Court File No. 39869

IN THE SUPREME COURT OF CANADA
(ON APPEAL FROM THE FEDERAL COURT OF APPEAL)

BETWEEN:

DEANS KNIGHT INCOME CORPORATION

Appellant
(Respondent)

-and-

HER MAJESTY THE QUEEN

Respondent
(Appellant)

-and-

CANADIAN CHAMBER OF COMMERCE, TAX EXECUTIVES INSTITUTE, INC, ATTORNEY GENERAL OF ONTARIO and AGENCE DU REVENU DU QUÉBEC

Interveners

FACTUM OF THE INTERVENER, CANADIAN CHAMBER OF COMMERCE

(Pursuant to Rule 42 of the *Rules of the Supreme Court of Canada*, S.O.R./2002-156)

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PART I – OVERVIEW

1. The general anti-avoidance rule in s. 245 ("**GAAR**") of the *Income Tax Act* (Canada) ("**ITA**") applies broadly across the ITA. Its application depends on whether a provision's object, spirit and purpose ("**OSP**") includes a "rationale that underlies the words that may not be captured by the bare meaning of the words themselves"[1] (an "**Unstated Policy**").

2. This case considers s. 111(5), which limits a corporation's use of its losses if *de jure* control of the corporation is acquired, either under general principles or an ITA provision that deems a *de jure* acquisition of control to occur for this purpose (in either case a "***de jure* AOC**").

3. The issues before this Court create uncertainty for the business community, reduce the tax system's predictability and consistency, and increase the number of costly, time-consuming disputes. First, as to the scope of GAAR generally, a rigorous process for conducting an OSP analysis is essential to ensure that (i) its application respects Parliament's choices rather than being a "smell test," and (ii) the tax system is consistent, predictable and fair. Second, guidance is needed on whether the OSP of s. 111(5) is (consistent with its text and that of its supporting provisions) based on factors affecting the direct or indirect ability to control the corporate law voting mechanisms that determine who has legal authority to direct and bind a corporation, or if it instead contradicts that text and context to encompass contractual economic incentives and similar factors which the ITA's *de facto* control test used in other provisions exists to capture.

PART II – POSITION ON THE QUESTION IN ISSUE

4. The Canadian Chamber of Commerce (the "**Chamber**") intervenes to ask this Court to:

a) provide further guidance on the process for determining whether a provision's OSP includes an Unstated Policy;

b) adopt additional relevant factors to guide an OSP analysis; and

c) as to the OSP of s. 111(5), and based on those relevant factors as applied to s. 111(5) and the extrinsic evidence on the legislative rationale of s. 111(5) discussed below, maintain the long-standing distinction between those factors relevant to the *de jure* control standard for

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[1] *Copthorne Holdings Ltd. v. Canada*, 2011 SCC 63 (*Copthorne*).

s. 111(5) chosen by Parliament and the broader and different factors relevant to *de facto* control, by refusing to adopt an essentially *de facto* control standard renamed as "actual control".

PART III – STATEMENT OF ARGUMENT

A. Factors Relevant to Establishing OSP: Existing Jurisprudence

5. In prior GAAR cases[2] this Court has articulated various factors relevant in determining if a provision's OSP includes an Unstated Policy, including the following:

- Avoiding value judgments: "determining the rationale of the relevant provisions of the *Act* should not be conflated with a value judgment of what is right or wrong nor with theories about what tax law ought to be or ought to do" (*Copthorne*, para. 70);

- Reasonably predictable results: the objectives of "consistency, predictability and fairness . . . would be frustrated if the Minister and/or the courts overrode the provisions of the [ITA] without any basis in a textual, contextual and purposive interpretation of those provisions" (*Canada Trustco*, para. 42);

- Tax reduction is legitimate: there is nothing *per se* objectionable about taxpayers arranging their affairs to minimize their tax burden within the limits set out in the ITA, which Parliament expressly reconfirmed when enacting GAAR (*Canada Trustco*, para. 31);

- Compatibility with the text: any Unstated Policy alleged to exist must be reconcilable with the text, failing which an OSP analysis risks becoming "a purposive one in search of a vague policy objective disconnected from the text" (*Alta Energy*, para. 58);

- Textual omissions and how readily Parliament could have addressed the issue: the Court's prior decisions on textual omissions differentiate between conscious choices by Parliament not to capture something that it was likely aware of and could have readily included in the text had it wished (*Canada Trustco*, *Alta Energy*), versus text not capturing something unforeseen that Parliament likely would have addressed had it been aware of the issue (*Mathew*, para. 58). Similarly, this Court has rejected adding as Unstated Policy concepts that Parliament has expressly provided for elsewhere in the text of the same legislative

