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THE LAND AND INCOME TAXATION ACT, 1910.

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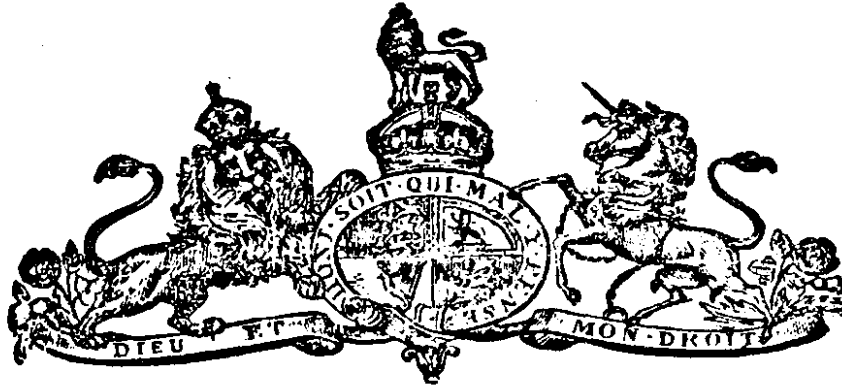
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TASMANIA.



1910.

ANNO PRIMO

GEORGI V. REGIS,

No. 47.

AN ACT respecting the Assessment of Income ^{A.D.} 1910.
and the Taxation of Land and Income.

[30 December, 1910.]

BE it enacted by His Excellency the Governor of *Tasmania*, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

PART I.

INTRODUCTORY.

1—(1) This Act may for all purposes be cited as “The Land and Income Taxation Act, 1910.” Short title and commencement.

(2.) This Act shall come into operation on the Thirty-first day of *December*, One thousand nine hundred and ten.

2 The Acts set forth in the schedule to this Act shall remain in force for all purposes until the Thirty-first day of *December*, One thousand nine hundred and ten, and on that date shall be repealed: Repeal.

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Saving.

3—(1.) The repeal of the said Acts on the Thirty-first day of December, One thousand nine hundred and ten, shall not—

Repeal of Acts
not to affect pro-
ceedings, &c., for
recovery of tax.

- i. Affect the past operation of the said Acts, or the sufficiency or insufficiency, validity or invalidity, of anything done or suffered, or the payment or recovery of any tax which may have become payable to His Majesty thereunder: nor
- ii. Interfere with any assessment made or to be made thereunder, or any appeal against any such assessment; nor
- iii. Interfere with the institution or prosecution of any proceeding in respect of any offence committed, or the recovery of any penalty or forfeiture incurred, against or under the said Acts, and notwithstanding the repeal thereof, the said Acts shall, after the repeal, remain in force as to prior taxation and taxes thereunder, and for all matters and purposes connected therewith.

(2.) The repeal of "The Income Tax Amendment Act, 1909," shall, so far as relates to Section Four of such Act, have a retrospective effect.

Interpretation.
"Agent."

4 In this Act, unless the context otherwise requires—

"Agent" includes every person who, in this State, for or on behalf of any other person outside of this State (hereinafter called the "principal")—

- i. Has the control or disposal of any real or personal property belonging to the principal, or the control, receipt, or disposal of any rents, issues, or proceeds derived from any such property; or
- ii. Directly or indirectly, whether by sample, price-list, negotiation, or otherwise howsoever, sells or disposes of such property, or offers or exposes such property for sale or disposition, or solicits or procures the sale or disposition thereof: or
- iii. Has the control, receipt, or disposal of any income belonging to the principal, or directly or indirectly remits the same to the principal:

"Annual value."

"Annual value" of any property means the annual rental that is paid or that could be reasonably demanded for the use and occupation thereof:

"Balancing-day."

"Balancing-day" means the day on which the financial year or half-year of any person liable to taxation under this Act ends:

"Business."

"Business" includes all professions, trades, manufactures, businesses, employments, and occupations:

"Capital value."

"Capital value" of any land means the capital value at which the land is for the time being valued under the provisions of "The Land Valuation Act, 1909:"

"Commissioner."

"Commissioner" means the Commissioner appointed under this Act, and includes an Acting-Commissioner:

Land and Income.

"Company" includes—

Every company, association, partnership, or firm of more than Six persons, whether corporate or unincorporate and wheresoever and howsoever incorporated, associated, or formed, which carries on business in this State ;

Every mutual or co-operative company or association consisting of more than Six persons, whether in partnership or not, and whether for profit or not, which carries on business in this State ;

Every company, association, or partnership which carries on business in this State under any charter or letters patent :

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"Company."

"District" means a district proclaimed under this Act, or deemed to have been so proclaimed ;

"Dividend" means every sum of money intended to be paid or distributed to or among any shareholders of or in any company, whether the same is derived from income or from capital, but shall not include any portion of capital previously contributed and subsequently repaid and written off the capital account ; the expression "dividend" includes every sum of money intended to be paid or distributed to or among the winners of prizes in any lottery authorised by law in *Tasmania* :

"Goods" includes all wares, merchandise, or personal property of any kind :

"Income" includes all profits, gains, rents, interest, commissions, dividends, salaries, wages, allowances, emoluments, fees, pensions, stipends, charges, and annuities :

"Income from business" means all income arising or accruing from any trade, manufacture, profession, employment, occupation, or business of any kind, whether carried on in this State or elsewhere ; and all income consisting of salaries, wages, allowances, fees, commissions, emoluments, pensions, or stipends :

"Income from property" means any income not being income from business :

"Income tax" means the tax or duty imposed or charged in respect of income by any Act in force for the time being as assessed under this Act, or any Act amending the same :

"Land" includes all lands, tenements, and hereditaments, in this State, and also includes all chattel and other interests therein :

"Land tax" means the land tax imposed by any Act in force for the time being as assessed under this Act or any Act amending the same :

"Local authority" means a municipal council.

"Local authority."

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"Manager" or "public officer."	"Manager" or "public officer" includes any agent or other person, not being the manager of any company which has not its head office or chief place of business in this State, who conducts or carries on the business of such company in this State
"Mercantile business."	"Mercantile business" means any business in which sales are effected of goods, wares, merchandise, or personal property of any kind :
"Mining company."	"Mining company" means any company duly registered under the provisions of "The Mining Companies Act, 1884," or "The Mining Companies (Foreign) Act," or any Act repealed by such Acts :
"Non-resident agent."	"Non-resident agent" includes every person who acts as agent without having a fixed and permanent place of business or abode in this State :
"Non-resident trader."	"Non-resident trader" includes every person who carries on business in this State, without having a fixed and permanent place of business in this State :
"Notice."	"Notice" means any notice written or printed, or partly written and partly printed :
"Occupier."	"Occupier," used with reference to any property, means the person entitled to the immediate possession and occupation thereof :
"Owner."	"Owner," as applied to any land, means and includes any person who is— <ol style="list-style-type: none"> i. Entitled to land for any estate of freehold in possession ; or ii. Entitled to land for any leasehold estate or interest granted under "The Closer Settlement Act, 1906," or any amendment thereof ; or iii. Entitled to land for any such estate or interest as aforesaid as a married woman, to her separate use, otherwise than through trustees ; or iv. Who is a settlor, grantor, assignor, or transferor of land comprised in any settlement, grant, assignment, transfer, conveyance, or other instrument, not made <i>bona fide</i> ; or v. Entitled to land partly in one and partly in another or others of the aforesaid ways ; or vi. In the possession or occupation of any land held under or from the Crown by virtue of any location order or other authority from any Governor of <i>New South Wales</i> or any Lieutenant-Governor of this State, and every person claiming derivatively from, through, or under any other person originally claiming under any such location order or other such authority as aforesaid :

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- vii. The holder by way of purchase of any Crown land purchased on credit ; A.D.1910
- viii. For the time being in the actual receipt of or entitled to receive, or who, if the land were let to a tenant, would be entitled to receive, the rents and profits thereof, whether as beneficial owner, trustee, mortgagee in possession, or otherwise ;
- ix. In the possession of any land under any lease or other instrument conferring possession of such land for any term not less than Ten years, without reserving any rent or reserving any annual rent or other periodical payment less than the annual rent that could reasonably be demanded for the use and occupation of such land :
- “ Pension ” includes every sum payable to or receivable by any person as a retiring or superannuation allowance, and every sum received by any person in this State as a retiring or superannuation allowance from any source whatever : “ Pension.”
- “ Person ” includes company, and for the words “ residing ” or “ resident,” when used with respect to such inclusion, there shall be substituted the words “ having its head office or chief place of business : ” “ Person.”
- “ Prescribed ” means prescribed by this Act or by the regulations to be made under this Act, and where under this Act anything is required to be done in the “ prescribed form,” it shall be sufficient if the same be substantially in the form so prescribed or to the like effect : “ Prescribed.”
- “ Return ” includes all returns, declarations, statements, and particular information which shall be prescribed to be furnished : “ Return.”
- “ Salary ” or “ wages ” means any pecuniary remuneration received by any person for services performed by him, and includes all allowances, fees, and emoluments received in respect of the same services : “ Salary ” or “ wages.”
- “ Taxpayer ” means any person liable to pay tax, and, for the purposes of any provision relating to any return, includes every person required by any regulation to furnish such return : “ Taxpayer.”
- “ Taxpayer in a representative capacity ” means every taxpayer in respect of land or income to which such taxpayer is not beneficially entitled : “ Taxpayer in a representative capacity.”
- “ This Act ” includes all regulations to be made under it : “ This Act.”
- “ Treasurer ” means the Treasurer for the time being of the State : “ Treasurer.”
- “ Trustee,” in addition to every person appointed or constituted such by act of parties, order, or declaration of a court, or

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by operation of law, includes an executor or administrator, and every person having or taking upon himself the administration or control of real or personal property affected by a trust, or acting in any fiduciary capacity, or having the direction, control, or management of the real or personal property of any person under legal disability :

"Turnover."

"Turnover" means the total amount actually charged or received for all goods, wares, merchandise, or other personal property sold or disposed of by any person in connection with the business carried on by such person in this State :

"Unimproved value."

"Unimproved value" as to land means the unimproved value as ascertained under "The Land Valuation Act, 1909."

Division of Act.

5 This Act is divided into parts, as follows:—

- Part I.—Introductory.
- Part II.—Administration of Act.
- Part III.—The Land Tax.
- Part IV.—The Income Tax.
- Part V.—Provisions as to Companies.
- Part VI.—Objections, Review, and Appeals.
- Part VII.—Collection and Recovery of Taxes.
- Part VIII.—Regulations.
- Part IX.—Summary Jurisdiction of Judge of Supreme Court.
- Part X.—Supplemental.

PART II.

ADMINISTRATION OF ACT.

Districts.

State may be divided into districts.

6- (1.) For the purposes of this Act the Governor may, by proclamation, from time to time—

- i. Declare the State or any portion of the State described or defined in such proclamation to be a district :
- ii. Subdivide any district into several districts :
- iii. Abolish any one or more districts, and create new districts.

Existing districts. 64 Vict. No. 4.

(2.) The districts in existence for the purposes of "The Assessment Act, 1900," at the time of the passing of this Act shall be deemed to have been declared districts by the Governor under Subsection (1.) for the purposes of this Act.

Officers.

This part of Act to be subject to "Public Service Act." 5 Ed. VII. No. 9.

7 The provisions of this part of this Act relating to officers shall be construed with and be subject to the provisions of any Act for the time being in force regulating the Public Service of Tasmania (hereinafter referred to as "any such Public Service Act").

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- 8** Subject to the provisions of this Act, the collection and recovery of all taxes imposed by virtue of this Act shall be under the control, direction, and management of an officer, to be styled the Commissioner of Taxes. A.D. 1910.
—
Commissioner of Taxes.
- 9**—(1.) The Governor may, subject to the provisions of any such "Public Service Act," from time to time appoint a Commissioner of Taxes. Governor to appoint Commissioner.
5 Ed. VII. No. 9.
- (2.) The person who at the commencement of this Act holds the Office of Commissioner of Taxes under "The Land Tax Act, 1905," shall be deemed, without further appointment, to have been duly appointed to hold that office under this Act. Present Commissioner continued in office.
5 Ed. VII. No. 4.
- 10**—(1.) The Governor may, subject to the provisions of any such "Public Service Act," from time to time— Appointment of officers.
- i. Appoint an Acting-Commissioner whenever necessary :
 - ii. On the recommendation of the Commissioner, appoint Deputy-Commissioners to perform such duties and having jurisdiction within such districts, and such of the powers exercisable by the Commissioner as the Commissioner may recommend :
 - iii. Appoint and employ such collectors and other officers as are necessary for the proper administration of or for the purposes of this Act :
 - iv. Assign to any one he so appoints to office or employs such duties and functions as he thinks fit
- (2.) The person who at the commencement of this Act holds the office of Collector at *Launceston* under "The Land Tax Act, 1905," shall be deemed, without further appointment, to have been duly appointed a Deputy-Commissioner under this Act for such districts as he then had jurisdiction in as Collector. All the powers and duties vested in or imposed upon the Commissioner by this Act are hereby vested in and imposed upon the said person holding the said office, and such powers and duties may be exercised by that person in the same manner as such powers and duties are exercisable by the Commissioner, but subject to the direction of the Commissioner. Collector at Launceston to be a Deputy-Commissioner.
5 Ed. VII. No. 4.
- (3.) Every person who at the commencement of this Act holds any office or appointment by virtue of any Act hereby repealed shall be deemed, without further appointment, to be duly appointed under this Act. Existing officers.
- 11** The appointment of every person appointed or employed under this Act shall be forthwith published in the "Gazette," and the production of a copy of the "Gazette" shall be *prima facie* evidence of the appointment contained therein. Appointments to be gazetted.
- 12** Every person appointed or employed under this Act shall preserve and aid in preserving secrecy with regard to all matters that may come to his knowledge in his official capacity, and shall not Secrecy to be maintained.

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Declaration of
fidelity and
secrecy.

communicate any such matter to any other person except in the performance of his duties under this Act.

13—(1.) Every person appointed or employed under this Act shall, before acting in the execution of his office, make and subscribe before a justice such declaration of fidelity and secrecy as may be prescribed.

(2.) Every person who wilfully acts in contravention of the true intent of such declaration shall be liable on summary conviction to a penalty of not less than Twenty Pounds and not more than Two hundred Pounds, or to imprisonment for any term not exceeding Six months.

(3.) If the person acts in the execution of his office before he has made the prescribed declaration, he shall be liable on summary conviction to a penalty of not more than One hundred Pounds.

Court of Review.

Court of review.

14 The Governor may, by notice in the "Gazette," declare that—

i. Any judge of the Supreme Court: or

ii. Any commissioner appointed to hold a court of requests under "The Local Courts Act, 1896"—

shall be a court of review within the meaning of this Act; and thereupon every court of review constituted as aforesaid shall have jurisdiction, within such limits and in such cases as the Governor may prescribe in the said notice, to hear and determine, subject to the provisions of this Act, objections to assessments made under this Act.

PART III.**THE LAND TAX.**

Land tax.

