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THE NEWSLETTER OF THE FRIENDS OF THE THOMAS FISHER RARE BOOK LIBRARY

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"On Loan from the Thomas Fisher Rare Book Library"

The Fisher Rare Book Library is receiving a surprisingly large number of requests to lend items from its collections for exhibitions in other institutions. This fall no less than five institutions have borrowed material for display. The largest loan has been to the Art Gallery of Ontario where Friends visiting the current Holbein exhibition may recognize some of the Hollar etchings on display as having come from the Fisher Library's East Reading Room. The splendid introduction to the exhibition, put together by Francis Broun of the Adult Programs Department at the Art Gallery, uses twenty-six etchings by Wenceslaus Hollar to provide a historical context for Holbein's work and to show, through Hollar's reproductions, some of Holbein's paintings and drawings which have not survived in their original form. These etchings include the designs for an elaborate chalice and for a scabbard, as well as a depiction of Christ's Deposition from the Cross and a portrait of Henry VIII.

Hollar etched these and many other copies of Holbein's drawings and paintings from originals which were in the vast art collection of the Earl of Arundel, Hollar's English patron and one of the greatest connoisseurs and art collectors of his time. It was Arundel who brought Hollar to London from Cologne in 1637 and it was in Arundel's household that Hollar lived during his first years in London. Arundel appears to have employed Hollar to make copies of many of the works of art in his marvellously rich collection, perhaps with the hope of eventually publishing an illustrated catalogue of his holdings. Later, after the outbreak of Civil War in the 1640's and the death of Arundel in 1646, the collection was dispersed. Many paintings and

drawings were lost in the ensuing centuries and Hollar's etched copies now remain the only record of their existence.

Other items lent for the Holbein exhibition include two beautiful views of Windsor Castle, etched by Hollar from his own drawings, and several plates from his famous *Dance of Death* sequence, based on Holbein's original designs, as well as Hollar's etchings of other, still extant, paintings by Holbein. One of the most interesting of these is the depiction of Solomon, in the unmistakable guise of Henry VIII, receiving the homage of the Queen of Sheba, a traditional personification of the Church and in this scene clearly embodying the Church of England. Hollar's accuracy in rendering Holbein's painting can be checked easily in this instance since the original, once in the Arundel Collection and now in the Queen's, is on display in the adjoining room.

In addition to the etchings lent for the Holbein show, the Fisher Library provided several of the books displayed, including copies of Holinshed's *Chronicles of England,*

Scotland and Irelande (1577). Fox's *Acts and Monuments of Martyrs* (1684), in which the pictorial engraved title page shows King Henry with a foot firmly on the neck of a prostrate figure representing the Catholic Church, and Dugdale's *Monasticon* (1673), for which Hollar executed the magnificent plates showing the ruinous state of many monastic buildings after the Dissolution of the monastic orders by Henry VIII. All of these books and etchings are part of the Shakespearian and Hollar collections being donated to the Thomas Fisher Rare Book Library by Sidney T. Fisher.

The Fisher Library is especially proud to be associated with this impressive exhibition at the Art Gallery of Ontario, but it is also a frequent lender to other exhibitions across the country. Friends will be interested to know that the fifteenth century Italian Antiphonary, featured on two of the Library's 1988 Christmas cards, has just returned from an eighteen month touring exhibition mounted by the Montreal Museum of Fine Arts and entitled "Liturgical Manuscripts of the Middle Ages". Two other manuscripts,



Descent from the Cross. Etched by W. Hollar in 1640 after an original Holbein painting. This print is the only evidence remaining for the existence of the original. (Thomas Fisher Rare Book Library, P109)

both Books of Hours, were also lent for this exhibition.

Another travelling exhibition which includes two books from the Fisher collections has been put together by the Art Gallery of Ontario to provide a context for one of its most evocative Pre-Raphaelite paintings, "The Lady of the Lilacs" by Arthur Hughes. The Library has lent to this exhibition a charming early Victorian treatise entitled *The Language of Flowers*, published in 1838, which designates the lilac as "consecrated to the first emotions of love". In addition the Art Gallery borrowed a fine presentation copy of the first edition of the children's classic, *At the Back of the North Wind* by George MacDonald, with illustrations by Arthur Hughes. This volume was formerly in the possession of Alfred T. DeLury, Professor of Mathematics and later Dean of Arts at the University of Toronto, whose fine collection of English and Anglo-Irish literature came to the Library after his death in 1951.