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[2] *Canada v. Alta Energy Luxembourg S.A.R.L.*, 2021 SCC 49 (*Alta Energy)*; *Copthorne*; *Lipson v. Canada*, 2009 SCC 1 (*Lipson*); *Canada Trustco Mortgage Co. v. Canada*, 2005 SCC 54 (*Canada Trustco*); and *Mathew v. Canada*, 2005 SCC 55 (*Mathew*).

regime when it wished to do so (*Canada Trustco*, para. 75). Implied exclusion is permissible, when supported by context and/or purpose: *Copthorne*, para. 111; and

- Foreseeability: the use of provisions to achieve results significantly different from those Parliament contemplated when enacting them has been held to offend the OSP of those provisions (*Lipson*, *Mathew*), while conversely a taxpayer applying those provisions and acting in a foreseeable manner has been found not to do so (*Canada Trustco*, para. 78; *Alta Energy*, paras. 80 and 82 ("GAAR was enacted to catch unforeseen tax strategies")).

B. Factors Relevant to Establishing OSP: Suggested Additions

6. The Chamber submits several other factors (being logical extensions of those already established in the caselaw) should be considered in an OSP analysis, particularly as to context.

7. Is the Unstated Policy Itself Clear and Unambiguous? This Court has held that "the GAAR can only be applied to deny a tax benefit when the abusive nature of the transaction is clear" (*Canada Trustco*, para. 50). It logically follows that any Unstated Policy alleged to exist must itself be "clear and unambiguous."[3]

8. Where applicable, s. 111(5) restricts a corporation's use of *its own losses* that it incurred, unlike *Mathew* and *Lipson* where one taxpayer used losses incurred by another. Since no actual transfer of losses occurs, Parliament defined what shareholder-level events constitute a deemed s. 111(5) loss "transfer," using a *de jure* AOC test whose rationale looks exclusively to direct or indirect power over rights derived from the voting of shares, and rejecting *de facto* control.

9. Parliament could have created an absolute bar on corporate loss "transfers", such as a sliding-scale rule applying to changes in shareholdings, e.g., transferring 10% of a corporation's shares restricts 10% of its pre-transfer losses. Instead, it chose a bright-line all-or-nothing threshold (*de jure* AOC) defining which shareholder-level events trigger s. 111(5), and short of which *no* restriction applies. Unlike an actual loss transfer between two taxpayers, the ITA's

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[3] Rothstein J., "A Judge's Perspective on the General Anti-Avoidance Rule," in *The General Anti-Avoidance Rule*, Brian Arnold (Canadian Tax Foundation, 2021), at p. 559. See also at p. 563: ". . . the object, spirit and purpose of the provision or provisions in question must themselves be clear in order for the abusive nature of the transaction to also be clear."

prohibitions on corporate loss "transfers" are limited: the indirect benefit of a corporation's losses may shift from one set of shareholders to another with no restriction if no *de jure* AOC occurs. For example, new shareholders can acquire all of a corporation's shares (existing ones or ones newly-issued on a public offering) without s. 111(5) applying so long as no one person or "group" acquires *de jure* control, thus completely refuting the Crown's "new owners" theory.

10. Are Contraventions of the Unstated Policy Readily Observable? Any "clear" policy not expressed in a provision's text should be one that is readily determinable, definable and observable. It is clear if one taxpayer is using a loss incurred by another (*Lipson* and *Mathew*), or if the paid-up capital of a corporation's shares exceeds the amount invested (*Copthorne*). Conversely, a policy that is vague or expressed in generalities does not meet the government's own GAAR standard of producing "a 'reasonably predictable result' so that taxpayers can comply with the rule, and the administration and the courts can easily apply it".[4] "I can't define it but I know it when I see it" is not the standard Parliament set for applying GAAR.

11. Would the Unstated Policy Effectively Amend a Bright-Line Test? This Court has stated that "[w]here Parliament has specified precisely what conditions must be satisfied to achieve a particular result, it is reasonable to assume that Parliament intended that taxpayers would rely on such provisions to achieve the result they prescribe" (*Canada Trustco*, para. 11). A bright-line test strongly infers that it fully expresses Parliament's intent as to the test's subject-matter. For example, the rule in s. 40(3.3) denying recognition of a loss on property repurchased within 30 days strongly infers that a repurchase on day 31 is acceptable. Taxpayers can contribute to their RRSP right up to the very dollar limit in the ITA. Establishing an OSP that effectively contradicts (rather than adds to) the text or "moves the goalposts" should be extremely difficult.