15 Subject to the provisions of this Act, there shall be levied and paid to the Commissioner for the year ending the Thirty-first day of December, One thousand nine hundred and eleven, and for every subsequent year, for the use of His Majesty, and in the manner hereinafter directed, a graduated land tax, in the cases and at the rates Parliament shall from time to time declare and enact, per pound sterling of the taxable value of all land situate in this State, with the following exceptions:—

Certain lands
exempt from tax-
ation under this
Act.
Ibid., s. 17.

i. Lands of the Crown which for the time being are not subject to lease, agreement for sale, or right of purchase:

ii. Any land the property of and occupied by or on behalf of His Majesty:

iii. Any land of the Crown held under any lease or licence granted under the provisions of any Act (other than "The Closer Settlement Act, 1906") regulating the occupation by lease or licence of any lands of the Crown for any purpose in such Act mentioned:

6 Ed. VII. No.
33.

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- v. Public roads, public cemeteries, not being the property of any joint stock or public company, and all public recreation grounds and reserves: A.D. 1910.
- vi. Land on which is built any hospital, benevolent asylum, or other building used solely for charitable or religious purposes;
- vii. Land vested in trust for public purposes:
- viii. Land on which is built any public library or public museum:
- ix. Any land the property of any "registered society" or "registered branch" within the meaning of any Act regulating friendly societies:
- x. Any land owned by any local authority or other local governing or statutory public body:
- xi. Any land owned by any company or society which is used exclusively by it for holding public exhibitions and not for the purposes of profit or gain to be divided amongst the shareholders or members thereof.

16 The taxable value of any land shall be the unimproved value thereof. Taxable value.

17 Land tax shall be levied and paid as follows:—

By every owner of land in respect of all land of which he is the owner for every pound of the unimproved value thereof: Levy and payment.
 In the case of an owner of several estates or parcels of land (not being a trustee of different estates for the benefit of different *cestuis que trust*), the aggregate of the values of such several estates or parcels shall be regarded for the purpose of taxation as if such aggregate represented the unimproved value of a single estate or parcel.

• 18—(1.) The land tax shall be charged on land as owned at noon on the Thirty-first day of *March* in the year for which the tax is levied.

(2.) Every person whose name appears at noon on the Thirty-first day of *March* in any year in any district valuation roll in force under the provisions of "The Land Valuation Act, 1909," as owner of any land, shall for the purposes of this Act be deemed to be the owner of that land, unless before such date he—

- i. Gives express notice in writing to the Commissioner that he has parted with or disposed of the land of which he is shown to be owner in the valuation roll, whether by sale, conveyance, assignment, or transfer of any kind; or that he has been deprived thereof by operation of law: and
- ii. Furnishes the Commissioner with full particulars, in writing, of the transaction, the price obtained for the land, the name and address of the purchaser or transferee thereof, or of such facts as relieve him from liability at law—such

Date at which ownership determined for purposes of tax.

Person shown as owner in valuation roll to be deemed owner under Act, unless he notifies Commissioner of transfer, &c., before the 31st day of *March*.
 5 Ed. VII. No. 4, s. 7 (Tax.).

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particulars to be verified by statutory declaration in the prescribed manner.

Provided that any person who shall pay the land tax for any year in respect of any land which he has parted with or disposed of, whether by sale, conveyance, assignment, or transfer, before the Thirtieth day of *June* in that year, shall be entitled to recover from the purchaser or transferee in any court of competent jurisdiction a fair and proper proportion of the amount of any tax so paid as aforesaid, as money paid to the use of such purchaser or transferee.

Joint tenants, &c.
5 Ed. VII. No.
4, s. 9 (Tax.).

19 Persons owning land as joint tenants, tenants in common, co-partners, co-trustees, or on joint account shall, in respect of land so owned and for the purposes of the land tax thereon, be deemed to be a single taxpayer, and shall be jointly and severally liable for the full payment of the tax without regard to the relative shares or interests in the land.

Keeping of
accounts.

20 The account of every taxpayer as to the tax payable in his representative capacity shall be kept separate and distinct from the account of the tax payable in his individual right; and the account of taxpayers jointly entitled to or interested in, whether as partners or otherwise, the same land, as regards the tax payable in respect of such land, shall be kept jointly and separate and distinct from the sole accounts of such taxpayers.

Agents, trustees,
&c., how charge-
able.
7 Ed. VII. No.
15, s. 15 (W.A.).

21—(1.) Every agent for any owner of any land subject to land tax under this Act who may be permanently or temporarily absent from this State, and every trustee of any land subject to land tax under this Act, shall be assessed respectively in respect of such land the owner of which is represented by such agent, or in respect of such land of which he is such trustee, as the case may be.

(2.) Every such agent and trustee shall, subject to the provisions of Subsection (6.), be chargeable with the land tax payable in respect of such land in the same manner as if the land were his own; but he shall be assessed in respect thereof in a representative character only, and the provisions of Section Twenty-one shall apply, and each such assessment shall be kept separate and distinct from the individual assessment (if any) of such agent or trustee.

(3.) Every such agent or trustee shall be answerable for the doing of all such acts, matters, or things as would be required to be done by the owner.

(4.) Every such agent or trustee shall be subject to the same penalties or liability for any neglect, refusal, or default in respect of the obligations and requirements of this Act as the persons whom such agent or trustee represents would be subject to.

(5.) Every such agent or trustee is hereby authorised to recover from any person for whom, or on whose behalf, he is compellable to pay and has paid land tax, the amount of the land tax so paid by him, or to retain out of any money which shall come to him in his repre-

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representative character so much, from time to time, as shall be sufficient to pay such land tax. A. D. 1910.

(6.) Such agent or trustee shall not be personally liable for land tax to any further or greater extent than to the amount of such funds or securities for money as are or may be in his hands in his representative character or as trustee, or of which he shall have the controlling power, after receiving notice of such assessment as hereinbefore provided.

22 The Commissioner may, if he thinks fit, from time to time, and at any time, require any taxpayer to furnish any information in writing or by verbal communication and to produce for examination by the Commissioner, or by any person appointed by him for that purpose, at such time and place as may be appointed by the Commissioner, any deeds, instruments, or other documents or writings in his custody or under his control as may be necessary to enable the Commissioner to determine the rate at which such taxpayer is liable to taxation under this Act in respect of any land.

Commissioner may require information, &c.
5 Ed. VII. No. 4, 14.

Distribution of Burden of Land Taxation.

23 Every taxpayer shall be liable to the Treasurer for the full payment of the whole amount of the tax.

Liability of taxpayer.

Ibid., s. 16.

24 In any case where two or more persons are the owners of land as joint tenants, tenants in common, co-partners, co-trustees, or on a joint account, the burden of the tax in respect of such land shall, as between such persons, be distributed amongst them in the relative proportions of the value of their shares or interests in the land taxed. And every taxpayer who shall have paid any land tax shall be entitled to recover from every other taxpayer in respect of the land tax of the same land a proper proportion of the amount paid.

Distribution of burden.

Ibid., s. 19.

25 Where a taxpayer makes a default in the payment of land tax, then without in any way releasing him from his liability the following provisions shall apply as long as the default continues—

Remedy against other persons where taxpayer makes default.

i. If the tax is payable in respect of land subject to any lease or occupied by any person, then the lessee or occupier shall be responsible for the payment of the tax, and it may be recovered from him as if he were the defaulting taxpayer :

ii. All payments made under this section by a lessee or occupier shall be deemed to be made on behalf of the defaulting taxpayer.

26 Where any person (other than the owner of any land, or the attorney or agent of the owner) in possession of such land under any lease or other instrument conferring possession of such land for any term not less than Ten years, shall be liable to the payment of any rent or other periodical payment less than the annual rent that could be

Person other than owner, &c., in possession under lease may deduct from rent payable by him a proper portion of tax.
Ibid., s. 25.

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reasonably demanded for the use and occupation of the land, and shall have paid the tax or taxes in respect of such land, he shall be entitled to recover from the person entitled to receive such rent or other periodical payment a sum which shall bear the same proportion to the whole amount of the tax or taxes as such rent or other payment payable by such person bears to the annual rent which a tenant might be reasonably expected to pay for such land, as if such sum were money paid to the use of such person entitled, or such sum may be deducted from or set off against the rent or other payment then due or thereafter to become due

PART IV.

THE INCOME TAX.

Incomes liable to taxation.

27—(1.) Subject to the provisions of this Act and the regulations hereunder, there shall be charged, levied, collected, and paid to the Commissioner for the year ending the Thirty-first day of *December*, One thousand nine hundred and eleven, and for every subsequent year, for the use of His Majesty, an income tax at such rate per pound as Parliament shall from time to time declare and enact in respect of all incomes arising, accruing, received in or derived from this State, with the following exceptions:

Exemption of certain incomes.
2 Ed. VII., No. 29, s. 21 (Tas.).

- i. The revenues of marine boards and of municipal corporations, water trusts, and statutory local bodies receiving revenue of any kind for the purposes of or in relation to local self-government;
- ii. The incomes of companies, societies, or public bodies, or public trusts—
 - (a) Not carrying on business; and
 - (b) Not being engaged in any trade, adventure, or concern—

for the purposes of profit or gain to be divided amongst the shareholders or members thereof:
- iii. The funds and incomes of any registered friendly society or trade union;
- iv. The dividends and profits of the State Savings Bank and the Agricultural Bank of *Tasmania*;
- v. The Police Provident Fund, the Closer Settlements Fund, and any fund exempted from taxation by the statute under which the fund is created;
- vi. The income of the Governor of this State;
- vii. Income arising or accruing to any person from debentures, inscribed stock, or Treasury bills issued or guaranteed by the Government of *Tasmania*, and redeemable elsewhere than in *Tasmania*;
- viii. The income of every person arriving in *Tasmania* after the passing of this Act for a period of Six months after his arrival. The provisions contained in this subsection shall

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not apply to any company not to any person carrying on a business in this State : A.D. 1910.

- ix. The exemptions declared by Subsections i., ii., and iii. of this section shall not extend to the salaries and wages of persons employed by any such corporation, public body, company, society, or institution, although the same be paid wholly or in part out of the income, revenues, or funds thereof.

(2.) Income shall be deemed to have accrued to a person within the meaning of this section, although the same is not actually paid over to such person, but is credited in account or reinvested, or accumulated or capitalised, or carried to any reserve, sinking, or insurance fund, however designated, or otherwise dealt with in his name or interest or on his behalf.

W.A. ss. 4.
Ibid. (Tas.), s. 17

28 The income received by any taxpayer in a representative capacity shall for the purposes of taxation be deemed separate and distinct from income arising or accruing to him beneficially, and where a taxpayer is trustee of Two or more estates under different instruments or appointments, the income of each such estate shall, for purposes of taxation, be deemed separate and distinct from that of the others.

Income of taxpayer in a representative capacity.
Ibid. (Tas.), s. 18.

29 The income of a married woman shall be liable to taxation in like manner as if she were unmarried.

Married women, how liable.
Ibid. (Tas.), s. 19.

The Taxpayer.

30 Subject to the provisions of this Act, income tax shall be payable —

Persons by whom income tax is payable.

- i. In respect of the income of a company, by the public officer thereof:
- ii. In respect of the income of every person permanently or temporarily absent from or resident out of this State, by the attorney or agent of such person; and for the purposes of this Act every person in this State receiving or having the receipt, management, disposal or control of income on behalf of any person absent or resident as aforesaid, or remitting or paying income to such person, shall be deemed to be the agent of such person.

Cf. *Ibid.* (W.A.), s. 20.
Ibid. (Tas.), s. 24.

The Commissioner may, if he thinks necessary, declare any person to be the agent of any other person, and the person so declared an agent shall be the agent for the purposes of this Act :

- iii. In respect of the income of *cestuis que trust*, infants, lunatics, and persons under any legal disability, by the trustee, guardian, committee, or other person entitled for the time being to the receipt, management, disposal, or control of such income, or remitting or paying the same :
- iv. In respect of income paid under the decree or order of any court or judge to any receiver or other person, by such

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receiver or person, and independently of the title to such income, or any contingency or uncertainty in respect of such title:

- v. In respect of every other income, and in all other cases, by the person to whom the income arises or accrues, or who is legally or equitably entitled to the receipt thereof, or who is declared by this Act to be liable for the payment thereof.

And the persons by whom income tax is payable under Subsections i., ii., iii., and iv. of this section shall be deemed to be "taxpayers in a representative capacity" within the meaning of this Act.

Nothing in this section shall be taken to relieve the person receiving the income from a taxpayer in a representative capacity from any tax due or payable in respect thereof.

Employer
may be
declared
agent for
employee.

31—(1.) In any case where any taxpayer employed by any person, local authority, corporation, board, commission, or body has in any year failed to pay the income tax payable by such taxpayer within Sixty days after the same has been demanded pursuant to the provisions of this Act, the Commissioner may declare such person, local authority, corporation, board, commission, or body to be the agent of such taxpayer so far as respects the income by way of earnings, salary, wages, allowances, pension, or stipend paid or allowed by him or it to such taxpayer, and may give notice to such agent setting forth the fact that such taxpayer has failed to pay the tax payable by him, and requiring such agent to pay the same on behalf of such taxpayer.

(2.) Thereupon every such agent shall deduct and retain from time to time out of such earnings, salary, wages, allowances, pension, or stipend respectively so much as is sufficient to pay such income tax, and shall pay the same in pursuance of this Act; and for any default in so doing such agent shall be liable, in addition to the tax, to a penalty not exceeding Five Pounds.

Income tax in
respect of income
of deceased
person.
4 Ed. VII. No.
861, s. 19
(W.A.).

32 The legal personal representative or other person administering or getting in the estate of any person who has died since the First day of *January*, One thousand nine hundred and eleven, or shall thereafter die, shall be a taxpayer in a representative capacity in respect of the income of the deceased person from the First day of *January* last preceding his decease, up to his decease, and in the year immediately prior to such First day of *January* and in respect of such income shall furnish returns which the deceased person should (if living) have furnished, and be bound by any assessments made against or in the name of the deceased person as taxpayer, either in the lifetime of the deceased person or after his death, and before the Commissioner shall have had notice in writing of such death, and may appeal against the same in the manner and time and upon the ground in and upon which the deceased (if living) might have appealed against the same.

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33 Every taxpayer in a representative capacity, as regards the income to which he is entitled in such capacity, or of which, in such capacity, he has the management, receipt, disposal, remittance, payment, or control, shall be chargeable with the same income tax, and be subject in all respects to the same liabilities, as if the same were income arising or accruing to him beneficially; except that no such taxpayer (not being the public officer of a company) shall be personally liable for the payment of income tax beyond the amount or value of the income of which he has, in such capacity as aforesaid, the management, receipt, disposal, remittance, payment, or control.

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Liability of representative taxpayer.

Ibid. (Tas.), s. 25.

34 Every taxpayer in a representative capacity who, as such, pays any income tax or costs shall be entitled to recover from the persons entitled to the income taxed, in the proportions in which they are so entitled, or to retain out of any moneys that come to him in such capacity, so much as shall be required to indemnify him in respect of such payments.

Indemnity to representative taxpayer.