The Italian Cultural Centre in Toronto has also borrowed extensively from the Fisher Library's Italian collections in the past year. Currently on display in the Centre's exhibition "G.B. Piazzetta and his Circle" is a magnificent edition of Tasso's *La Gerusalemme Liberata*, published in Venice in 1745 and profusely illustrated by Piazzetta himself. This work, considered a masterpiece of eighteenth century Italian printing, came to the Library in 1965 as a gift from the late Beatrice Corrigan, Professor of Italian at the University, who played an instrumental role in the development of the Library's fine Italian collections.

Another Toronto gallery which has frequently borrowed material from the Rare Book Library is the Market Gallery on Front Street. Its present exhibition, "Home, Sweet Home, Toronto", includes three books on nineteenth century Canadian and American architecture which have been lent from the Fisher Library.

Taking place rather farther afield is a commemorative display to be held this December in Seoul, Korea, to mark the hundredth anniversary of the arrival of the first Canadian missionary in Korea, Dr. James Scarth Gale. A selection of books, photographs, letters, and manuscripts from the collection of Gale Papers given to the Fisher Library by J.S. Gale's son, George Gale, has been sent to the Canadian Embassy in Seoul to form part of an exhibition to be opened by President Connell next month. Dr. Gale worked in Korea from 1888 to 1927 and is honoured there not only for his dedicated Christian

ministry but for his scholarship. He prepared the first Korean-English dictionary, published the first Korean translation of the Bible, translated many Korean literary works into English, and is considered by Koreans to be the first Westerner to perceive Korean literature and culture as separate from and different to that of China and Japan.

K. Martyn
Thomas Fisher Rare Book Library



Tax Aspects of the Disposition of Collections

by Robert Turner, C.A.,
Partner, Clarkson Gordon

Introduction

Anyone collecting artwork, prints, rare books or similar property must, at some time, address the issue of disposition, either by sale, gift or bequest. With the coming into effect, over a decade ago, of taxation on capital gains, the collector must consider the tax implications of the eventual disposition of the property. These tax implications can be rather simple (e.g. property can pass to a spouse free of tax) or somewhat complex. Fortunately, it is possible, with a little foresight, to steer your way through the tax laws, so that the tax consequences of a disposition can be

identified and planned for in advance. This article will outline some of the more common tax issues that must be addressed by a collector. The rules described below will differ slightly where the donor is a corporation rather than an individual.

Capital Gains - A General Overview

Generally, the rules for measuring capital gains and/or losses are straightforward. If your net sales proceeds exceed the cost (1) of the asset, you have realized a capital gain; if they are less, you have a capital loss. In the past, one-half of capital gains or losses were taken into income. For 1988 and 1989, two-thirds of capital gains or losses will be taxable; after 1989, three-quarters will be taxable. These gains are eligible for the \$100,000 capital gains exemption.

Paintings, drawings, rare folios, manuscripts or books and certain other personal assets which may increase in value belong to a special category of property for tax purposes, "listed personal property". If you dispose of such property at a gain, the gain is taxed (as above) with certain exceptions as discussed below. If such property is disposed of at a loss, the capital loss can only be applied against gains on other listed personal property. For example, if you purchased a manuscript for \$2,500 and, at some later time, sold it for \$1,800, you would have realized a personal property loss of \$700. This loss could be applied against a capital gain on sale of other listed personal property (say a



Ron Peters, President of the Friends of the Fisher Library, and the Hon. John B. Aird, Chancellor of the University of Toronto, unveil the University Library's seven millionth volume, presented to the Library by the Friends, October 4, 1988

gain of \$1,000 on a painting) but not against a capital gain realized, for example, on some shares you own.

In recognition of the fact that most Canadians own listed personal property (e.g. the \$25 painting bought at the starving artists' sale), and in order to avoid an unreasonable amount of record-keeping, the Income Tax Act considers such property to have a minimum cost of \$1,000 for tax purposes. Similarly, on disposition you are considered to have realized proceeds of at least \$1,000 on such property. For example, if the starving artist becomes better known and the \$25 painting is sold for \$1,100, the capital gain for tax purposes is limited to \$100; that is, \$1,100 proceeds less the deemed cost of \$1,000. On the other hand, if a manuscript which cost \$1,500 is sold for \$250, the capital loss for tax purposes is limited to \$500; that is, the \$1,500 cost minus the \$1,000 of deemed proceeds. It should be noted that the \$1,000 rule is modified in the case of properties that are ordinarily disposed of as a set so that it applies to the entire set rather than to each individual item in the set. Collections are not considered as sets for tax purposes; only items normally sold as sets such as encyclopedias, the collected works of an author in a multi-volume set, etc.