12. How Fully-Formed is the Legislative Regime? Similarly, the more detailed and fully developed the text of the legislative regime is, the more likely that text fully reflects Parliament's intent. Legislative regimes that are extensive, contain numerous express inclusions or exclusions from the general rule, and/or have been amended frequently over time are less likely to contain an Unstated Policy: e.g., *Canada v. Landrus*, 2009 FCA 113, at paras. 44-47.

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[4] David Dodge, "A New and More Coherent Approach to Tax Avoidance" (1988) 36:1 *Canadian Tax Journal* at p. 22.

13. The indirect loss "transfer" rules that include s.111(5) are a comprehensive fully-formed regime that Parliament has frequently amended, including to adjust the *de jure* AOC threshold for invoking them. Provisions such as ss. 256(7), 256(8) and 256.1 deem a *de jure* AOC to occur (or not) for purposes of s. 111(5) in various circumstances where it otherwise would not (or would) occur, including for public companies. Similar to the rules in *Canada Trustco*, Parliament has often amended the text when it wished to expand or contract the threshold for triggering s. 111(5), and has made no changes that support applying an "actual control" concept.

14. Is the Unstated Policy Competing with Other, Explicit, Policies? The Explanatory Notes accompanying GAAR's enactment described it as "a reasonable balance between the protection of the tax base and the need for certainty for taxpayers in planning their affairs" (*Canada Trustco*, para. 15) that also incorporates the basic principle "that tax planning — arranging one's affairs so as to attract the least amount of tax — is a legitimate and accepted part of Canadian tax law" (*Canada Trustco*, para. 31). Any OSP analysis of a provision incorporating more than one policy representing a compromise amongst "the myriad of purposes promoted by the Act" (*Copthorne*, para. 113) should expressly identify and reconcile all such legislative rationales and their different objectives, especially where one policy (especially an Unstated Policy) constitutes an exception to another one that is explicit in the text of the ITA.

15. Critically, unlike provisions preventing one taxpayer from deducting losses incurred by another, s. 111(5) constitutes an exception to the more fundamental principle in s. 111(1) netting a taxpayer's *own* income and losses. The OSP of s. 111(5) is thus different than the OSP of rules preventing losses incurred by one taxpayer from being deducted by *a completely different* taxpayer, as in *Mathew* and *Lipson*. This context is fundamental to any s. 111(5) OSP analysis.

16. A core principle of fairness within the ITA is that tax is payable on income net of losses. In computing a taxpayer's taxable income, income from one source or year is generally reduced by the same taxpayer's losses from another source or year. Over time Parliament has expanded the rules incorporating this core principle of fairness to (1) extend the period over which losses may be carried forward or back, (2) eliminate the requirement that the activity generating the loss (the "loss business") be carried on in the year the loss is used, and (3) expand the sources of income (e.g., business, property, etc.) netted against one another under s. 111(1) to determine "taxable income", to which the rate of tax is applied. Deducting a taxpayer's losses from its

income from other sources or years ensures as a point of basic fairness that the Canada Revenue Agency ("**CRA**") can't share in a taxpayer's winners while ignoring *the same taxpayer's* losers.

17. S. 111(5) and related provisions are an exception to this general principle where "control of [a] corporation is acquired by a person or group of persons". In that event, (1) the corporation has a deemed year-end, (2) its accrued but unrealized losses are deemed to be realized, and (3) s. 111(5) makes its pre-acquisition of control ("**AOC**") losses (including those in (2)) unusable (e.g., capital losses) or restricted (e.g., business losses). Thereafter, a corporation may use its own pre-AOC business losses in the post-AOC period only (1) if the loss business continues to be carried on in the post-AOC period, and (2) to the extent of income from the loss business or a business of selling the same or similar goods or services as in the loss business (a "same or similar business"). Even if s. 111(5) applies, a company can acquire and merge with another in the same industry to use the other's losses against income from its own "similar business".

18. Hence, part of the context of the OSP of the indirect loss "transfer" rule in s. 111(5) is the compromise that it constitutes between two competing tax policies, one of which (taxation of income net of *the same taxpayer's* losses from other years) is fundamental to the fairness of Canada's tax system and the other of which (s. 111(5)) is an exception thereto.