Ibid. (Tas.), s. 26.

Provided that where any sum by way of fine or costs under this Act has been imposed or incurred through the neglect or default of such taxpayer in a representative capacity, the amount retained or paid in respect thereof may be recovered from such taxpayer by the persons so entitled as aforesaid as money received to the use of such persons.

35 No trustee who has authorised the receipts of the profits arising from trust property by the person entitled thereto or his agent, where such person or agent has actually received the same under such authority, and is resident in this State, and no receiver of any person being of full age, and resident in this State (other than a lunatic, idiot, or person of unsound mind), who makes the returns prescribed by this Act and the regulations specifying the name and residence of such person, shall be required to do any other act for the purpose of assessing the income of such person, unless the Commissioner requires the testimony of such trustee or receiver in pursuance of this Act or the regulations.

Trustees and receiver in certain cases need only give the name and residence of persons entitled to trust property.

Ibid. (Tas.), s. 27.

36 The tax payable in respect of such portion of the income of every company as is represented by dividends shall be paid in the manner and at the times hereinafter mentioned; that is to say—

In what manner and at what times companies to pay tax.

Ibid. (Tas.), s. 28.

1. The public officer of every company having its head office or chief place of business in *Tasmania*, when and so often as any dividend has been declared or become due to any shareholders in such company, shall, within Seven days from the time when such dividend has been declared or become due, forward to the Commissioner a statutory declaration in such form as may be prescribed, under his hand, stating the amount of such dividend, and showing the date when the same was so declared or became due, and shall, except in the case of the companies referred to in

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the immediately succeeding section, at the same time pay to the Commissioner income tax upon the amount of such dividend:

- ii. The public officer of every other company shall, in such form and at such times as may be prescribed, furnish the Commissioner with such statements of the income of the company as he may require, and shall pay to the Commissioner the tax due and payable by the company.

Conditions imposed in case of certain companies.

37 The public officer of every company which is incorporated outside *Tasmania* and which carries on mining operations in *Tasmania* in connection with other business, and also carries on business outside *Tasmania*, shall, in addition to the matters mentioned in the immediately preceding section, at the same time—

- i. Forward to the Commissioner a statement in writing, verified by statutory declaration, showing how much of the dividend is profits *bona fide* derived from its business in *Tasmania*, and how much is profits *bona fide* derived solely from any business of the company carried on outside *Tasmania*, giving particulars thereof; and also showing separately the total profits made by the company in respect of its business carried on in *Tasmania*, and in respect of every business of the company carried on outside *Tasmania*, for the period for which the dividend is declared; and every such public officer shall at the same time pay to the Commissioner income tax on so much of the dividend as is profits derived from the business of the company carried on in *Tasmania*:
- ii. At the request of the Commissioner produce to him all such balance-sheets, in such form and made up as he requires, and all such books, papers, and other documents relating to the several businesses carried on by the company, as he may require.

Dividends not to be distributed until tax paid.
Ibid. (Tas.), s. 29.

38 It shall not be lawful for the person charged with the payment of any dividend to distribute the same amongst the persons entitled thereto until the income tax payable in respect thereof shall have been paid.

Company may deduct tax from amount of dividend.
Ibid. (Tas.), s. 30.

39 The public officer of any company who shall pay the income tax shall be entitled to deduct and retain for the use of such company, from the dividend payable to any person entitled thereto, a sum bearing the same proportion to the said tax as the amount payable to such person bears to the dividend upon which such tax has been paid.

Saving as to building societies.
Ibid. (Tas.), s. 31.

40 Sections Thirty-six, Thirty-seven, and Thirty-eight of this Act shall not apply to any building society registered under "The Building Societies Act," but any such society shall be liable to pay tax on its income in accordance with the provisions of this Act.

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- 41** Every—
- i. Company: or
 - ii. Local body in this State authorised by law to borrow money by the issue and sale of debentures or any similar security—
- which has borrowed money upon debentures, mortgages, or other similar security out of this State, shall, by its public officer, pay to the Commissioner income tax upon the whole amount of interest payable in respect of any money so borrowed as aforesaid, within Thirty days of the date or dates on which the interest becomes due, and may deduct the amount of such tax from the interest so payable as aforesaid.
- A.D. 1910.
Public officer of company to pay tax on interest on debentures, mortgages, &c.
4 Ed. VII. No. 22, s. 9.
- 42** The Treasurer shall, on behalf of any person entitled to receive any interest payable by the Government of *Tasmania* upon any debenture or Treasury bill redeemable in *Tasmania*, or any local inscribed stock, pay to the Commissioner the amount of income tax thereon, and may deduct from such interest payable to such person the amount of income tax paid or payable thereon.
- Treasurer to pay tax in respect of interest on debentures, &c., payable by him.
4 Ed. VII. No. 22, s. 10.
- 43—(1.)** Every—
- i. Company: or
 - ii. Local body authorised by law to borrow money by the issue and sale of debentures or any similar security—
- which pays any interest upon any money lent to such company or local body upon debentures or any similar security shall, on behalf of the person entitled to receive such interest, pay to the Commissioner the amount of income tax thereon, and may deduct from the interest payable to such person the amount of income tax payable or paid thereon.
- Local body to pay tax in respect of interest on money borrowed on debentures, &c.
Cf. *ibid.*, ss. 11 and 14.
- (2.) No income tax shall be deducted from the interest of any debenture forming part of the funds of any society registered under "The Friendly Societies Act, 1888," or under "The Trades Unions Act, 1889."
- 51 Vict. No. 16.
53 Vict. No. 27.
- 44** Income received by any taxpayer as interest upon any debenture, Treasury bill, or local inscribed stock, or upon any money lent to any company or local body, upon which interest income tax has been paid by the Treasurer of *Tasmania*, or the company, or the local body, shall be deducted from the total amount of such taxpayer's income.
- Income received as interest on such debentures, &c., to be deducted.
- 45** When any taxpayer shall satisfy the Commissioner that the amount or amounts that have been deducted from payments to such taxpayer under the provisions of Sections Forty-one, Forty-two, and Forty-three of this Act, together with the amount otherwise payable by the taxpayer under this Act, is, or are in excess of the amount of income tax to which such taxpayer is liable under the provisions of this Act, then the Commissioner shall furnish such taxpayer with a certificate to that effect in the prescribed form. Such certificate shall entitle the taxpayer to claim from the Treasurer the excess of the amount or amounts so deducted as aforesaid above the amount of income tax
- Rebate of tax in respect of interest on debentures, &c.

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to which the taxpayer is liable as aforesaid, and on the production of the certificate the Treasurer shall pay such excess to the person entitled thereto.

The Taxable Amount.

Taxable amount.

46 The income tax shall be paid upon or in respect of an amount termed the "taxable amount."

In the Case of Companies.

Companies whose head office is in this State.

Ibid. (Tas.), s. 32, s.s. 1.

47 - (1.) The taxable amount of the income of every company which has its head office or chief place of business in this State, other than a building society, and other than a mining company having its head office in *Tasmania*, but which carries on the whole of its mining operations elsewhere than in *Tasmania*, shall be the full amount of the income of such company during the year ending the Thirty-first day of *December* immediately preceding the year of assessment, less so much of the dividends declared or ascertained or become due to the shareholders of the company from such income as the company shall have paid income tax upon; and the Commissioner may, if he thinks fit, accept as correct the statement respecting such income contained in any balance-sheet or balance-sheets of such company.

Provided that the said taxable amount shall not in any year be deemed to be or taken as less than such amount of such dividends as aforesaid.

Provided further that in the case of a company which is incorporated outside *Tasmania*, and which carries on mining operations in *Tasmania* in connection with other business, and also carries on business outside *Tasmania*, the proportion of the dividends which may be so deducted as aforesaid shall be so much only of the dividends as are profits derived from the business of the company carried on in *Tasmania*.

(2.) Every company which is incorporated outside *Tasmania*, and which carries on mining operations in *Tasmania*, either in connection with any other business or not, shall be deemed to have its chief place of business in *Tasmania*.

Provision for assessment of portion of income represented by profits in respect of products derived from *Tasmania* for use outside *Tasmania* in the case of certain companies.

(3.) Where any company which is incorporated outside *Tasmania*, and which carries on mining operations in *Tasmania* in connection with other business, also carries on business outside *Tasmania*, the portion of the income of such company which is represented by profits in respect of any products derived from *Tasmania* for use outside *Tasmania* in the processes of any business (other than mining) of the company carried on outside *Tasmania* may be assessed by the Commissioner at a sum equal to Fifteen Pounds for every One hundred tons of such product so derived from *Tasmania* as aforesaid.

Taxable amount in the case of certain mining companies.

48 The taxable amount of the income of any mining company having its head office in *Tasmania*, but which carries on the whole of its mining operations elsewhere than in *Tasmania*, shall be One-half of

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all dividends declared or ascertained or becoming due to the shareholders of such company. A.D. 1910.

49 The taxable amount of the income of any building society registered under "The Building Societies Act" shall be the full amount of the income which such society derived during the year ended the Thirty-first day of *December* preceding the year of assessment, subject to the deductions hereinafter mentioned, and such income shall be deemed to be income from property. Income of building societies. *Ibid.* (Tax.), s. 32, s.s. 111.

50 The taxable amount of the income of every company which has not its head office or chief place of business in this State shall in the following cases be assessed and calculated as follows: Companies whose head office is not in this State.

But the taxable amount in the case of any such company shall not in any year be assessed at less than One thousand Pounds:— *Ibid.* (Tax.), s.s. 11.

- i. The taxable amount of the income of every such company which carries on in this State the business of banking, and no other business whatsoever, shall be so much of the total dividends declared by the company during the year ended Thirty-first day of *December* preceding the year of assessment as is proportionate to the average amount of the average quarterly assets and liabilities of the company in this State during the same year as compared with the total assets and liabilities of the company during the same year as disclosed by the balance-sheet of such company: Banking companies
- ii. The taxable amount of the income of every such company which carries on in this State fire, accident, fidelity, guarantee, or marine assurance, or insurance business, shall be a sum equal to Fifty Pounds per centum of the premiums received by such company in this State during the year ended the Thirty-first day of *December* preceding the year of assessment. Such premiums shall be the net premiums, but shall exclude any portion of such premiums actually paid away by way of reinsurance effected in this State with any other company: Insurance companies.
- iii. The taxable amount of the income of every such company which carries on in this State life assurance or insurance business shall be a sum equal to Twenty Pounds per centum of the premiums received by the company in this State during the year ended the Thirty-first day of *December* preceding the year of assessment: Life assurance companies.
- iv. The taxable amount of the income of every such company which carries on in this State shipping business shall be a sum equal to Five Pounds per centum of the amount of the receipts for livestock, goods, mails, and passengers shipped in this State and carried to any port in or beyond this State during the year ended the Thirty-first day of *December* preceding the year of assessment: Shipping companies.

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Mercantile
companies.

v. The taxable amount of the income of every such company which carries on in this State mercantile business, shall be the profits made by such company on its *Tasmanian* business during the year ended the Thirty-first day of *December* preceding the year of assessment, and such profits may be assessed by the Commissioner at a sum equal to Five Pounds per centum of the turnover of the company's business in this State:

Savings Banks.
58 Vict. No. 16,
s. 23, s.s. viii.

vi. The taxable amount of the income of any savings bank established under the Act of Council, 12 *Victoria*, No. 1, shall be assessed at an amount equal to Five Pounds per centum of the amount of the reserve fund on the Thirty-first day of *December* in the year immediately preceding the day upon which such income shall be assessed:

Other companies.

vii. The taxable amount of the income of every other such company shall be the amount of the profits made by such company on its business in this State during the year ended the Thirty-first day of *December* preceding the year of assessment, and such profits may be assessed by the Commissioner at a sum equal to Five Pounds per centum of the capital employed by such company in carrying on its business in this State.

In the Case of Non-residents of State.

Assessment where
business of
principal outside
of State carried
on by agent in
State.
Cf. *ibid.* (Tas.),
s. 32, s.s. v.

51—1. When a person outside this State (herein termed "the principal" by means of a company registered in *Tasmania* or carrying on business therein, or by means of any person in *Tasmania* (herein termed "the agent") sells or disposes of any goods for the principal, whether such goods are in *Tasmania* or are by the contract to be brought into *Tasmania*, and whether the contract is made by the agent in *Tasmania* or by or on behalf of the principal out of *Tasmania*, and whether the moneys arising therefrom are paid to or received by the principal directly or otherwise, the moneys arising therefrom shall be deemed to be income accruing to the principal from a business carried on by him in *Tasmania*, and the taxable amount of the income derived therefrom by the principal shall, if such income cannot in the opinion of the Commissioner be otherwise satisfactorily determined, be assessed at an amount equal to Five Pounds per centum upon the net amount for which such goods have been sold or disposed of after taking into consideration any bill of sale or encumbrance thereon. In every case the amount assessed shall for the purposes of obtaining income tax be deemed to be income derived by the agent:

Agent liable to
tax payable by
principal.

(a) The agent shall, as regards such income, make the returns, be assessed, be liable to income tax.

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otherwise be subject to the provisions of this Act, and to do all acts and things thereunder as if such income were actually the income of the agent : Provided that nothing herein contained shall exempt or discharge the principal from liability to pay income tax upon such income ; and that the agent shall have the same right to indemnity against the principal in respect of the tax paid by him as is conferred upon the representative taxpayer by Section Thirty-four of this Act :

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- (b) The Governor may by regulations prescribe for the making, obtaining, adjusting, and settling of returns by or with any agent, in such manner and form, with such particulars and proof, as may be thought fit, and for the purpose of making, completing, and enforcing assessments under this section, and otherwise generally for the purpose of giving effect to the provisions hereof ;

Regulations regarding duties of agents.

- ii. When any person residing outside the State, or whose chief office is outside the State (hereinafter called "the principal"), carries on business in the State as owner or charterer of any ship, such principal's agent in the State shall be assessed and be liable to income tax on Five Pounds in every One hundred Pounds payable to such principal or to his agent (whether such amount be payable in the State or beyond the State), in respect of passengers, livestock, mails, and goods shipped in the State and carried by any such ship to a final destination.

Income of ship-owners not residing in the State.

In all cases where the principal has no recognised agent in the State other than the master of the ship, or when the agent fails to make returns, the Commissioner may make such assessment from such information as may be available to him, and the income tax thereon shall be payable by the master to the Commissioner prior to the clearance of such ship.

Master of ship to pay in certain cases.

The master or agent upon paying the same shall be entitled to a certificate from the Commissioner that the amount so paid has been paid under the provisions of this Act, and such certificate shall be sufficient warrant to the master or agent for the amount so paid :

- iii. When any agent or principal fails to pay any income tax assessed to the agent, as provided in Sections Thirty and Thirty-three of this Act, the amount due in respect of tax shall, to the extent of the defaulting principal's interest in any goods at any time arriving in the State consequent on any sale or disposal made, or any order procured by any agent on account of the defaulting principal, be a charge on such goods, and the Commissioner shall have power to detain such goods until the tax has been paid :

Commissioner may retain goods in certain cases till tax is paid.