Donations and Gifts

The foregoing comments generally apply equally to property that is disposed of by way of donation or gift. Proceeds are deemed to be received by the donor at an

amount equal to the fair value of the property donated. An exception, as more fully discussed later, applies to Canadian Cultural Property sold or donated to certain institutions.

If you donate property you will be entitled to a tax credit (reducing income taxes otherwise payable). The tax credit in Ontario, for example, for 1988 is approximately 26% of the first \$250 of all amounts donated and about 46% thereafter.

As a general rule the income tax consequences of a donation will depend upon whether it is made to Her Majesty in right of Canada or a province, or to a charitable organization. The full amount of Gifts to Her Majesty qualify for tax credit, regardless of your income. If the available tax credit exceeds your taxes otherwise payable, the portion of the donation relating to the excess can be carried over and claimed in the following five years. Except for qualifying gifts of certain cultural property (discussed below), other donations eligible for credit in a given year are subject to a 20% of net income limitation with a five year carryover.

In summary, when donating a small number of items where each item is expected to have a fair value of less than \$1,000, the \$1,000 rule for "listed personal property" should eliminate any capital gains on the disposition. However, the general 20% of net income rule limiting the donation eligible for the annual tax credit must be considered. For significant donations where capital gains are expected, donors should consider using the Canadian Cultural Property rules as discussed below.

Canadian Cultural Property

Some or all of the above rules go "out of the window" when the property is certified as Canadian Cultural Property "CCP" (2) and the new owner is a designated institution or authority (3). Sometimes, the definition of CCP is erroneously taken to encompass only items of Canadian origin or interest (i.e. Canadiana). However, the definition is quite broad as it includes property of any origin or type as long as the property donated can be considered part of the heritage of mankind. Some examples of certified CCP donated to the Library during 1987-88 have been — a collection of botanical drawings done for the East India Company; a W. H. Auden collection; and the literary papers of Montreal poet, David Solway.

Where procedures under the Income

Tax Act and CCPEIA have been followed, any capital gain realized on transfer of the property to the institution is ignored. Consider, for example, an original map of Western Canada which costs \$1,500, which has a value of \$5,000 and which is to be sold to a university. Provided the i's have been dotted and the t's crossed by having the property certified as CCP and the university obtain a designation under the CCPEIA, the \$3,500 gain will be free of tax.

Where the property is gifted to the institution under the auspices of the CCPEIA the tax benefits can be even greater for, not only is the gain exempt, but the fair market value of the property qualifies for a tax credit without regard to the 20% of income limitation normally applicable for property that is not designated as CCP. For example, if the Western Canada map was donated to a university rather than sold, the deemed gain is still exempt from tax and the donor may claim a tax credit which is generally equivalent to the value of a \$5,000 deduction from taxable income (4). If the amount of the tax credit exceeds taxes otherwise payable for the year, there is a five year carryover period for claiming such excess deductions. The individual is required to file with his tax return the receipt from the qualifying institution or authority and the certificate from the Canadian Cultural Property Export Board. Related appraisal costs are normally borne by the institution.

Bequests

A similar result can be achieved by donation by will provided that the certification/designation procedures are met and the property passes to the institution within fifteen months of the date of death or within such longer period as is reasonable in the circumstances. The value of the bequest will be the basis of a tax credit in the year of death and any excess claim can be applied to reduce taxes in the preceding year. Because taxable income in the year of death may be uncertain and because of the risk of very low income should you die early in the year, you should carefully consider whether it is desirable to make substantial donations through your will.

Summary

In summary, the government of Canada continues to provide a tax incentive for Canadians to sell, donate or bequeath Canadian Cultural Property to qualifying institutions under the Canadian Cultural Property Import and Export Act.



Richard Landon, Director of the Fisher Library, admires Wolfe's copy of Gray's *Elegy*, the University Library's seven millionth volume

Collectors of property that is potentially Canadian Cultural Property should familiarize themselves with these incentives and with the intricacies involved in taking full advantage of them. Accordingly, donors should seek the counsel of a public accountant when they are considering making dispositions of cultural property of considerable value.