19. Is the Unstated Policy Consistent with Subsequent Amendments? Subsequent amendments to the ITA constituting a change in tax policy indicate that such policy was not part of the pre-amendment OSP of the relevant provisions. In 2013 Parliament enacted s. 256.1, which deems an AOC to occur for s. 111(5) purposes where a person acquires shares representing more than 75% of the value of all of the corporation's shares and a purpose test is met. The Crown's Response to the Appellant's leave application acknowledged that "[t]he amendment adding s. 256.1 to the *Act* renders 'high equity-low vote' loss trading structures like the applicant's ineffective for transactions undertaken after March 20, 2013" (para. 61). The inclusion of grandfathering rules proves beyond doubt this was a deliberate tax policy change.[5]

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[5] Rothstein J., *supra* fn.3 at p.558 on the role of grandfathering rules: "it seemed to me that such a grandfathering rule would be needed only if the new provision changed the prior law . . . ."

20. Is CRA Practice Consistent With the Unstated Policy? CRA administrative policies that are inconsistent with an Unstated Policy are strong (if not conclusive) evidence that such policy falls far short of the "clear" or "reasonably predictable result" standards. The CRA issued three formal advance tax rulings that GAAR did not apply to the 2004 MDS-Hemosol transactions, a series of steps constructed to avoid a *de jure* AOC of a publicly-traded loss corporation that received $16 million from an arm's-length public company with a 12% ownership interest to access $300 million of the former's losses and other tax attributes.[6] The CRA's rulings blessing arm's-length loss trading designed to avoid a *de jure* AOC are fatal to the existence of an Unwritten Policy against "loss trading" occurring below the *de jure* AOC threshold in s. 111(5).

21. The table below illustrates how the foregoing factors relevant to the context of the OSP of s. 111(5) assist in determining whether it includes an Unstated Policy, as the Crown asserts.

Relevant Factor	**Application to OSP of s. 111(5)**
Would the Unstated Policy alleged to exist yield "reasonably predictable results"?	No: unclear how *de facto* control economic criteria applicable to OSP of *de jure* AOC vote-based test
Does the Unstated Policy expand the subject matter the text already addresses explicitly?	Yes: the text already defines when s. 111(5) applies, in various provisions based on share voting rights
How foreseeable was this interpretational issue?	Very foreseeable that taxpayers would seek to substitute shareholders without a *de jure* AOC
Is the Unstated Policy alleged to exist "clear and unambiguous?"	No: contradicts text that uses voting rights-based factors as threshold to limit deemed loss "transfers"
Would the Unstated Policy alleged to exist effectively amend a bright-line test?	Yes: it would "move the goalposts," not merely prevent an end run around the existing ones
Are contraventions of the Unstated Policy alleged to exist readily observable?	No: unclear what "actual control" means or how to observe when it has been acquired or lost; amounts to "I know it when I see it" standard
How fully-formed is the legislative regime?	Very: detailed provisions, frequently amended, numerous *de jure* AOC vote-based deeming rules

[6] See CRA rulings 2003-0031823, 2004-0056501 and 2004-0069151R3, and Hemosol Inc. Management Information Circular dated March 10, 2004: "As you may be aware, Hemosol Inc. has signed an agreement with MDS Inc. regarding a proposed reorganization of Hemosol's business that will allow Hemosol's business to exchange, in effect, a significant portion of its existing and unutilized income tax losses and other tax assets for a $16 million cash infusion."

Relevant Factor	Application to OSP of s. 111(5)
Would the Unstated Policy alleged to exist compete with other, explicit, policies?	Yes: infringes on the explicit "income net of losses" basic fairness principle in s. 111(1)
Is the Unstated Policy alleged to exist consistent with subsequent amendments?	No: inconsistent with the change in 2013 enacting s. 256.1; grandfathering rule proves change in law
Is CRA practice consistent with the Unstated Policy alleged to exist?	No: see formal CRA rulings GAAR not applicable in 2004 arm's-length MDS-Hemosol transaction

C. Extrinsic Evidence of the Object, Spirit and Purpose of s. 111(5)

22. In 1988, two senior Department of Finance officials described the policy behind a major overhaul of the corporate loss "transfer" rules in s. 111(5) and related provisions as follows:[7]

> The underlying policy of the new loss rules should be apparent, given that the new rules, at least in terms of their overall approach, are an expansion or elaboration of the old. Simply expressed, the policy is that no losses incurred while a corporation is controlled by one person or group should be deductible against income earned while the corporation is controlled by another unrelated person or group. . . . we do not consider the purpose or motive for acquiring control of a loss corporation to be particularly relevant, since the loss to the fisc is precisely the same whether losses do or do not drive the acquisition. In other words, this is not anti-avoidance legislation *per se* . . . .