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Commissioner may estimate value of goods, assess profits, and require payment of tax.

Importer or consignee may pay tax due by principal or agent.

Commissioner may obtain information from importer.

Temporary business—
Security for payment of tax.
Ibid. (W.A.),
s. 27.

Taxable amount, how ascertained in other cases.

Basis of calculation.

iv. Where any agent fails to make returns, or where the principal sells or disposes of in the State any goods, and the whereabouts of the agent is not known, the Commissioner may cause the value of such goods to be estimated, and shall assess the profit thereon to the principal at such sums, being not less than Five Pounds in every One hundred Pounds of such value, as the Commissioner may think just.

Income tax shall thereupon be payable on the amount of such assessed profit, and the Commissioner may require payment thereof, and shall have power to detain such goods until payment is made :

v. It shall be lawful for any importer or consignee to pay to the Commissioner the amount owing by any principal or agent in respect of income tax ; and every such importer or consignee shall be entitled to a certificate from the Commissioner as to the amount so paid.

Every such certificate shall be in satisfaction *pro tanto* of any claim on the part of the principal against the importer or consignee :

vi. For the purposes of this section, the Commissioner shall have power to require the importer or consignee of any goods to produce to him all books, papers, or correspondence, and to answer any question which he may think fit to ask relating to any such goods, or as to the agent through whom such goods were ordered.

52 Whenever the Commissioner has reason to believe that any taxpayer establishing or carrying on business in this State intends to carry on such business for a short time only, he may at any time, and from time to time, require such taxpayer to give security by way of bond or deposit or otherwise to the satisfaction of the Commissioner for the due assessment and payment of income tax on the profits derived from any such business.

Taxable Amount in Other Cases.

53 The taxable amount of the income of every taxpayer other than the taxpayers specified in Sections Forty-eight and Fifty, excepting Paragraphs v. and vii. of Section Fifty aforesaid of this Act, shall be ascertained as follows :—

- i. The accounts of income from business and of income from property shall be calculated separately :
- ii. In assessing the income tax for any year the gross amount of the whole income of the taxpayer, from all sources during the year ended the Thirty-first day of *December* immediately preceding the year of assessment, and whether previously taxed at the source or not, shall be taken as the basis of calculation :

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- iii. There shall be allowed as a deduction from income derived as rent for the use and occupation of any land liable to pay land tax under an Act of this State, a sum equal to Five Pounds per centum of the unimproved value of such land; but in every such case, notwithstanding anything in this Act contained, the taxpayer entitled to such deduction shall not be entitled to deduct from such income any sum paid by way of interest in respect of any mortgage of or encumbrance upon the said land, or any sum paid by way of rent charge or other charge in respect of the said land: A.D. 1910.
- iv. Where any taxpayer owns and occupies for the purpose of business any land in respect of which land tax is payable by him under an Act of this State, such taxpayer shall be entitled to deduct from the income derived from such land, or from carrying on business on such land, a sum equal to Five Pounds per centum of the unimproved value of such land. But notwithstanding anything in this Act contained, such taxpayer shall not be entitled to deduct from such income any sum paid by way of interest in respect of any mortgage of or charge or encumbrance upon such land, or any sum paid by way of rent charge or other charge in respect of such land.
- No such deduction as aforesaid shall be made in any case where any such taxpayer carries on any pastoral, agricultural, or horticultural pursuit, unless he carries on such pursuit as his chief means of gaining a living:
- v. In calculating the gross amount of the income of the taxpayer there shall be included— Inclusions.
- (a) The profits or moneys derived from any business which have been converted into stock-in-trade, or added to the capital of, or in any way invested in, such business;
 - (b) The estimated annual value to the occupier of any dwelling-house or residence which is occupied by him in connection with any office or employment or services filled or performed by him without payment of any rent for the same;
 - (c) The estimated annual value of any quarters, or board and residence, and every amount received or receivable by way of extra salary, bonus, or emolument, and every allowance, benefit or advantage of any kind, whether in money or otherwise, or of a like nature, or any modification or combination of any such benefit or advantage, granted, secured, or allowed to any person in respect of any office or employment or service filled or performed by him;
 - (d) The value of anything withdrawn by any person from the saleable stock or produce of any

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Provisions applicable to calculating gross amount of income.

Cf. ibid. (Tas.), s. 33.

Appreciation not included.

Ibid. (Tas.), s. 35.

Ibid. (Tas.), s. 33

Deductions allowable.

business carried on by him, and applied by him to his personal, family, or domestic use, or other personal benefit or advantage.

The sum that shall be included in the income of any person under this subsection shall be deemed to be income from business:

- vi In calculating the gross amount of the income of the taxpayer, any appreciation in the value of any property shall not be included nor any profit made by the sale or transfer of any property which is not sold or transferred in the course of carrying on any business:
- vii. Deductions from the gross amount of the income of the taxpayer shall be allowed in respect of the annual amount of—
- (a) Losses, outgoings, and expenses actually incurred by the taxpayer in the production of his income;
 - (b) Sums paid by the taxpayer by way of interest upon any money borrowed by him; provided that where any such sum is payable to a person residing beyond *Tasmania*, the person paying it shall for the purposes of this Act be deemed to be the agent of the person entitled to receive it, and shall be liable to pay income tax thereon as if he were a taxpayer in a representative capacity in respect of any such sum;
 - (c) Rent paid by any tenant of land and buildings which are occupied and used by him for the purposes of carrying on his business; but such deduction shall not include the annual value of such portion of such land and buildings as is occupied and used for the purposes of the residence of such tenant;
 - (d) Sums expended by the taxpayer for repairs of premises let or intended to be let to tenants;
 - (e) Sums expended for repairs of premises occupied for business purposes, and for the repair or alteration of machinery, implements, utensils, and articles employed by the taxpayer for the purposes of his business: such sums shall be estimated on the annual average of the sums expended for such purposes during the Three years preceding the year of assessment, or, if such average cannot be struck, the amount to be deducted shall be the sum expended for such purposes during the year immediately preceding the year of assessment.

Provided that where in any business income is set apart by the taxpayer by way of a fund to cover the depreciation of such machinery, implements, utensils, and articles, or to be devoted to

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any underwriting account, the amount so set apart for the year immediately preceding the year of assessment may, subject to the approval of the Commissioner, be deducted instead of the sums so expended as aforesaid ;

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(f) When a taxpayer, either alone or with other persons, carries on, or is interested as a partner in, more than One business, and makes a profit in One or more of such businesses, and a loss in another or others, such taxpayer shall be entitled to deduct the sum of the losses from that of the profits ;

(g) If a taxpayer having an income the produce of property carries on One or more businesses, either alone or otherwise, and makes a loss thereon, such loss shall be deducted from his income the produce of property in calculating the taxable amount of the income of such taxpayer :

Adjustment of losses.

Ibid. (Tax.), s. 37.

vii. The gross amount of the income of the taxpayer having been ascertained, the net amount shall be fixed by making the deductions allowed under this Act. The net amount so ascertained shall be the taxable amount :

ix. Where the income tax payable in respect of any dividend or interest money included as income in the taxable amount of a taxpayer has been paid at the source on behalf of the taxpayer, the amount of such included income so previously taxed shall be deducted from the taxable amount after any deduction by way of exemption to which the taxpayer may be entitled under any Act for the time being in force declaring the rate of income tax, has been made from his taxable amount :

x. Shillings and pence and fractions thereof shall not be included in the taxable amount.

Ibid. (Tax.), s. 36.

54 No deduction shall in any case be made in respect of any of the following matters :—

What deductions not allowed.

i. The cost incurred in the maintenance of any taxpayer, his family, or household establishment :

Ibid. (Tax.), s. 38.

ii. Domestic or private expenses :

iii. Any loss or expense which is recoverable under any insurance or contract of indemnity :

Ibid. (W.A.), s. 31.

iv. Income tax or land tax.

Nor, as regards income derived from any business, in respect of any of the following matters :—

v. Disbursements or expenses of any kind not wholly and exclusively incurred in the production of the assessable income :

vi. The rent or value of or cost of repairs or alterations of any premises not occupied for the purposes of the business, or of any dwelling-house or domestic premises, except such

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part thereof as may be occupied for the purposes of the business :

- vii. Loss or diminution of capital invested, or employed upon any security or in any business ; money used in the improvement of any premises occupied for the purposes of any business, manufacture, or concern ;

Nor on account or pretence of any interest which might have been paid on such capital or money if laid out at interest :

- viii. Any debts owed to the taxpayer, except such as shall be proved to the satisfaction of the Commissioner to be bad or doubtful ; and deductions for doubtful debts shall be made according to the value at which the Commissioner shall estimate them.

Assessment of Income.

Commissioner to give notice of returns, *Ibid.* (Tas.), s. 54.

55 The Commissioner shall in the prescribed manner give, or cause to be given, not less than Thirty clear days' notice in every district of the time and place at which all taxpayers residing, or having their usual places of business in such district, shall furnish the required returns ; such notice shall state what taxpayers are required to furnish returns, and the place or places at which the forms of return may be applied for and obtained.

Persons to provide themselves with form of returns.

It shall be the duty of all such taxpayers, and all persons required by any regulation to furnish any such return, to apply for the forms of returns ; and any person failing to furnish any such return shall not be relieved from any penalty by reason only of his having received no notice to furnish the same, or of the form of return not having been delivered to him.

Persons to furnish returns and declare to truth thereof within specified time. *Ibid.* (Tas.), s. 55.

56 Every taxpayer shall, upon the publication of such notice, procure a form of return, and shall therein enter the particulars of information required, shall declare the truth of the same, and shall forward the return, duly completed and signed by him, within the period to be mentioned in the said notice, to the Commissioner or other person appointed to receive the same.

Return of certain persons. Schedule.

- i. The return to be furnished by all persons liable to assessment of income under the provisions of this Act shall be in the prescribed form :

Return of companies.

- ii. The returns furnished by or on behalf of a company shall contain such particulars, be in such form, and be furnished to the Commissioner at such time, as may respectively be prescribed ; at the foot of every such return there shall be added a declaration by the public officer of the company furnishing it that the same is true and accurate in all particulars :

Commissioner may require further returns.

- iii. The Commissioner may, when and so often as he thinks necessary, require any person to make further or fuller returns respecting any matter of which a return is authorised

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or prescribed by this Act or by regulation, or to prepare and deliver to him within a time to be named by him the particulars in respect of which such person's income is liable to assessment under this Act, and of all other details in relation thereto which he may require :

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- iv. If any taxpayer makes default in furnishing any returns, or if the Commissioner is not satisfied with the return furnished by any taxpayer, he may make an assessment of the amount on which in his judgment income tax ought to be charged under this Act, and thereupon shall give notice thereof to the taxpayer to be charged : Provided that any taxpayer objecting to such assessment who has made default as aforesaid shall not be entitled to any costs in connection with the objection :
- v. The Commissioner may direct any person, whether entitled to exemption or not, to make such return or returns of his income, with such particulars in respect thereto, and of the deductions to be made therefrom, and of all other details in relation thereto, which he may require :
- vi. Any person, if required by the Commissioner, shall, in such manner and form, and at such time as may be required by the Commissioner, furnish to the Commissioner a return containing, to the best of his belief, the proper names of every person resident in his dwelling-house :
- vii. If the income of the Commissioner or any Acting or Deputy Commissioner is liable to assessment and taxation under this Act, the same shall be assessed by such person and in such manner as the Governor may from time to time appoint in that behalf; and such person shall have the like powers in respect thereof as are hereinbefore conferred on the Commissioner in respect of other incomes; and every Commissioner or Acting or Deputy Commissioner shall have the like right to object to an assessment as any other person.

Parties making default to be assessed by Commissioner.

Returns from all persons.

Return re residents.

Income of Commissioner

57 In any case in which in the opinion of the Commissioner the taxable amount of the income of any taxpayer did not exceed the sum of One hundred and fifty Pounds, he may, instead of requiring a return of income to be furnished, make an assessment of the amount on which in his judgment income tax ought to be charged under this Act, such assessment not to exceed One hundred and fifty Pounds; and thereupon the Commissioner shall give notice thereof to the taxpayer to be charged.

Commissioner may make assessment not exceeding £150 in certain cases.

Provided that any such assessment may be objected to in the manner provided by this Act.

Taxpayer may appeal.

58 The Commissioner shall, on or before the prescribed day in the year One thousand nine hundred and eleven, and on or before the First day of April in every subsequent year, cause an assessment book to be

Assessment book, when to be made.
Ibid. (Tax.), 56.

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prepared in the prescribed form and manner for each district for the time being; and any alteration or correction in any assessment book authorised to be made upon objections to assessments as hereinafter provided shall be made forthwith, and all other necessary alterations, corrections, and additions shall be made, as the occasion arises, in the assessment book to which the same shall relate.

Deposit of assessment book.

59 Upon the completion of every assessment book, such book or a true copy thereof shall be deposited in the office of the Commissioner. Such book or copy shall not be open to public inspection; but every taxpayer shall, on payment of the prescribed fee, be entitled to a copy of the entries therein relating to the assessment of his income certified by or on behalf of the Commissioner.

Notice of assessment for income tax.

60 Upon the completion of every assessment book, the Commissioner shall, in the prescribed manner, give notice every year to every taxpayer whose name appears in such book of the particulars of the assessment of his income; and such notice shall be designated the "Notice of Assessment of Income."

Commissioner to notify in notice of assessment date for lodging appeals.

The Commissioner shall, in the notice required by this section, notify to every taxpayer the prescribed time within which all objections to the assessment of the taxpayer's income may be lodged.

No objection shall be entertained which is not lodged on or before the last day for lodging objections.

Demand for tax may be forwarded with assessment.

The Commissioner may in or with every such notice make and forward the demand mentioned in Section One hundred of this Act.

Assessment book may be added to and amended whilst in force. *Ibid.* (Tax.), s. 60.

61 During the time that any assessment book is in force the Commissioner may from time to time—

- i. Place thereon the name of any person of whose liability to taxation he is satisfied, and erase therefrom the name of any person not so liable;
- ii. In his discretion, whether notice of objection has been given or not, alter or reduce any assessment or class of assessments. The prescribed notice shall be given to the persons affected (if any) of the addition to, or alteration or amendment of, the assessment book or any assessment;
- iii. Every person affected by any such addition, alteration, or amendment shall be entitled to object thereto in the same manner as from an original assessment. All notices and other proceedings prescribed with respect to original assessments, and objections thereto, and the hearing thereof, shall, so far as possible, apply with respect to such additions, alterations, or amendments, and objections thereto;
- iv. Subject to such right to object as aforesaid, every assessment so added to, reduced, altered, or amended, shall have the same effect, and be accompanied by the same consequences, as an original assessment, and the assessment book so

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added to, altered, or amended shall be the assessment book for the district for which it relates. A.D. 1910.

62 Any person feeling aggrieved by reason of any assessment made by the Commissioner, and in which such person is interested, may object to the assessment as provided by Part VI. of this Act, upon the ground that he is not liable for the tax or any part thereof, or that the amount of the assessment is excessive; but upon any such objection the onus of proof shall lie upon the objector. Objections to assessments.