Editor's note:

The Thomas Fisher Rare Book Library qualifies as a designated institution for Canadian Cultural purposes. We encourage Friends and others to take advantage of the tax incentives described above to enrich the resources of our Library. To claim a tax credit for 1988, donations-in-kind must be received on or before December 31, 1988. For further information, potential donors should contact Richard Landon (Director, Fisher Library) at 978-6107 or Alan Horne (Director, Development and Public Affairs) at 978-7644.

1. Special rules may apply in computing the cost of a property for tax purposes, for example property owned on December 31, 1971.
2. Property certified by the Canadian Cultural Property Export Review Board under the Canadian Cultural Property Export and Import Act (CCPEIA).
3. An institution or public authority designated under the CCPEIA by the Minister of Communications at the time the transaction occurs. The University of Toronto is a designated institution.
4. Had the individual sold the map to the university and then donated the proceeds, the \$3,500 gain would still be exempt from tax but the donation eligible for credit in the year would be subject to the 20% of income test.



Gift of a Major Collection of Portuguese Literature

The Thomas Fisher Rare Book Library is pleased to report the acquisition of a significant collection of Portuguese literature. The collection, assembled over a period of forty years by Ralph G. Stanton, Professor of Computer Sciences at the University of Manitoba, consists of over

four thousand titles, and represents one of the major collections of its kind outside Portugal. In building his collection Dr. Stanton was expertly counselled by the late Maurice L. Ettinghausen, formerly of Maggs and Bernard M. Rosenthal Inc., who is best remembered as advisor to the exiled King Manoel of Portugal in acquiring his great library during the 1920s and 1930s.

Among the choicest items in the collection are some ninety manuscripts, the most outstanding being *Asia Extrema*, a unique seventeenth-century account by Antonio de Gouvea of fifty years of Jesuit missions in China. Other notable manuscripts are twenty-five volumes of the writings of the Arcadian poet Francisco Joaquim Bingre, much of which has never appeared in printed form; a holograph of the Visconde de Almeida Garrett; the unpublished epic *Viríadas* (ca. 1750) by Isaac de Sequeyra Samuda; and a fifteenth-century copy of the poetical works of Anrique da Mota.

Of the printed books principal interest centres on the numerous editions of Portuguese epic poetry. The most celebrated of these epics is *Os Lusíadas* (The Lusíads) by Portugal's national poet Luis Vaz de Camões. The poem describes Vasco da Gama's historic voyage of 1497-1499 around the Cape of Good Hope, and eastward passage to the Indian subcontinent, culminating in the establishment of Portugal's first overseas colony. Although the collection lacks the extremely rare first edition of 1572, subsequent editions of *Os Lusíadas* are well represented, the earliest being the fourth edition of 1591, and the fifth edition of 1597. The first English translation, by Sir Richard Fanshawe (1655), as well as that by W.J. Mickle (1776), are also in the collection.

Besides *Os Lusíadas* there are many rare first editions of epic poems by lesser known poets. They include: *Segundo Cerco de Diu* (The Second Siege of Diu) (1574), *Felicissima Victoria de Lepanto* (The Most Happy Victory of Lepanto) (1578), and *Naufregio de Sepulveda* (The Shipwreck of Sepulveda) (1584) by Jerónimo Corte Real; *O Condestabre* (The Constable) (1610) by Francisco Rodrigues Lobo; *Os Novissimos* (The Last Ends of Man) (1623) by Francisco Child Rolim de Moura; *Insulana* (1635) and *O Phaenix da Lusitania* (The Phoenix of Lusitania) (1649) by Thomas Manoel; *Ulysses* (1636) by Gabriel Pereira de Castro; *Ulyssippo* (1640) by Antonio de Sousa de Macedo; and *Viriato Tragico* (The Tragic History of Viriatus) (1699) by Bras Garcia

