

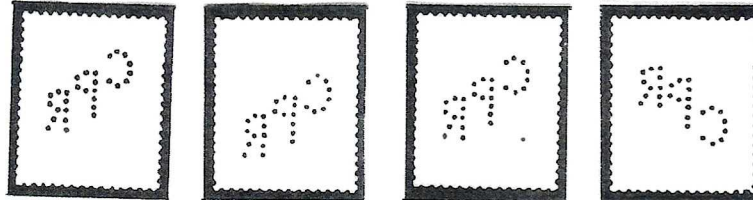
Excise Tax Payments On Documents Using CPR Perfins

Due to the reduction in international goods imported into Canada caused by WWI the Federal Government's customs tax revenue decreased while the cost of the war efforts grew substantially. To partially compensate for this shortage of government revenue, on 15 Apr 1915 the Excise Tax Act, as it would later be known, was created. The Canadian Pacific Railway (CPR), as one of Canada's largest companies at the time, is an excellent case study to illustrate corporate documents paying the excise tax.

In order to limit the impact on citizens the tax amounts were mostly small, two cents or three cents on many financial documents, and applied mostly to cheques. A bank would not process a cheque unless it had the correct excise tax stamps attached, thereby prepaying the excise tax. Where these excise tax stamps were not available the excise tax could be prepaid with postage stamps or war tax stamps. When a receipt was subject to excise tax the tax stamp was attached to it by the vendor.

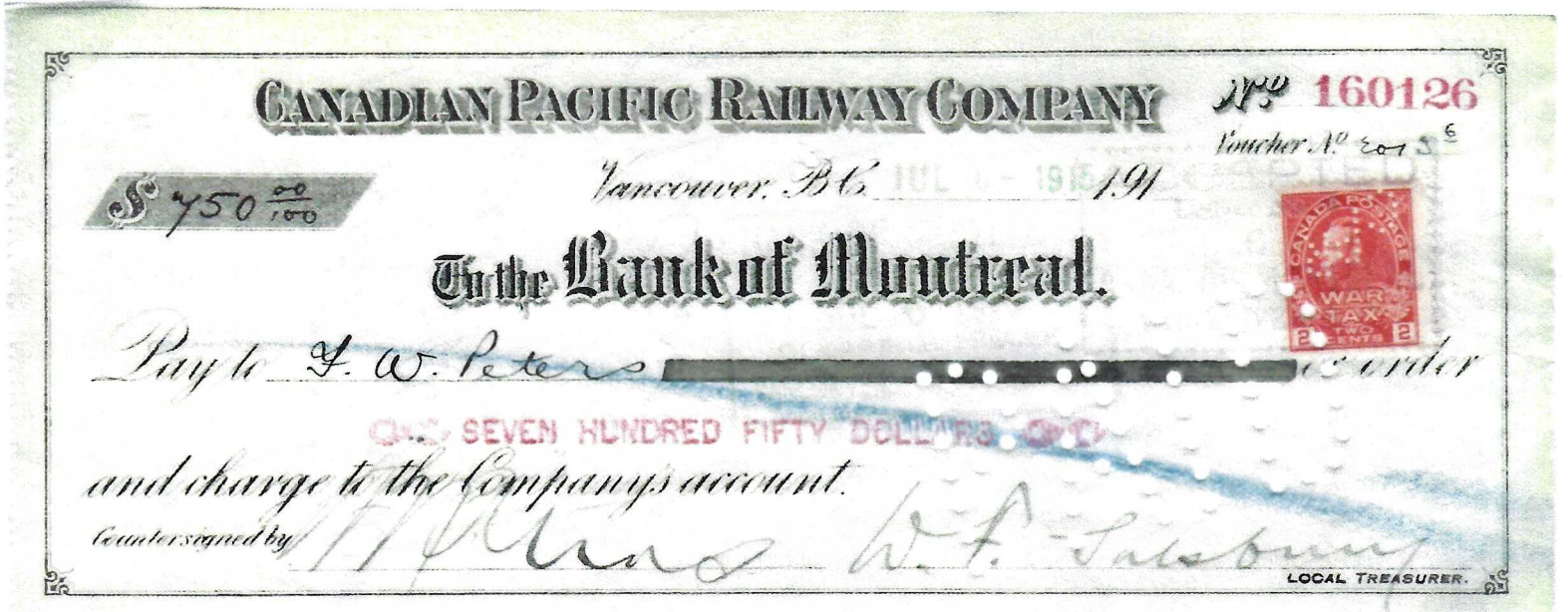
The practice of paying excise tax on financial documents ended 19 Feb 1953.

The CPR comprised three Regions: Eastern, Prairie and Pacific. Each region had its own postage stamp perforator which was used to perforate CPR's Excise Tax stamp perfins. Due to damage to Montreal's perforator, it was replaced in 1934.



Perfin Number	C33	C34	C35	C36
Company Region	Eastern (1)	Eastern (2)	Prairie	Pacific
Perforator Location	Montreal	Montreal	Winnipeg	Vancouver

This exhibit is the culmination of fifty years of searching for CPR documents with excise tax perfins attached. The exhibit cannot be increased in size without duplicating documents.



Vancouver CPR cheque, dated 6 Jul 1915, eleven weeks after excise tax began. Two cent postage stamp perforated "CPR" (Cummins Model 53) C36 and "PAID" (Cummins Model 4). The use of CPR perforated postage stamps to prepay CPR's excise tax is scarce.