63 In assessing the income of any person or company, the Commissioner shall have power to allow the statement of such income to be made up at the nearest balancing-day of such person or company to the Thirty-first day of *December* in any year, and, in case any person or company has Two balancing days in the year, then the Commissioner may accept a statement of income for Twelve months, divided into Two parts, one of which shall show the income for the Six months ending on the balancing-day nearest the Thirty-first day of *December* in any year, and the other the income for the Six months immediately preceding that period. Definition of "year."
Ibid. (Tas.), s. 61.

PART V.

PROVISIONS AS TO COMPANIES.

64—(1.) Every incorporated company liable to land or income tax shall at all times be represented by a person residing in this State, nominated for that purpose; and a place within this State shall be appointed from time to time by such company at which any notices or other instruments under this Act affecting the company may be served or delivered, and the Commissioner shall be notified within One month thereafter of the making of such nomination and appointment. Public officer of a company—duties and liabilities.
Cf. 7 Ed. VII.
No. 15, s. 48
(W.A.).
2 Ed. VII. No.
29, Part VI.
(Tas.).

(2.) Such person shall, for the purposes of this Act, be called the public officer of the company, and shall be nominated—

i. In the case of a company having a board of directors or managers in this State, within One month after the commencement of this Act:

ii. In the case of a company not having such board as aforesaid, within Three months after the commencement of this Act.

Provided that, in default of such nomination for the purposes of the first assessment under this Act, the public officer of any company shall be such managing director, director, secretary, attorney, or other officer as the Commissioner shall nominate for that purpose.

(3.) The office of public officer shall be kept constantly filled by every company.

(4.) Every company failing or neglecting, within the time required by this Act, to nominate its public officer, or failing or neglecting to fill any vacancy in that office as prescribed, or to appoint a place at

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which notices or other instruments may be served or delivered, shall be liable to a penalty not exceeding Fifty Pounds for every day during which such neglect shall continue.

(5.) Every notice, process, or proceeding which, under this Act or the regulations, may be given to, or served upon, or taken against any company may be given to, served upon, or taken against its public officer; and if at any time there is no public officer, then any such notice, process, or proceeding may be given to, served upon, or taken against any officer or person acting or appearing to act in the management of the business or affairs of such company, or as attorney or agent for such company.

(6.) Every public officer shall be answerable for the doing of all such acts, matters, or things as are required to be done under this Act or the regulations by a taxpayer, and in case of default shall be liable to the same penalties.

(7.) Any act, return, or representation done or made by a public officer in respect of any matter or thing required to be done or performed under this Act or the regulations relating to the business of the company of which he is such public officer shall be deemed the act, return, or representation of such company, and shall be of the same force and effect, and be accompanied by the same consequences, as if done or made by such company.

(8.) Every company established or beginning to carry on business in this State after the passing of this Act shall—

i. In case of a company registered in the Commonwealth of *Australia*, within One month; and

ii. In case of a company registered outside the Commonwealth of *Australia*, within Three months—

after its establishment or beginning to carry on business, nominate a person to be its public officer, and appoint a place for delivery of notices and other instruments as aforesaid.

(9.) The absence or non-appointment of a public officer shall not exonerate any company from the necessity of complying with the provisions of this Act or the regulations, or from the penalties consequent on the failure to comply therewith.

PART VI.

OBJECTIONS, REVIEW, AND APPEAL.

Objections.

Assessments good if not objected to. 2 Ed. VII. No. 29, s. 63 (Tas.).

65 If any person entitled to object to any assessment fails to do so, or fails to prove his objection, the assessment that may be shown by the assessment book shall stand.

Form of objections. *Ibid.* (Tas.), s. 64.

66 Every objection shall be in writing, under the hand of the objector or his agent, and shall be made in the prescribed form, and shall be delivered or posted to the Commissioner on or before the last day appointed for receiving objections.

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67 The Commissioner shall consider the objections; and may make such inquiries thereon or relating thereto as he thinks fit, and if he thinks that any objection ought to be allowed, or that any person has a well-founded ground of complaint, he may alter or amend the assessment accordingly; but if not, then such objection shall be heard and determined as hereinafter provided.

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Commissioner may allow objections.
Ibid. (Tas.), s. 65.

68 Where objections made to any assessment are disallowed by the Commissioner, he shall, on or before the day appointed for the review of the assessments, deliver or transmit the original objections to the registrar acting for the court of review appointed to hear and determine the same.

Objections to be sent to court of review.
Ibid. (Tas.), s. 66.

69 Where—

I. No objections are made to any assessment; or

II. Objections have been allowed or withdrawn—

the assessment book, signed by the Commissioner, shall be the assessment book for the district to which it relates.

Assessment book final unless objection made.
Ibid. (Tas.), s. 67.

Review of Valuations and Assessments.

70— (1.) Sittings of each court of review for the purpose of hearing and determining objections shall be held at such times and places as the Governor may appoint.

Sittings of court of review.

(2.) The Commissioner shall give not less than Fourteen days' notice by letter addressed to the taxpayer affected, and also by public advertisement in a newspaper circulating in the district where such objections are to be heard, of the time and place appointed by the Governor for the hearing of objections.

(3.) Every registrar or bailiff of a local court having jurisdiction at any place where the Governor appoints a court of review to be held shall be and act as registrar or bailiff, as the case may be, of and for the purposes of any court of review so appointed to be held.

Officers of court.

71 All objections under this Act which—

I. Have not been allowed by the Commissioner; or

II. Have not been withdrawn—

shall be heard and determined in the manner hereinafter mentioned by a court of review; and every such objection shall be heard with closed doors.

Objections to assessment heard by court of review.
Cf. *ibid.* (Tas.), s. 68.

72 Where objections made to any assessment are disallowed by the Commissioner, he shall, as prescribed, prepare and lay before the court of review, prior to the opening of the court, a list of all objections which are to be heard and determined; and the court shall enter all decisions given by it in such list, and shall initial all such entries; and the Commissioner shall correct the assessment book from such list accordingly.

List of objections to be made.
Cf. *ibid.*, s. 16 (N.Z.).

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Liability to assessment or tax not to disqualify Judge.

73 No judge or commissioner of a court of review shall, solely on account of his liability to be assessed under this Act, or of his liability to tax under any Act for the time being in force, be deemed to be interested in any matter upon which he may be called upon to adjudicate or determine.

Decision of court to be final, except as provided. *Ibid.*, s. 17(N.Z.).

74—(1.) A court of review shall be a court of record, and shall have full power of hearing and determining all objections in relation to assessments.

(2.) Subject to the provisions of this part as to appeals on points of law, the decision of the court shall be final, and the onus of proof shall rest with the objector.

Court may examine on oath, and call for persons and papers. 60 Vict. No. 48. 2 Ed. VII. No. 28, s. 71 (Tas.).

75 Every court of revision shall have all the powers and authorities conferred by "The Local Courts Act, 1896," upon the court or a judge under that Act respecting summoning and examining witnesses, compelling their attendance and the answering of questions and the production of papers, and for all other purposes touching the hearing of matters before the court; and a court of revision may make such order as to costs as the court thinks proper, and every such order shall be final.

Practice and procedure.

76 Subject to the provisions of this Act and of any regulations thereunder, all proceedings in connection with the hearing and determining of objections shall, so far as practicable, be in conformity with the provisions of "The Local Courts Act, 1896," and the rules of practice under that Act, so far as they are applicable; but no notice of defence or answer of any kind to any notice of objection shall be required to be entered.

Costs of objection.

77 Any court of review may, at its discretion, refuse to award any costs to either party, or may order either the Commissioner or the objector to pay to the other party to any such objection all or so much of the costs properly and necessarily incurred in reference thereto as shall to such court seem just; and the court shall, upon determining such objection, fix in a summary way the amount of the costs (if any) to be paid.

How costs recoverable from objector.

78 In every case in which the court of review shall order the objector to pay any costs, the amount of such costs as fixed by the court shall be recoverable by execution against the lands and goods and chattels of the objector in accordance with the provisions of "The Local Courts Act, 1896," relating to execution.

How costs recoverable from Commissioner.

79 In every case in which the court of review shall order the Commissioner to pay to the objector any costs of objection, the amount of such costs as fixed by the court shall be a debt due by the Commissioner, and shall be payable by him out of the moneys to be provided by Parliament for the purposes of this Act.

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80 The Commissioner, any Acting or Deputy Commissioner, or other officer may appear in support of any assessment, and any person objecting thereto may appear in person or by his solicitor.

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Commissioner to appear in support of assessments.

Ibid. (Tas.), s. 73.

81 At the hearing of any objection against any assessment made by the Commissioner under this Act, the Commissioner shall be entitled to be represented by any officer or officers appointed under this Act or by counsel, and shall be entitled to call experts and other witnesses to support such assessment.

Commissioner may be represented at hearing of appeal, and call witnesses.

Ibid. (Tas.), s. 74.

82 The judge or commissioner of the court of review may from time to time adjourn any court, or the hearing of any objection under this Act, in such manner as he may think fit.

Adjournment of court or hearing of objection.

Appeals on Points of Law.

83 Notwithstanding anything to the contrary in this Act or any other Act, the decision of the court of review on any objection before it shall be subject to appeal to the Supreme Court on questions of law, in the manner and subject to the provisions hereinafter contained.

Appeal from decision of court of review on points of law.

Ibid., s. 18 (N.Z.).

84 Within Ten days after the decision to be appealed against has been given, the appellant shall give notice of appeal, and (except where the appellant is the Commissioner) give security for costs; and with respect to the appeal the following provisions shall apply:—

Notice of appeal.

Ibid., s. 19 (N.Z.).

- i. Notice of appeal shall be given by the appellant by filing with the registrar of the court of review, and serving on the respondent, a notice in writing, briefly stating the question of law forming the ground of the appeal:
- ii. The security for costs shall be to such amount and in such form as is approved by the court of review:
- iii. The appeal shall be in the form of a special case, to be agreed on by the parties, or if within Seven days after notice of appeal they cannot agree, then to be settled by the Commissioner of the court of review at the request of either of them:
- iv. The special case, when agreed on or settled as aforesaid, shall, within Seven days thereafter, be transmitted to the Registrar of the Supreme Court by the appellant, who shall also, within Thirty days after the notice of appeal was filed with the registrar of the court of review as aforesaid, set the special case down for hearing, and give notice thereof to the other party.

Filing and service.

Security for costs.

Appeal to be by special case.

Case to be set down.

85 Upon the argument upon any special case, the notes (if any) taken by the court of review, and the depositions (if any) and documents taken or produced at the proceedings before the court of review to which the special case relates, or copies thereof certified by the judge or commissioner of the court of review, may be used by the Supreme Court or any party to such special case for the purposes of such special case.

Depositions, &c., may be used upon hearing appeal.

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When appeal
deemed to be
abandoned.

86 The appeal shall in every case be deemed to be abandoned if the appellant—

- i. Fails to duly file or serve such notice of appeal, or to duly give security for costs, within the time hereinbefore limited in that behalf: or
- ii. Fails to duly set down the special case for hearing within the time hereinbefore limited in that behalf, or such extended time as the Supreme Court or a judge thinks fit to grant, on application made by the appellant before the expiration of the time limited as aforesaid.

Order of Supreme
Court final.
Ibid., s. 21 (N.Z.).

87 On the hearing of the appeal the Supreme Court may make such order as it thinks fit, and such order shall be final and conclusive on all parties.

Costs of appeal.
Ibid., s. 22 (N.Z.).

88 The costs of the appeal shall be in the discretion of the Supreme Court.

Result of appeal
to be communi-
cated.

89 The result of every appeal shall be forthwith communicated to the registrar of the court of review from which the appeal was made, by certificate under the hand of the Registrar of the Supreme Court.

One judge to
hear appeal.

90 Every appeal to the Supreme Court may be heard by a single judge.

Powers of court
may be exercised
by a judge in
chambers.

91 The authority and jurisdiction vested in the Supreme Court under this Act may, subject to any rules and orders of such court in relation thereto, be exercised by a judge of such court sitting in chambers, and as well in vacation as in term time.

Judges to make
rules.

92 The judges of the Supreme Court may from time to time make and alter rules and orders to regulate the practice and proceedings of the Supreme Court under this Act; and such rules and orders shall be published at least once in the "Gazette."

24 Vict. No. 5.

Until rules and orders are made under this Act the general rules and orders of the Supreme Court made under "The Magistrates Stated Cases Act, 1860," shall, so far as the same can be applied, and are not inconsistent with the provisions of this Act, be applicable to all proceedings under this Act.

Assessment may
be acted on while
appeal pending,
subject to adjust-
ment.
Ibid., s. 24 (N.Z.).

93 The fact that an appeal is pending shall not in the meantime interfere with nor affect the decision of the court of review which forms the subject-matter of the appeal; and rates and taxes may be made, levied, and recovered on the assessment fixed by such decision in like manner as if no appeal were pending.

Provided that, in the event of the assessment being altered on appeal, a due adjustment shall be made, for which purpose amounts paid in excess shall be refunded, and amounts short-paid shall be recoverable as arrears.

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PART VII.

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COLLECTION AND RECOVERY OF TAXES.

94 Land tax and income tax shall be due and payable at such times as the Governor, by notice published in the "Gazette," shall appoint. When payable.

95 For the more effective administration of this Act the following provisions shall apply— Administrative powers. 7 Ed. VII. No. 15 (W.A.) s. 52.

- i. Every person, local authority, and public or private body or society whatsoever, whether a taxpayer or not, and every department of the public service, shall from time to time furnish the Commissioner with a return of all persons employed by him or it, and the salary, wages, stipend, or other allowances or emoluments paid or allowed to each person so employed :
- ii. The Commissioner, or any person authorised by him in that behalf, shall at all times have full and free access to all lands, buildings, places, books, documents, and other papers, for the purpose of valuing or inspecting the same ; and for such purposes may make extracts from or copies of any such books, documents, or papers : Access to buildings, books, &c.
- iii. The Commissioner may, by notice in writing, require any person, whether a taxpayer or not, to attend, be examined, and give evidence before him, or any officer authorised by him in that behalf, concerning any land or income or valuation or assessment or return, and to produce all books, documents, and other papers whatsoever in such person's custody or under his control relating thereto. Every person so required to attend, on being tendered the prescribed sum for his expenses, shall be bound to obey the notice to attend, and to answer truthfully all questions on such examination ; and in default thereof the person so failing, without lawful excuse, shall upon summary conviction incur a penalty not exceeding One hundred Pounds : Evidence of any person may be required. Party required to attend.
- iv. The Commissioner may require such evidence to be given under oath, and either verbally or in writing ; and for such purpose he or the officer authorised as aforesaid may administer an oath : Oath may be administered.
- v. Every banking company, and every other company, firm, or person who in the course of business holds money by way of deposit and allows interest thereon, shall furnish annual returns to the Commissioner of all the amounts in excess of Fifty Pounds paid or payable as interest on such money for the year or any part thereof, with the names, addresses, and occupations of the depositors ; and for the purposes of this Act every such banking or other company, Returns of deposits in banks, &c.