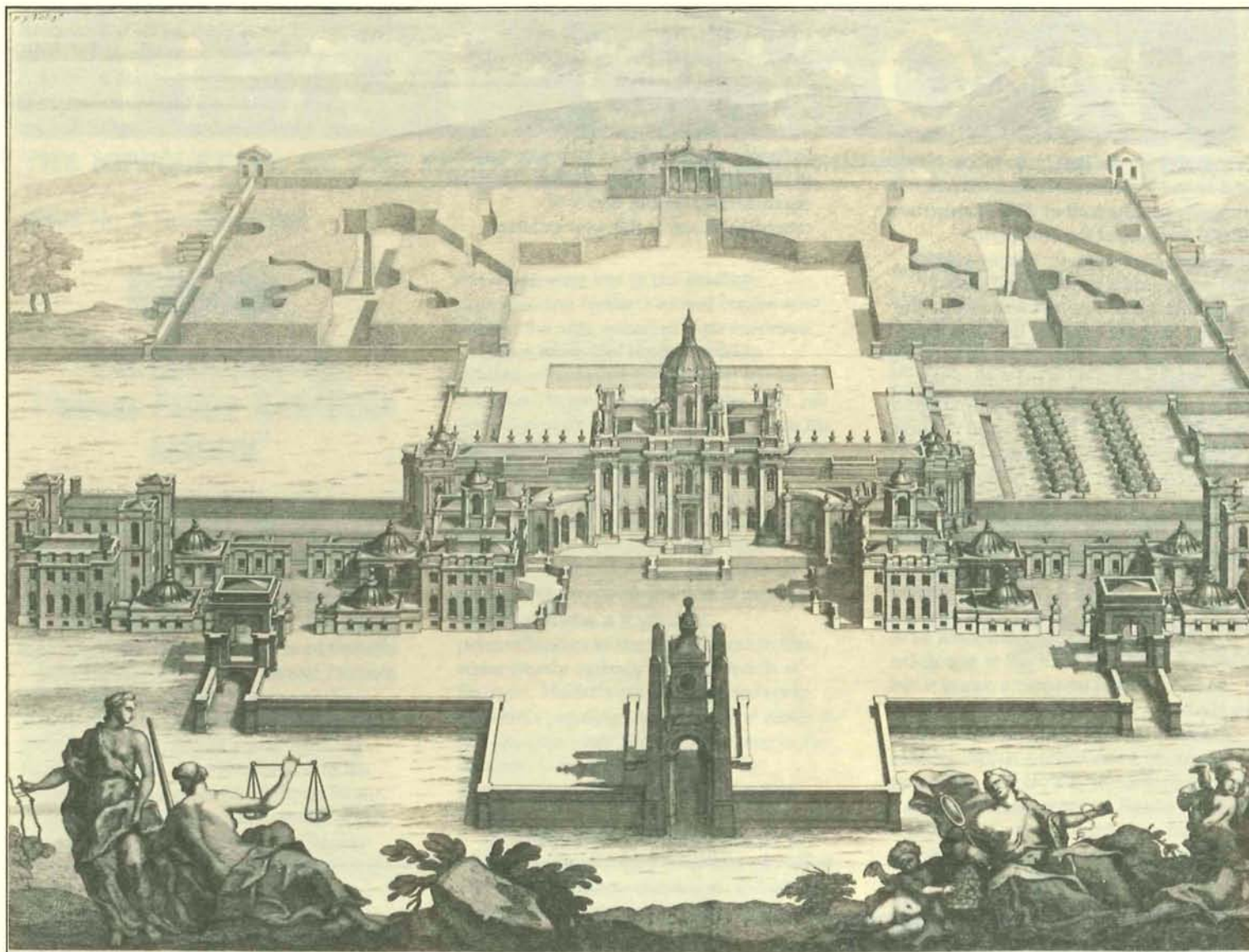
Mascarenhas. These fine examples of Portuguese epic verse to some extent complement the Library's considerable holdings of the contemporary Italian epics of Tasso and Ariosto. There is also a number of epics in manuscript, some of which have never been published. In addition to original editions Dr. Stanton has succeeded in acquiring a wealth of critical material relating to the epic poetry of Portugal and of other countries, as well as such historical documents as court chronicles, which served as source material for many epics. Also worthy of mention is a single incunable, *Epistole Enee Silvij* (Nuremberg, 1496).