They further stated that the government's response to "the volume of loss trading activity by the end of 1986" was to enact specific technical amendments to the s. 111(5) regime (at 4:52):

> [M]uch of the potential for leakage was attributable, not to general policy exceptions in the loss transfer rules as they read prior to January 1987, but rather to a number of technical deficiencies of which everyone was largely aware but which were not viewed, either by legislators or by practitioners, as being of sufficient concern to warrant substantive changes to the Act.

23. Nothing in this extensive discussion of these amendments producing the version of s. 111(5) before this Court, nor in the Explanatory Notes or Finance press release accompanying them,[8] nor elsewhere, offers any support for using any alternative basis (e.g., "actual control," economic ownership, continuity of shareholdings, "new owners") beyond the *de jure* AOC standard for invoking s. 111(5), or that the OSP of s. 111(5) includes non-voting right criteria

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[7] William Strain, David Dodge and Victor Peters, "Tax Simplification: The Elusive Goal," in *Report of Proceedings of the Fortieth Tax Conference*, 1988 Conference Report (Toronto: Canadian Tax Foundation, 1989), 4:1-63, at 4:53.

[8] Finance, *Draft Income Tax Amendments and Technical Notes, Special Release, Acquisitions of Gains and Losses*, De Boo, January 1987.

the *de facto* control concept exists to capture and not impacting who has legal rights to control how a corporation's shares are voted. Shareholder-level events not giving a new person that degree of legal certainty, authority and power over a corporation's affairs derived from actual or indirect control of a majority of its voting rights are simply not intended to restrict a corporation's use of its losses (lesser degrees of control are *de facto* control). This is proven conclusively by the fact that issuing any number of new widely-held shares to new shareholders (i.e., swamping existing shareholders) clearly does not and is not intended to trigger s. 111(5).

24. Nothing in any of these sources of additional legislative intent, nor in the Explanatory Notes accompanying GAAR, nor elsewhere, support the Respondent's claim that "GAAR is Parliament's legislative response to abusive arm's-length loss trading activity" (Respondent's Factum, at 112), nor does anything referenced in the Respondent's factum evidence an actual statement of such by the government.[9] Rather, the evidence shows that the government's concerns with corporate loss trading when GAAR was enacted were (1) technical deficiencies of moderate concern, (2) fully addressed by extensive technical amendments that produced the version of s. 111(5) before this Court, and (3) not themselves the reason GAAR was enacted. In any case, even if the Respondent was correct that loss trading was the reason why GAAR was enacted (which is clearly not the case), that would be irrelevant and the Respondent's reasoning circular: why GAAR was *enacted* tells us nothing about which shareholder-level events Parliament has deemed to be the rationale of s. 111(5) required to *invoke* it. The issue at hand is not whether arm's-length loss transfers are abusive, but rather what constitutes an arm's-length loss "transfer" where no actual transfer between taxpayers occurs and Parliament has therefore had to articulate when a corporation should be restricted in using *its own* losses. Whatever the OSP of s. 111(5) is (and whatever the Respondent alleges it to be, which is not clear), it plainly does not include the incremental *de facto* control criteria the Crown has applied.

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[9] Dodge, *supra* fn. 4, at fn. 7: "Canada, Department of Finance, Budget Speech, February 18, 1987, 12. In this speech (at 11), the minister expressly indicated his intention to propose improved general anti-avoidance rules as part of tax reform, in response to abusive tax avoidance transactions that represented a significant factor in eroding corporate tax revenues." The use of loss carryforwards specifically was described as "unexpected," not "abusive."

D. Conclusion

25. The issue before the Court is what shareholder-level events Parliament intended to trigger the loss restrictions of s. 111(5). Stripped of its verbiage, the Respondent's position asks this Court (in the guise of GAAR) to apply the factors that a *de facto* control test exists to capture to an *entire regime of provisions* to which Parliament has chosen to apply a *de jure* control test based on a much narrower set of criteria focussed on direct or indirect control of the corporate-law ability to choose the persons who can legally bind a corporation, as established in *Duha Printers (Western) Ltd. v. Canada*, [1998] 1 SCR 795. In so doing, the Crown seeks not merely to supplement the text of s. 111(5) as in *Copthorne*, but contradict it. "Looking behind" the text in an OSP analysis is not a licence to ignore or contradict it. The evidence on *context* (i.e., other ITA provisions and extrinsic aids: *Copthorne*, para. 91) completely opposes the Crown's position: the factors listed in paragraph 21, the Respondent's own administrative rulings and grandfathering legislation, the consistent use throughout s.111(5) and its many supporting provisions of *de jure* control and its share-voting-based criteria, and the deliberate reservation to other ITA provisions using the *de facto* control test of the broader economic criteria the Respondent's proposed OSP would apply to s. 111(5).