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firm, or person shall be deemed to be the agent of all depositors mentioned in the returns who are outside this State.

Tax, &c., to be a debt due to His Majesty.
Cf. 2 Ed. VII. No. 29 (Tax.), s. 39.

96 Land tax and income tax, and every sum imposed or incurred by way of fine in addition to such tax, shall be deemed, when the same becomes due or is payable, to be a debt due to His Majesty, and shall be payable and paid to the Commissioner or the prescribed persons in the manner and at the places prescribed, and shall form part of the Consolidated Revenue.

Right to recover tax not suspended by appeal.

Ibid. (Tax.), s. 40.

97 The obligation to pay, and the right to receive and recover, land or income tax shall not be suspended by any appeal, but if the appellant succeeds on such appeal the amount (if any) of the tax received by the Commissioner in excess of the amount which, according to the decision on such appeal, was properly payable by him, shall forthwith be repaid to him by the Commissioner.

Recovery of tax paid on behalf of another person.
N.Z. 1908, No. 95, s. 112.

98 Every person who under the provisions of this Act pays any tax for or on behalf of any other person shall be entitled to recover the same from that other person as a debt, together with the costs of recovery, or to retain or deduct same out of any money in his hands belonging or payable to that other person.

Demand and Recovery of Tax by Judgment, Distress, or Ordinary Process.

Statute of Limitations not to apply.

99 No Statute of Limitations shall bar or affect any action or other remedy for the recovery or enforcement of taxes under this Act.

Demand of tax may be sent by post.

5 Ed. VII. No. 4, s. 29.

Ibid., 2 Ed. VII. No. 29, s. 43.

100—(1.) Before legal proceedings are taken for the recovery of any land or income tax the Commissioner or collector shall forward a demand in writing by the post, addressed to the usual or last known place of abode of the person liable to pay the same, setting forth in such demand the amount of tax due, the place where the same is to be paid, the hours of the day between which such payment is to be made, and the place where, and date when, such demand is posted.

Whenever any such demand is sent by the post the Commissioner or collector shall retain a duplicate of the demand; and the production by the collector of such duplicate shall be evidence of the demand having been delivered to the person to whom it is addressed on the day on which such demand would, in ordinary course of post, have been received at the post-office where letters addressed as aforesaid would be finally received for delivery.

Any notice required to be given to any person may, if the whereabouts or usual or last known place of abode or business in *Tasmania* of such person is not known to the collector issuing the notice, be affixed to some conspicuous part of the land in respect of which the tax is demanded; and it shall not be necessary in any notice to any owner of any land to mention such owner by name.

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(2.) Where in the case of land tax any person shall be the owner or occupier of more properties than one, it shall be lawful for the Commissioner or collector to set forth in the demand in writing mentioned in Subsection (1.) of this section the total amount of land tax payable by such person in respect of all the properties owned or occupied by him, naming in such demand the several properties in respect of which the total amount of tax is demanded; and such demand shall be valid and sufficient for all purposes under this Act.

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Several properties may be included in one demand.

101 All persons liable to pay any land or income tax demanded as aforesaid are hereby required to pay the same at the place and between the hours of the day mentioned in the demand; and in case the amount of tax mentioned in the demand is not paid within Thirty days after the day on which the demand would in the ordinary course of post have been received at such lastmentioned post-office, such proceedings may be had for the recovery of the amount of tax as are hereinafter mentioned.

If tax so demanded not paid within 30 days after demand proceedings may be taken.
Ibid., s. 30

102 In all cases in which by this Act a demand is required to be made by the Commissioner or collector on the person liable to pay any tax, the collector is hereby authorised to name in such demand some place at which the tax demanded is to be paid; and such tax shall thereupon be payable at such place and not elsewhere.

Collector may in all cases name a place for payment of tax
Ibid., s. 31.

103 If any person liable to pay any land or income tax shall neglect to pay the same before the expiration of the said period of Thirty days, the Commissioner, without prejudice to his right to recover such tax in any other way, may give a certificate to the Crown Solicitor of *Tasmania* certifying that the tax remains unpaid, and stating the amount due and the name and place of abode or business of the person liable to pay the same, and upon receipt of such certificate the Crown Solicitor shall cause a final judgment to be signed in the Supreme Court for the amount of the tax and Two Shillings and Six Pence for costs where the amount of the tax does not exceed Two Pounds Ten Shillings, and where the amount of the tax exceeds Two Pounds Ten Shillings but does not exceed Five Pounds the sum of Five Shillings, and where the amount of the tax exceeds Five Pounds the sum of Ten Shillings shall be added for costs; and every such judgment may be in the form following; that is to say—

Unpaid tax may be recovered by judgment in Supreme Court.
Ibid., s. 32.

Tasmania to wit: In the Supreme Court of *Tasmania*:

Be it remembered that

Attorney-General of

our said Lord the King, for said Lord the King, gives the Court here to understand and be informed that

is indebted to our said Lord the King in the sum of

by virtue of "The Land and Income Tax Act, 1910": Therefore on the day of it is considered by the Court

here that our said Lord the King do recover against the said the said sum, and also the sum of

for costs, making altogether the sum of

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Or may be levied
by distress.7 Ed. VII. No.
17, s. 26.

104 If any land or income tax shall be in arrear after the expiration of the said period of Thirty days, any person authorised by the Commissioner may thereupon, without any warrant, enter upon any land or into any building or room occupied by any person liable to the same tax, and on whom a demand to pay the same has been served in accordance with the provisions of this Act, and demand from such person liable as aforesaid, immediate payment of the tax in arrear, together with such reasonable costs of the person so entering as the Commissioner may authorise, and in default of payment thereof forthwith such person may distrain all goods and chattels found in or upon any premises so entered by him as aforesaid; and if the sums for which the distress is taken, together with all reasonable costs thereof, or in relation thereto, be not paid within Five days after the distress has been made, then the said distress, or so much as shall be sufficient to pay such tax and costs, may be sold, and any overplus shall be returned to the owner of the goods, together with an account of such sale.

Procedure when
name of owner
cannot be
ascertained.

9 Ed. VII. No. 7.

105 Whenever, under the provisions of "The Land Valuation Act, 1909," land is entered in the valuation roll under the designation of "the owner," proceedings for the recovery of the tax to which the owner of such land is liable may be taken, and judgment given against him and enforced under the designation aforesaid.

Good service of any notice, summons, or writ may be effected on him by affixing the same or a copy thereof on a conspicuous part of the land to which the tax relates, any Act or rule of court to the contrary notwithstanding.

Police to render
assistance.*Ibid.*, s. 34 (Tax.).

106—(1.) Upon being required so to do by the Commissioner or any person acting under his authority, all police officers and constables shall—

- i. Obtain and furnish such information as may be required:
- ii. Serve any notices or documents:
- iii. Aid in collecting and recovering any tax and in making distresses or sales:
- iv. Assist in carrying out the provisions of this Act.

(2.) Any police officer or constable refusing to comply with any of the provisions of this section shall forfeit and pay a penalty not exceeding Five Pounds.

Recovery by
ordinary process.
Ibid., s. 35.

107 If any land or income tax shall be in arrear after the expiration of the said period of Thirty days, the Commissioner, without prejudice to any right to recover or enforce payment of the tax in any other way, may sue for and recover the same in any court of competent jurisdiction, and any action therefor may be maintained in the name of the Commissioner of Taxes without specifying the name of the person holding the office, and shall not be liable to be abated by any vacancy or change occurring in the office of Commissioner of Taxes or otherwise.

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108 Where judgment has been signed against any person for income tax payable solely in respect of the income of his wife, such judgment may be enforced against the separate estate of the wife of such person in the same manner as if the judgment had been signed against the wife of such person.

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Judgment may be enforced against separate estate of married women.

2 Ed. VII. No. 29, s. 47 (Tas.).

Provision if too little tax is paid. Cf. 2 Ed. VII. No. 10, s. 68(Q.).

109 If, after any land or income tax has been paid, it is discovered that too little in amount has been paid, the person liable for the tax shall forthwith pay the necessary additional amount; and the amount so payable shall be recoverable in like manner as land or income tax is recoverable under this Act by the Commissioner without specifying the name of the person holding the office, and any action shall not be liable to be abated by any vacancy or change occurring in the office of Commissioner or otherwise.

110 If, after any land or income tax has been paid, it is discovered that too much in amount has been paid, the Commissioner, upon an application being made to him for a refund of such overpayment, and upon being satisfied that too much in amount has been paid, shall issue to the taxpayer or person entitled to receive the same a certificate for a refund of the amount overpaid.

Provision if too much tax is paid.

Ibid. (Tas.), s. 51.

111 No application for refund of an overpayment of tax shall be entertained by the Commissioner unless made within Twelve months after such overpayment was made; or, if there has been an objection, then within Three months after the date of the decision of the objection.

Time limited for applications for refund.

112 Every certificate for a refund of any moneys paid as land or income tax shall state the person to whom the refund is to be made, and the amount of every such refund certificate shall be paid by the State Treasurer out of the Consolidated Revenue.

Certificate for refund.

113 In any case where it is shown to the satisfaction of the Commissioner that a taxpayer liable to pay income tax has become bankrupt or insolvent, or has suffered such a loss that the exaction of the full amount of such tax will entail serious hardship, the Treasurer of the State, on the recommendation of the Commissioner, may release such taxpayer wholly or in part from his liability, and make such entries and alterations in the assessment book as are necessary for that purpose.

Release of taxpayer in case of hardship. Cf. N.Z., 1908, No. 95, s. 117.

114 Where any taxpayer residing in this State derives any income from any source out of this State such taxpayer shall be entitled to deduct from the amount of income tax payable by him by virtue of any assessment under this Act, upon the income so derived, such sum as he shall prove to the satisfaction of the Commissioner to have been paid by him upon such income by way of income tax elsewhere.

Amount of income tax paid elsewhere may be deducted.

Recovery of Land Taxes by Letting and Sale of Land.

115 The land tax shall, by force of this Act and without registration, be a first charge upon the land taxed, in priority to all rates, mortgages, charges, liens, and encumbrances whatsoever; and not

Land tax to be a first charge upon the land. 5 Ed. VII. No. 4, s. 36 (Tas.).

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withstanding any disposition of any land, it shall continue to be liable in the hands of any purchaser or holder thereof for the payment of the tax so long as the same remains unpaid.

Notice of intention to let or sell.
Ibid., s. 37.

116 Whenever the land tax payable in respect of any land shall have been in arrear for the space of Six months or upwards, it shall be lawful for the Commissioner to cause to be published for Three consecutive weeks in the "Gazette" and in Three consecutive numbers of One or more newspapers a notice, specifying the land and the amount of taxes due in respect thereof, and stating that if the amount of taxes so due be not paid within Six months from the First publication of the said notice, the Commissioner will let the land from year to year as provided by this Act, or will apply to the Supreme Court for a sale thereof.

Commissioner may let from year to year.
Ibid., s. 38.

117 If, after Six months from the First publication of the said notice, all or any part of any land taxes due at the time of such First publication are still unpaid, the Commissioner may let the said land, or any part thereof, from year to year, and may receive the rents and profits thereof, and apply the same towards the payment of the said taxes, and costs and expenses, and hold any surplus in trust for the rightful owner of the land.

Commissioner may apply to Supreme Court for sale.
Ibid., s. 39.

118 If, after Two years from the First publication of the said notice, all or any part of the said taxes due at the time of the said First publication are still unpaid, the Commissioner, instead of letting such lands, may by petition to the Supreme Court or a judge thereof apply for a sale of the land described in the said notice, or of so much thereof as may be necessary to produce the amount of tax due in respect thereof, and the court or judge, on being satisfied by affidavit or otherwise—

- I. That Six calendar months' notice of such petition has been served on the owner of such land, or left at his usual or last known place of abode in *Tasmania* : and
- II. That the arrears are lawfully due and were in arrear at the time of the First publication of the said notice in the "Gazette" : and
- III. That all things required by this Act to be done by the Commissioner have been done—

shall order the sale of the said land, or so much thereof as shall be sufficient to pay all arrears due up to the time of sale, together with all costs of and attending the application and of and attending the sale of the land, and that the proceeds be paid into court.

Application of proceeds of sale.
Ibid., s. 40.

119 The court or a judge shall order payment of the said taxes, costs, and expenses to be first made out of the proceeds of the sale ; and the conveyance or transfer, as the case may be, shall be executed by the registrar, or such other officer of the court as the court may direct, to the purchaser, his executors, administrators, and assigns, in such form as shall be approved by the court or a judge ; and such conveyance or transfer shall vest the land sold in the purchaser for an estate in fee simple free from encumbrances, and in cases where the land is under

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“ The Real Property Act ” the purchaser shall be entitled to receive a certificate of title to the land purchased ; and the balance arising from the proceeds of the sale shall be subject to any orders of the court, for the benefit of the parties interested therein.

A.D. 1910.
25 Vict. No. 16.

PART VIII.

REGULATIONS

- 120** The Governor may from time to time make regulations—
- | | |
|---|---|
| <p>i. Prescribing the duties of all persons engaged or employed under or in the administration of this Act :</p> | <p>Governor may make regulations.
Duties.</p> |
| <p>ii. For the security to be given by any such persons, the limits of districts, and places within which any such persons are to act :</p> | <p>Security.</p> |
| <p>iii. Prescribing the returns to be furnished to the Commissioner, the form and contents thereof, and the time and mode of furnishing the same :</p> | <p>Returns.</p> |
| <p>iv. Prescribing the mode of payment of the tax or fine :</p> | <p>Mode of payment.</p> |
| <p>v. Making provisions for the assessment and taxation of taxpayers absent from or not permanently resident in this State, whether they are or are not represented in this State by agents :</p> | <p>Absentees.</p> |
| <p>vi. Determining and regulating the practice and procedure in relation to objections, and to the hearing and determining thereof, and determining and regulating the practice and procedure of courts of review constituted under this Act :</p> | <p>Practice and procedure.</p> |
| <p>vii. Determining the fees and expenses payable under this Act, and the mode in which the same shall be paid and recoverable :</p> | <p>Fees and recovery.</p> |
| <p>viii. The mode to be adopted in estimating any income, and the valuation of the profits derivable and accruing from the ownership or occupation, or ownership and occupation, of land, the profits arising from trades, professions, or businesses, and the income from pensions, salaries, or annuities :</p> | <p>Mode of estimating income, &c.</p> |
| <p>ix. Making provision for anything which is expressed to be prescribed or in respect of which regulations are contemplated by this Act :</p> | <p>Where regulations contemplated.</p> |
| <p>x. Providing, where there is no provision in this Act, or no sufficient provision, in respect of any matter or thing necessary to give effect to this Act, in what manner and form the deficiency shall be supplied.</p> | <p>Where insufficient provision.</p> |
- 121** The Governor may make all such other regulations, not inconsistent with the provisions of this Act, either applicable generally or to meet particular cases, as may be necessary or desirable to carry out the objects and purposes of this Act, or as may be convenient for the administration thereof, and the full extent and exercise of these powers shall not be in any way limited by the more specific provisions of the last preceding section.

Further power as to regulations.