The bulk of the collection is composed of the works of nineteenth- and twentieth-century Portuguese and Brazilian writers. Collections of over three hundred works of the prolific poet and polemicist José Agostinho de Macedo, and some one hundred and fifty volumes of the novelist and historian Camilo Castelo Branco are particularly impressive. Editions of the works of other prominent writers, such as Eça de Queiroz, Théophile Braga, Coelho Netto, Thomaz Ribeiro, Alexandre Herculano, Gomes Leal, Júlio Dantas, José Daniel Rodrigues da Costa, and the Brazilians Catullo da Paixão Cearense, Joaquim Maria Machado de Assis, and Jorge Amado are extensively represented.

In addition to the highlights of Portuguese and Brazilian literature, the collection contains a large number of pamphlets, sermons, and ephemeral publications celebrating literary, historical, or political events of national importance. There are, for example, several series of poems marking the deaths of Portuguese royalty and nobility, the erection of national monuments, and the victories of Wellington during the Peninsular War.

Supplementary to the materials described above are most of the significant reference and bibliographical works relating to Portugal. Other items of interest include dictionaries and grammars of the Portuguese language, hundreds of book dealers' catalogues, and a complete set (103 volumes) of a periodical devoted to Portugal's historical monuments.

The collection is in good condition and includes some fine bindings. Many of the books mentioned enjoy a distinguished provenance, having once belonged to the Duque de Palmella (1781-1850), a prominent Portuguese diplomat and bibliophile. His distinctive ornate monogram can be seen stamped on many



Castle Howard, Yorkshire, England, from Colin Campbell's *Vitruvius Britannica*, volume 3, London, 1725. (From the Thomas Fisher Rare Book Library). The Librarian at Castle Howard, Christopher Ridgway, will talk at the Friend's meeting on Friday 9 December.

title pages in the collection.

While it is impossible in a brief survey to do justice to the range and depth of Dr. Stanton's collection, it is hoped that the above description will give some notion of the rich research potential of this valuable resource. As a token of gratitude both to Dr. Stanton for his donation, and to Brascan for its continued generous support of Brazilian studies at the University of Toronto, a reception (to which Friends will be invited) will be held in their honour at the Thomas Fisher Rare Book Library on 19 January 1989. An exhibition of some of the highlights of the collection will be mounted to coincide with the reception.

Philip Oldfield
Thomas Fisher Rare Book Library



Coming Events

The confirmed programme of meetings for the Friends of Fisher for December 1988 through March 1989 is as follows:-

Friday 9 December 1988 at 8.00 pm

Christopher Ridgway, Librarian of Castle Howard in Yorkshire, England, will give an illustrated talk on "The Sociology of a Country House Library: The Collecting Earls of Castle Howard"

Thursday 19 January 1989 (time to be announced)

A reception to celebrate the donation by

Professor Ralph Stanton (University of Manitoba) of a collection of Portuguese literature and to honour Brascan's continued generous support of Brazilian studies at the University of Toronto

Monday 30 January 1989 at 8.00 pm

W. Thomas Taylor, the noted Texan bookseller, will talk on "Tex Fake", or, Texan forgeries

Thursday 2 March 1989 at 8.00 pm

David Lank, FRSA, Chairman of the McCord Museum of Canadian Social History in Montreal, will talk on "A Bell Jar of Victorians", an illustrated presentation about Victorian animal art

An advisory notice about each meeting will be sent to all members but please mark down these dates in your calendars now.



Notes from the Editor

Many thanks to all who commented so favourably on the first issue of *The Halcyon* and found it informative and attractive in appearance. The staff at IMS (Instructional Media Services at the University) produced the design for our newsletter and arranged its printing and deserve congratulations. The text was mostly the work of Richard Landon, the Director of the Thomas Fisher Rare Book Library, with some suggestions from the Editor; the photography was the work of Jim Ingram and Philip Ower in Preservation Services Department of the University Library.

One correction should be made to *Halcyon 1* — on page three, the forename "Christopher" was mistakenly bestowed upon Huygens instead of "Christiaan". And the omission of a date for the issue is embarrassing — for the sake of future bibliographic research, let us give the date of publication as June 1988.

We had hoped to produce *Halcyon 2* somewhat earlier than proved possible so that the article on the tax aspects of gifts-in-kind would have been more relevant for 1988 donors. It is a very clear and concise summary of the matter, and those who are investigating the idea of giving materials to the Library (or to any similar charitable organization) should find it of considerable value this year or later.

Please send comments and suggestions about this issue or future issues to the Editor, Alan Horne, Director, Development and Public Affairs, University of Toronto Library, Toronto, Ontario M5S 1A5 (416-978-7644).

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