✉ Richard T Brown, Fergus, Ontario.

✉ N N Sheklian, Visalia, California

✉ C A Stillions, Washington, DC

✉ Fred Whitaker, Lompoc, California

# MOVED? MOVING?

PLEASE SEND YOUR NEW ADDRESS  
TO THE EDITOR.

NOTICES SENT TO BNAPS ARE NOT  
FORWARDED TO THE STUDY GROUPS.

[www.bnaps.org/tutor/tut\\_rev.htm](http://www.bnaps.org/tutor/tut_rev.htm)

# The Dominion Bank,

APR 4 - 1923

To *The R Bell Engine & Co Ltd*  
SEAFORTH, ONT.

The maximum amount of the advances made by the Bank to you (or your Company, or as the case may be) on any day during the three months ending on the last day of *March*, 1923, against promissory notes payable on demand was \$ *193 000*. Stamps to the value of \$ *64 70* are affixed to this statement pursuant to the provisions of The Special War Revenue Act, 1915, and your account (or the account of the Company, or as the case may be) is accordingly charged with this amount.

*62500 @ 2c per \$100      1250*  
*130500 @ 2c " "      2600*  

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*6470*

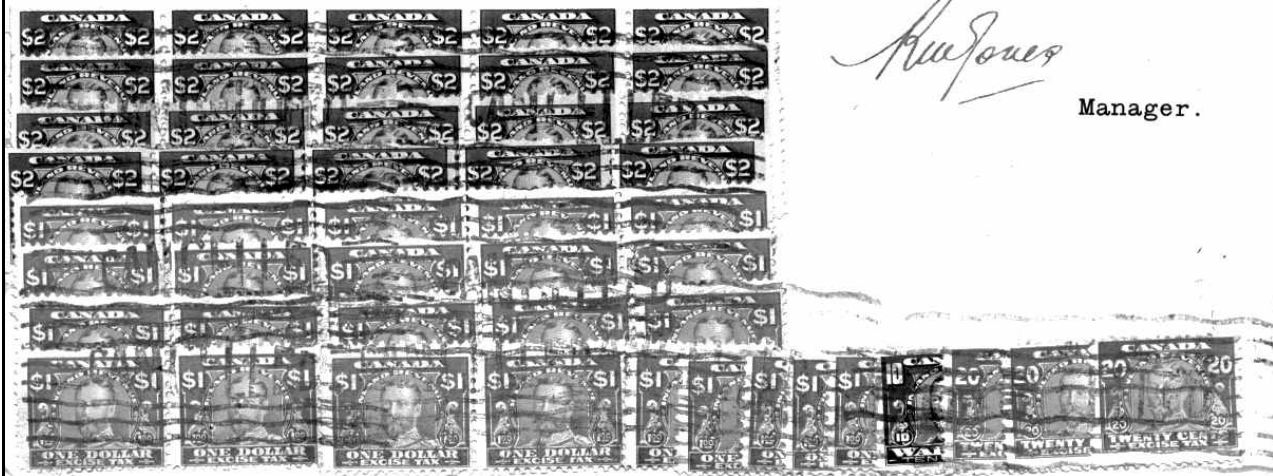


Figure 9: Statement of April 4<sup>th</sup>, 1923, from the Dominion Bank regarding the excise tax for the quarter ending March 31<sup>st</sup>, 1923, on demand-loans totalling \$193 000. The tax of \$64.70 was paid by a large number of \$1 and \$2 George V excise tax stamps. A notation present at the left side of the document, just above the stamps indicates that part of the loan was taxed at the 1920-1922 rate of 2 cents per \$100, while the remainder was taxed at the 1922-1927 rate of 2 cents per \$50.

This tax assessment can be explained by a scenario in which the Revenue Department had ruled that advances accumulated before the mid-quarter increase on August 1<sup>st</sup>, 1922, to 2 cents per \$50 remained subject to the old rate of 2 cents per \$100. Such a ruling would be in keeping with the precedence set in 1920 when the Department ruled that pre-July 1920 advances were not subject to the new tax. In addition, the proposed 1922 ruling would have put the tax on advances on the same footing as that on time-notes.

L.F. 54--CAN.

Form 4  
Security under Sec. 88  
for one or more  
Promissory Notes  
14438

IN CONSIDERATION of an advance of \$57,500.00

dollars made by the BANK OF MONTREAL to the undersigned, for

(1) Here describe the bills or notes. If not sufficient space use Schedule A and insert after (1) the words "viz.: those mentioned in Schedule A hereto."

which the said Bank holds the following bills or notes: (1) Those mentioned in schedule "A" hereto.

Rule out the classes of products, etc., not to be covered.  
~~the products of agriculture,  
the products of the forest  
the products of the quarry and mine,  
the products of the sea, lakes and rivers,  
the live stock or dead stock or the products thereof,  
the grain,  
the goods, wares and merchandise~~

mentioned below are/is hereby assigned to the said Bank as security for the payment of the said bills or notes, or renewals thereof or substitutions therefor and interest thereon.

This security is given under the provisions of Section 88 of The Bank Act, and is subject to the provisions of the said Act.

The said

Rule out the classes of products, etc., not covered by this assignment.  
~~products of agriculture,  
products of the forest,  
products of the quarry and mine,  
products of the sea, lakes and rivers,  
the live stock or dead stock or the products thereof,  
the grain,  
goods, wares and merchandise~~

(2) Where Schedule B is used, check the memo, the under "Place where located."

(3) Here describe the property assigned. If not sufficient space, use Schedule B and insert after the words "viz.: those described in Schedule B hereto."

N.B.—The bills, notes and the party assigned be set out in schedules annexed.

L.F. 53  
86-90 Bk. Act. 46  
14757  
\$ 500.00 Due 4 October 30th 1931

On demand 20 promise to pay to  
The BANK OF MONTREAL at its office in Lindsay  
the sum of Five Hundred Dollars  
with interest, payable monthly, at the rate of 6 per cent. per annum as well after as before maturity for value received.



THE HALLBURTON LUMBER CO. LTD.

The foregoing note is given to the Bank of Montreal for an advance made to the undersigned under the terms of the "Application for credit and promise to give bills of lading, warehouse receipts or security under Section 88" made by the undersigned to the Bank, and dated the 1st day of April 1931, and the undersigned hereby promises to give the said Bank, from time to time as required by the Bank, security and further security for the foregoing Note by way of assignments and further assignments under Section 88 of the Bank Act, upon the "goods" mentioned in the said Application and promise, or by way of Warehouse Receipts or Bills of Lading for the same or part thereof, and no security taken hereunder shall be merged in any subsequent or taken to be substituted for any prior security, and the Manager of the said Bank, or the Acting Manager for the time being, is hereby appointed the Attorney of the undersigned to give from time to time to the Bank the security or further security above mentioned and to sign the same on behalf of the undersigned.

Dated at Lindsay this 30th day of October 1931

The borrower to sign here also

THE HALLBURTON LUMBER CO. LTD.  
Dam  
SECRETARY

Figure 10: Demand-note for \$500 issued October 30<sup>th</sup>, 1931, and paid July 1934, being one of a series of such notes, of various amounts, dating back to August 30<sup>th</sup>, 1930. The notes were given over time to the Bank of Montreal at Lindsay, Ontario for a cumulative demand-loan of \$57 500 as of October 30<sup>th</sup>, 1931. The dates and amounts of the notes comprising the debt were itemized in papers attached to the illustrated note. These documents post-date the tax on advances but are presented here to show that demand-loans could remain outstanding for a significant amount of time.