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PART IX.

SUMMARY JURISDICTION OF JUDGE OF SUPREME COURT.

Disputes may be settled by judge in chambers.
Cf. Sect. 43 of 52 Vict. No. 31 and Sect. 5 of 62 Vict. No. 51.

122—(1.) A judge of the Supreme Court sitting in chambers is hereby empowered to hear and summarily determine and settle any dispute or matter relating to any dispute—

- i. Concerning the liability or alleged liability of any person to payment of any land tax and income tax : or
- ii. Arising between any persons whomsoever concerning any land tax or income tax or the distribution of the burden of any such tax.

And the decision of such judge shall be final.

(2.) The judge may in any such case make such order as he may deem to be just and the circumstances of the case shall require ; and may make such order as to costs as he may think fit.

Judges to make rules.
Sect. 44 of 52 Vict. No. 31.

(3.) It shall be lawful for the judges of the said court to make such rules from time to time as they see fit for regulating the mode of deciding all such disputes or differences, and for prescribing the forms to be used in connection therewith.

PART X.

SUPPLEMENTAL.

Penalty for making false returns, &c.

123 If any person—

- i. Fails or neglects to furnish any returns within the prescribed time : or
- ii. Knowingly and wilfully makes any false statement in any returns, or makes any false answer for the purpose of evading or enabling any other person to evade assessment or taxation : or
- iii. By any falsehood, wilful neglect, fraud, art, or contrivance whatsoever evades or attempts to evade assessment or taxation—

he shall be liable to pay for each offence under Subsection i. a penalty not exceeding Twenty Pounds, and for each offence under Subsection ii. or iii. a penalty not exceeding One hundred Pounds ; and in any case where the offence was an evasion of assessment or taxation, or an attempt to evade assessment or taxation, the person offending shall be liable to be assessed and charged treble the amount of the tax to which such person would otherwise be liable.

Penalty for making false statements, &c.
Sect. 55 of 52 Vict. No. 31.

124 If any statement, declaration, or other document required by this Act is false in any particular to the knowledge of any person who signs the same, such person shall be guilty of a misdemeanor, and being convicted thereof shall be liable, at the discretion of the court, to be imprisoned for any term not exceeding Three years, or to a penalty not exceeding One hundred Pounds,

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125 Any person who—

- I. Obstructs or hinders any officer acting in the discharge of his duties under this Act or the regulations: or
- II. Refuses or wilfully neglects to answer, or gives any false or evasive answer to any lawful question put by any such officer relating to any land, property, or income belonging to such person—

shall be liable to a penalty not exceeding Fifty Pounds.

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Penalty for obstructing officers, &c.

126 Every contract, agreement, or understanding, whether arrived at or evidenced by matter of record under seal, or by writing or by parol, having or purporting to have or which might have the effect of removing, qualifying, or altering the operation of any assessment, return, exemption, or deduction, or of in any way affecting the incidence of any assessment or tax, or displacing the benefit of any exemption or deduction authorised by or consequent upon any provision of this Act, shall (whether such contract, agreement, or understanding shall have been or be made before or after the passing of this Act) be wholly void and inoperative so far as such contract, agreement, or understanding purports or is intended to have or might have the effect aforesaid, but without prejudice to the validity of such contract, agreement, or understanding in any other respect or for any other purpose.

Contracts, &c., affecting assessment, incidence of assessment, &c., void.

127 Any person guilty of a breach of any of the provisions of this Act shall, except where otherwise expressly provided, be liable on summary conviction to a penalty not exceeding Ten Pounds; and the Governor may, by regulation, impose a penalty not exceeding Ten Pounds for the breach of any of the regulations under this Act.

Penalties may be imposed by regulation.

128 If any company makes default in complying with any provisions of this Act, such company shall incur a penalty not exceeding Five Pounds for every day during which such default continues; and the public officer of the company who knowingly and wilfully authorises or permits such default shall incur the like penalty, and such penalty shall be in addition to and not in substitution for any tax payable under this Act; and such tax may be recovered from any company notwithstanding such penalty has been recovered from such company and the public officer thereof.

Penalty on default by company.
2 Ed. VII. No. 29, s. 91 (Tas.).

129 The Commissioner may, once in every year, require any company to furnish a copy of its last balance-sheet and a return of the names and residences of the shareholders of the company and the number of the shares held by them respectively, also a return of names and residences of persons holding debentures issued by the company and of the amounts secured by such debentures or otherwise owing by the company to such persons, and the rate of interest thereon. But no company shall be required under this section to furnish any return of the names and residences of its shareholders if it has duly filed with

Commissioner may require company to furnish return of shareholders, &c.
Ibid. (Tas.), s. 92.

33 Vict. No. 22, s. 26.
5 Vict. No. 17, s. 6.

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the Registrar of the Supreme Court the copy of the annual list of members, or the annual account or return respectively required by law to be so filed.

Company making default to be assessed by Commissioner. *Tas.*, s. 93.

130 If any company make default in furnishing any declaration required by this Act, or if the Commissioner is not satisfied with any such declaration furnished by any company, he may make an assessment of the amount of dividend declared by such company, or of the taxable amount of the income of such company, and thereupon shall give notice thereof to the company of the amount so assessed: Provided that such assessment shall be subject to appeal; but where the company has made default as aforesaid it shall not be entitled to any costs on appeal.

Affidavits may be sworn before a Commissioner or justice. *Ibid.* (*Tas.*), s. 94.

131 Any affidavit of the service of any notice required to be given by the Commissioner or any officer under this Act, or of the service of any notice to produce, may be sworn before a Commissioner of the Supreme Court or any justice.

Power to inspect, &c. Cf. 2 Ed. VII. No. 59, s. 57 (*Tas.*).

132 The Commissioner, or any person having an order for that purpose under the hand of the Commissioner, may at all reasonable times inspect free of charge all rate books, assessment, or valuation rolls, and all other books and documents in the custody or power of any officer of any municipal council or local body, and all deeds, certificates, and other evidences of title, books, returns, accounts, and documents in the Lands' Titles Office or the office of the Registrar of Deeds, or the office of the Supreme Court or in any other public office, and may require and take copies thereof or extracts therefrom, and the Recorder of Titles and Registrar of Deeds shall, without requiring payment of any fee, furnish to the Commissioner such information as may be prescribed.

Penalty for not permitting inspection. Cf. 47 & 48 Vict. No. 323, s. 40 (S.A.).

133 Any person who wilfully neglects or refuses to permit the Commissioner, or any person having an order for that purpose under the hand of the Commissioner as aforesaid, to exercise any right conferred by the preceding section, shall, on conviction thereof in a summary way, forfeit and pay for every such offence a penalty not exceeding Fifty Pounds.

Notices.

Notices may be in writing or in print. Cf. 2 Ed. VII. No. 29, s. 82 (*Tas.*).

134 Every notice, demand, or like document given by or on behalf of the Commissioner or any officer under this Act may be in writing or in print, or partly in writing and partly in print, and shall be sufficiently authenticated if the name of the Commissioner or officer by or on behalf of whom the same is given shall be printed, stamped, or written thereon.

Service of notices. *Ibid.* (*Tas.*), s. 80.

135 All notices by this Act required to be given by the Commissioner or any officer under this Act to any person may, except as otherwise

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provided, be served personally upon such person, or left with some inmate of his place of abode, or by forwarding the same by post addressed to the usual or last known place of abode of such person. A.D. 1910.

136—(1.) A notice to produce any document or documents in any proceeding in any court of justice under this Act may be served upon any person in manner provided by the last preceding section. Notice to produce documents in court.

(2.) An affidavit of the service of any notice required to be given by the Commissioner or any officer under this Act, or of the service of any notice to produce, and of the time when such notice or notice to produce was served, purporting to be made by the person serving the same, shall be sufficient evidence in all proceedings in any court of justice of the service of the original of such notice or of such notice to produce and of the time when such notice or notice to produce was served. *Ibid.* (Tas.), s. 81.

A copy of such notice or notice to produce, as the case may be, shall be annexed to and verified by such affidavit.

137 Where any notice or matter is required to be published in a district, it shall be affixed on or near the door of every police-office or State school in the district. How notices to be published in district.

Evidence.

138—(1.) The production of any assessment book, or of any document under the hand of the Commissioner or any Deputy-Commissioner, purporting to be a copy of or extract from any assessment book, shall be conclusive evidence of the making of the assessment, and, except in the case of proceedings in appeal against the assessment, when the same shall be *prima facie* evidence only, shall be conclusive evidence that the amount and all the particulars of such assessment appearing in such book or document are absolutely correct; and in all questions and proceedings under this Act or under any law now or hereafter to be in force relating to any tax, rate, or duty, it shall be sufficient to refer to an entry in the assessment book in force for the time being under this Act for any district, and such entry shall be received as conclusive evidence that the income specified therein is at the date of the reference, and has been from the commencement of the period to which such assessment book applies, of the amount therein set forth; and such entry may be proved by an extract from the assessment book purporting to be signed by the Commissioner or any Deputy-Commissioner. Evidence. Cf. *ibid.* (Tas.), s. 83.

(2.) The validity of any procedure under this Act, or of any assessment or any register or book or any document purporting to be made under this Act or to be signed by the Commissioner, shall not be prejudiced or affected by reason of any irregularity or informality therein, or of the fact that any of the provisions of this Act have not been complied with.

(3.) Any return of any kind made by any person, by the production thereof alone and without any further evidence, shall be received as *prima facie* evidence of the facts therein mentioned.

Land and Income.

A.D 1910.

(4.) The Commissioner shall not, for the purposes of demanding or recovering income tax or for any other of the purposes of this Act, be concluded or estopped by any entry appearing in any register, book, notice, or record made, kept, or given by him or any of his officers.

(5.) It shall not be necessary in any case to prove the incorporation or registration of any company, or that any officer or person is or was the public officer of a company or acting in its business.

(6.) Any return made or purporting to be made or signed by or on behalf of any person or by the public officer of any company for the purposes of this Act shall, for all purposes, be deemed to be duly signed by the person or by the public officer of the company affected, as the case may be, unless such person or public officer proves that such return was not made or signed as aforesaid.

(7.) The onus of proof that any income is exempt from or not liable to payment of income tax, or is subject or entitled to any deduction, shall lie on the person claiming the benefit of such exemption, non-liability, or deduction.

(8.) In all proceedings for recovery of land or income tax or in respect of offences against this Act, the allegations contained in the declaration, plaint, or information, as the case may be, shall be deemed proved in the absence of proof by the defendant to the contrary.

Commissioner
may appear in
person, or by
solicitor or other
officer.

139 The Commissioner may appear, either personally or by solicitor or by any officer of the Public Service, in any court and in all proceedings, and the statement of any such solicitor or officer of the Public Service that he so appears by the authority of the Commissioner shall be accepted as sufficient evidence of such authority.

Provision for Extending Time.

Time extended
for doing acts.

140 Should the Commissioner or any officer fail to do any particular act in the execution of this Act within the time prescribed, he shall, as soon as may be after the time at which such act should have been done, perform or cause the same to be performed; and the performance of any such act as aforesaid at any other than the prescribed time shall, notwithstanding such failure, be valid and effectual.

General.

Expenses of
administration.
Appropriation
of penalties.

141 All expenses incurred in the administration of this Act shall be paid out of moneys from time to time appropriated for that purpose by Parliament; all fees received, and penalties, fines, and costs imposed and recovered, under this Act shall be paid into and form part of the Consolidated Revenue.

Court fees not to
be payable.

142 No court fees shall be demanded or payable in respect of any proceedings or process concerning the recovery or enforcement of payment of any land or income tax.

Land and Income.

143 All offences against this Act or any regulations, and all penalties and sums of money imposed or made payable by this Act or any regulation, shall, where no other mode of proceeding is provided, be heard, determined, and recovered in a summary way by and before any police magistrate or any Two or more justices in the mode prescribed by "The Magistrates Summary Procedure Act;" but notwithstanding anything in "The Magistrates Summary Procedure Act," or in any other Act, to the contrary, any information or complaint in respect of any penalty under this Act may be laid at any time within Three years next after the date of the offence.

A.D. 1910.

Recovery of penalties.

19 Vict. No. 8.

144 No action shall lie against the Commissioner or any other officer for any error, not wilfully made, in demanding, collecting, or enforcing payment of a tax.

No action to lie against officers where error in collection, &c., of tax not wilful.

145 No action shall lie against the Commissioner or any officer or other person for anything done in pursuance of this Act unless notice in writing of such action is given to the defendant.

Action against officers, &c.

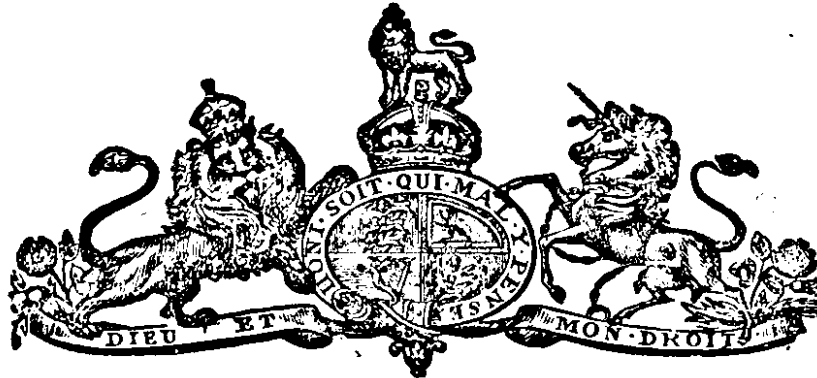
See 68 Vict. No. 36.

SCHEDULE.

AS REPEALED ON 31st DAY OF DECEMBER, 1910.

Date and Number of Act.	Title of Act.	Extent of Repeal.
2 Ed. VII. No. 29	"The Income Tax Act, 1902"	The whole Act
4 Ed. VII. No. 22	"The Income Tax Act, 1904"	The whole Act
9 Ed. VII. No. 19	"The Income Tax Amendment Act, 1909"	The whole Act
4 Ed. VII. No. 17	"The Taxation Act, 1904"	The whole Act
6 Ed. VII. No. 32	"The Taxation Act, 1906"	The whole Act
9 Ed. VII. No. 10	"The Taxation Act Amendment Act, 1909"	The whole Act
5 Ed. VII. No. 4	"The Land Tax Act, 1905"	The whole Act

T A S M A N I A.



1911.

ANNO SECUNDO

GEORGII V. REGIS.

No. 35.

ANALYSIS.

1. Short title and incorporation with 1 Geo. V. No. 47.
2. Amendment of Section 15 of Principal Act.
3. Amendment of Section 27 of Principal Act.
4. Amendment of Section 53 of Principal Act.
5. Amendment of Section 123 of Principal Act.



AN ACT to amend "The Land and Income Taxation Act, 1910." [10 January, 1912.] ^{A.D.} 1911. —

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as "The Land and Income Taxation Act, 1911," and shall be incorporated and read as one with "The Land and Income Taxation Act, 1910," in this Act referred to as "the Principal Act." Short title and incorporation with 1 Geo. V. No. 47.