26. This leaves the Crown's position reliant solely on sweeping generalizations about the *purpose* of the loss "transfer" rules that ignore how Parliament actually defined what constitutes a loss "transfer," and thus easily debunked (e.g. the example in Paragraphs 9 and 23). By elevating speculative claims as to the purpose of the loss "transfer" provisions over their text and context, the Respondent violates this Court's ruling that "The proper approach is one that *unifies* the text, context, and purpose, not a purposive one in search of a vague policy objective disconnected from the text (*Canada Trustco*, at para. 41)" (*Alta Energy*, para. 58). GAAR is meant to prevent circumvention of a provision's rationale, not to be wielded as a sword to substitute a broader one. The Respondent's OSP approach reduces GAAR to a no-rules smell test, impermissibly stretching GAAR beyond its intended scope to catch a perceived close call.

PART IV – SUBMISSIONS ON COSTS & PART V – ORDER

27. The Chamber undertakes not to seek any costs and asks that no costs be awarded against the Chamber. The Chamber takes no position on the outcome of this appeal.

PART VI – SUBMISSIONS ON PUBLICATION

N/A

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 2nd day of September 2022.

Per:

Steve Suarez

Laurie A. Goldbach

Elizabeth Egberts

Elizabeth Egberts
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Canadian Chamber of Commerce

PART VII – TABLE OF AUTHORITIES

Caselaw

No.	Authority	Paragraph Reference
1.	*Canada Trustco Mortgage Co. v. Canada*, 2005 SCC 54	5, 7, 11, 13, 14, 26
2.	*Canada v. Alta Energy Luxembourg S.A.R.L.*, 2021 SCC 49	5, 26
3.	*Canada v. Landrus*, 2009 FCA 113	12
4.	*Copthorne Holdings Ltd. v. Canada*, 2011 SCC 63	1, 5, 10, 14, 25
5.	*Duha Printers (Western) Ltd. v. Canada,* [1998] 1 SCR 795	25
6.	*Lipson v. Canada*, 2009 SCC 1	5, 8, 10, 15
7.	*Mathew v. Canada*, 2005 SCC 55	5, 8, 10, 15

Secondary Sources

No.	Secondary Source	Paragraph Reference
1.	CRA Advance Income Tax Ruling, 2003-0031823 Transfer of a Business by a Shareholder, January 21, 2003	20
2.	CRA Advance Income Tax Ruling, 2004-0056501 Transfer of Business, April 7, 2004	20
3.	CRA Advance Income Tax Ruling, 2004-0069151R3 Transfer of a business	20
4.	David Dodge, "A New and More Coherent Approach to Tax Avoidance" (1988) 361 Canadian Tax Journal	10, 24
5.	Finance, *Draft Income Tax Amendments and Technical Notes, Special Release, Acquisitions of Gains and Losses*, De Boo, January 1987	24

No.	Secondary Source	Paragraph Reference
6.	Hemosol Inc. Management Information Circular dated March 10, 2004	20
7.	Rothstein J. "A Judge's Perspective on the General Anti-Avoidance Rule," in *The General Anti-Avoidance Rule*, Brian Arnold (Canadian Tax Foundation, 2021)	7, 19
8.	William Strain, David Dodge and Victor Peters, "Tax Simplification: The Elusive Goal," in *Report of Proceedings of the Fortieth Tax Conference*, 1988 Conference Report (Toronto: Canadian Tax Foundation, 1989)	22

Statutes, Regulations, Rules, etc.

No.	Statute, Regulation, Rule, etc.	Section, Rule, Etc.
1.	*Income Tax Act*, RSC 1985, c1 (5th Supp)	s. 13(7.1) s. 13(7.2) s. 111(1) s. 111(5) s.245 s. 256.1 s. 256(7) s. 256(8)
	Loi de l'impôt sur le revenu, LRC 1985, c 1 (5e suppl)	s. 13(7.1) s. 13(7.2) s. 111(1) s. 111(5) s.245 s. 256.1 s. 256(7) s. 256(8)