2 Section Fifteen of the Principal Act is hereby amended by inserting at the end thereof the following paragraph:— Amendment of Section 15 of Principal Act.

"x1 Crown land situate beyond the limits of any town, being the subject of a contract to purchase the same on credit until Seven years from the date of the said contract have elapsed."

Land and Income.

A.D. 1911.

Amendment of
Section 27 of
Principal Act.

3 Section Twenty-seven of the Principal Act is hereby amended as follows:—

i. By inserting the following Paragraph x. at the end of Subsection (1):—

“ x The salaries of the Agent-General and of his officers so far as such salaries are derived from this State.

This provision shall have effect as from the commencement of this Act ” :

ii. By adding thereto the following subsection:—

“(3) The word ‘companies’, occurring in line One of Paragraph ii of Subsection (1) of this section shall be deemed to include, and to have included as from the commencement of this Act, only such associations as are referred to in Section Nine of ‘The Companies Act, 1895,’ and are duly registered under ‘The Companies Act, 1869,’ without the addition of the word ‘limited,’ pursuant to licence granted under Section Nine aforesaid.”

Amendment of
Section 53 of
Principal Act.

4 Section Fifty-three of the Principal Act is hereby amended as follows:—

i. By inserting at the end of Paragraph iii. and after the word “land” in line Twelve of Paragraph iv.: “except the amount by which any sum so paid (if only One), or the total of the sums so paid (if more than One), exceeds Five Pounds per centum of the unimproved value of such land” :

ii. By inserting the words “or by way of rent-charge or other charge in respect of land” after the word “him” in the Second line of Subdivision (b) of Paragraph vii. thereof.

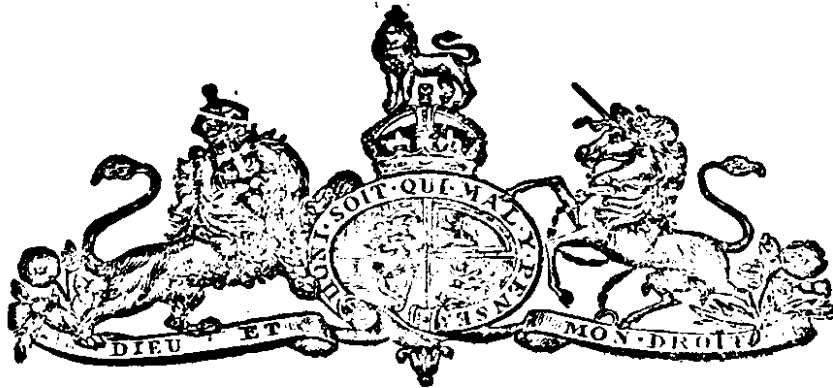
Amendment of
Section 123 of
Principal Act.

5 Section One hundred and twenty-three of the Principal Act is hereby amended by inserting at the end thereof the following words:—

“Any person who aids or assists in any manner whatsoever to commit an offence within the meaning of this section shall be liable to a penalty of not exceeding Twenty Pounds

“The term ‘person’ in this section includes the public officer of a company and the agent or trustee of any person.”

TASMANIA.

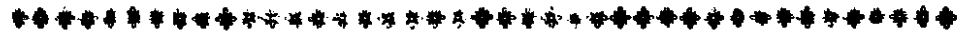


1912.

ANNO TERTIO
GEORGII V. REGIS.
No. 35.

ANALYSIS.

1. Short title and incorporation with 1 Geo. V. No. 47.
2. Operation of Sections 41, 42, and 43 restricted.
3. Amendment of Section 53 of Principal Act.
4. Doubts removal as to liability of companies.



AN ACT to further amend "The Land and Income Taxation Act, 1910." A.D. 1912.
[17 December, 1912.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as "The Land and Income Taxation Act, 1912," and shall be incorporated and read as one with "The Land and Income Taxation Act, 1910" (in this Act referred to as "the Principal Act"), and any amendment thereof. Short title and incorporation with 1 Geo. V. No. 47.

2 After Section Forty-three of the Principal Act the following section is inserted:— Operation of Sections 41, 42, and 43 restricted,

4d.]

Land and Income.

A.D. 1912.

“43a The provisions for payment of income tax at the source enacted by Sections Forty-one, Forty-two, and Forty-three of this Act shall apply only to cases where the income tax payable at the source under the said sections has been charged at one uniform rate in respect of income from property for the year for which such tax is payable.

Amendment of
Section 53 of
Principal Act
(as amended by
2 Geo. V. No. 35,
s. 4).

3 Section Fifty-three of the Principal Act is hereby amended as from the First day of January, One thousand nine hundred and thirteen, as follows:—

- i. As to Paragraph (b) of Subdivision vii., by omitting the words “Sums paid by the taxpayer by way of interest upon any money borrowed by him or by way of rent-charge or other charge in respect of land,” and substituting therefor the words “Sums paid by the taxpayer by way of interest upon any money borrowed by him and used for the purposes of his business, or sums paid by him by way of rent-charge or other charge in respect of land”:
- ii. By omitting the proviso to Paragraph (e) of Subdivision vii.:
- iii. By inserting the following paragraph after Paragraph (e) of Subdivision vii., namely:—

“(ee) Such sum as the Commissioner may think just and reasonable as representing the diminished value by reason of wear and tear, during the year, of any implements, utensils, and machinery used by the taxpayer for the purposes of his business (such depreciation not being of a kind that could be made good by repairs): Provided that, where in any business income is set apart by the taxpayer by way of a fund to cover the depreciation by reason of wear and tear of such implements, utensils, and machinery, the amount so set apart for the year immediately preceding the year of assessment shall, subject to the approval of the Commissioner, be the sum to be deducted for depreciation: Provided that in no case shall any allowance be made for the depreciation of buildings:

“(eee) Every premium or sum paid by a taxpayer for the insurance of the stock-in-trade belonging to his business by way of fire insurance:”

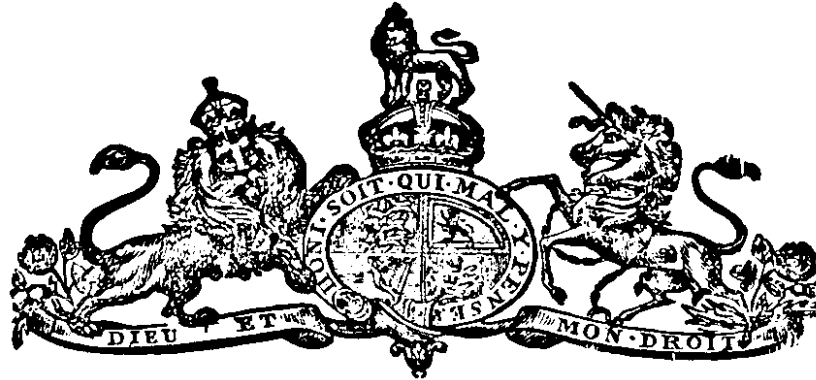
Doubts removal
as to liability of
companies.

4—(1) For the purpose of removing all doubts as to the liability of companies to payment of income tax, it is hereby enacted as follows, and the following provisions shall be deemed to have been inserted in the Principal Act as from the passing thereof:—

Land and Income

1. Every company, including every corporate body howsoever incorporated and whether under the laws of this State or any other country, and whether its head office or chief place of business is in this State or elsewhere, and whether the company carries on business or not, is and shall be liable to the payment of income tax under the Principal Act in respect of income arising, accruing, received in, or derived from this State, unless expressly exempted: A.D 1912.
- ii. In every case where the taxable amount of the income of any company is not provided for by the Principal Act, the taxable amount upon which income tax is and shall be payable, shall be the income of such company during the year ended or ending the Thirty first day of December immediately preceding the year of assessment, and such taxable amount shall be ascertained as provided by Section Fifty-three of the Principal Act.
- (2) All previous Taxing Acts shall be read in accordance with the foregoing provisions.

TASMANIA.



1914.

ANNO. QUINTO
GEORGII V. REGIS.
No. 23.

ANALYSIS.

1. Short title and incorporation with 1 Geo. V. No. 47.
2. Amendment of Section 50 of Principal Act.
Banking companies.



AN ACT to further amend "The Land and
Income Taxation Act, 1910." ^{A.D.} 1914.
[8 January, 1915.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as "The Land and Income Taxation Act, 1914," and shall be incorporated and read as one with "The Land and Income Taxation Act, 1910" (in this Act referred to as "the Principal Act"), and any amendment thereof.

Short title and
incorporation
with 1 Geo. V.
No. 47.

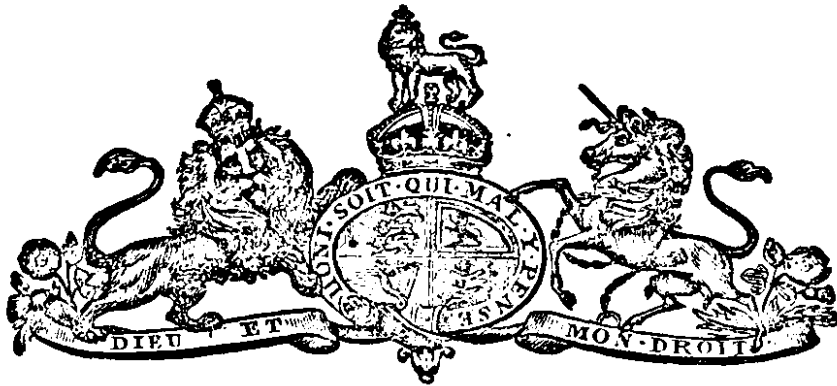
Land and Income Tax Amendment.

A.D. 1914.
—
Amendment of
Section 50 of
Principal Act.
Banking
companies.

2 Section Fifty of the Principal Act is hereby amended by omitting therefrom Subdivision 1. thereof, and substituting therefor the following as Subdivision 1. thereof:—

“1. The taxable amount of the income of every such company which carries on in this State the business of banking and no other business whatsoever, shall be a sum which bears the same proportion to the total profits of the Company for the year ended the Thirty-first day of December preceding the year of assessment as the amount of its assets and liabilities in this State during the same year bears to its total assets and liabilities during the same year, not including liabilities to capital or reserves.”

T A S M A N I A.



1915.

ANNO SEXTO

GEORGII V. REGIS.

No. 40.

ANALYSIS.

1. Short title and incorporation with 1 Geo. V. No. 47.
2. Amendment of Section 12 of Principal Act.
3. Amendment of Sections 47, 49, 50, 53, and 63 of Principal Act.
4. Amendment of Section 4 of 3 Geo. V. No. 35.
5. Amendment of Section 114 of Principal Act.



AN ACT to further amend "The Land and Income Taxation Act, 1910." A.D. 1915.
 [13 January, 1916.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as "The Land and Income Taxation Act, 1915," and shall be incorporated and read as one with "The Land and Income Taxation Act, 1910" (in this Act referred to as "the Principal Act"), and any amendment thereof. Short title and incorporation with 1 Geo. V. No. 47.

2 Section Twelve of the Principal Act is hereby amended by— Amendment of Section 12 of Principal Act.

i. Inserting "(1)" after the numeral "12" occurring at the beginning thereof: and

ii. Adding the following subsection thereto—

"(2) Notwithstanding anything herein contained, it shall be lawful for the Commissioner, and he is hereby authorised, to afford to the Commonwealth Commissioner Power to Commissioner to supply information to Income

4d.]

Land and Income Amendment.

A.D. 1915.

Tax Commis-
sioners, &c., of
Commonwealth
and other States.

of Income Tax or his deputy in this State, any information in his possession with respect to the administration of this Act or the incomes of taxpayers thereunder; and the affording of such information shall not be deemed to be a contravention of this section.

(3) Notwithstanding anything herein contained, it shall be lawful for the Commissioner, and he is hereby authorised, to afford to any other Commissioner of Income Tax in Australia any information in his possession with respect to the business done in this State by any person or company carrying on business in any Australian State as well as in this State, and the affording of such information shall not be deemed to be a contravention of this section. Provided that this provision shall not apply to the communication of any matter to a Commissioner or Commissioners of Income Tax for any State which has not enacted reciprocal legislation."

Amendment of
Sections 47, 49,
50, 53 and 63 of
Principal Act.

3 Sections Forty-seven, Forty-nine, Fifty, Fifty-three and Sixty-three respectively of the Principal Act are hereby amended by omitting therefrom the words "Thirty-first day of December" wherever occurring therein and substituting for the words so omitted the words "Thirtieth day of June."

Amendment of
Section 4 of 3
Geo. V. No. 35.

4 Subsection (1) of Section Four of "The Land and Income Taxation Act, 1912," is hereby amended, as from the passing of this Act, by omitting from Paragraph ii. of the said subsection the words "Thirty-first day of December" and substituting therefor the words "Thirtieth day of June."

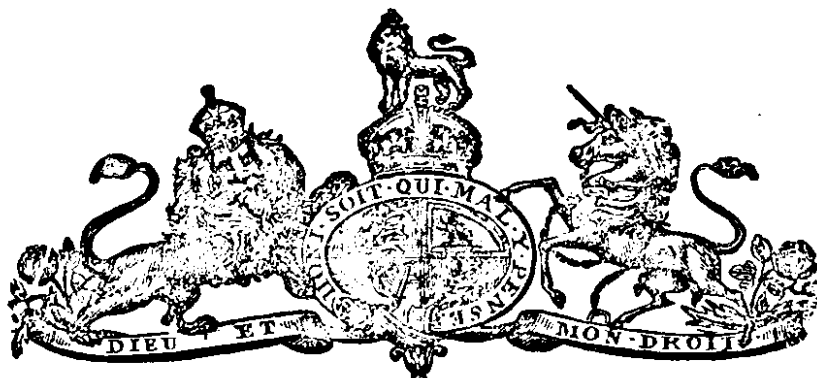
Amendment of
Section 114 of
Principal Act.

5 Section One hundred and Fourteen of the Principal Act is hereby amended by—

- i. Inserting "(1)" after the numeral "4" occurring at the beginning thereof: and
- ii. Adding at the end thereof the following subsection:—

"(2) Where any taxpayer residing in this State derives any income from mortgages upon land situated out of this State, and land tax is levied on the amount of such mortgages under the law of the State, Dominion, or Country, in which the land comprised in such mortgages is situate, such taxpayer shall be entitled to deduct from the amount of income tax payable by him by virtue of any assessment under this Act upon the income so derived such sum as he shall prove to the satisfaction of the Commissioner to have been paid by him upon the amount of such mortgages by way of land tax elsewhere."

T A S M A N I A.



1918.

ANNO NONO

GEORGII V. REGIS.

No. 63.

ANALYSIS.

1. Short title and incorporation with No. 47 of 1910.
2. Amendment of Section 27 of Principal Act.
3. Amendment of Section 53 of Principal Act.
4. Amendment of Section 54 of Principal Act.

AN ACT to further amend "The Land and Income Taxation Act, 1910" A.D. 1918.

 [14 January, 1919.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as "The Land and Income Taxation Act, 1918," and shall be incorporated with and construed as one with "The Land and Income Taxation Act, 1910" (hereinafter called the Principal Act), and every amendment thereof. Short title and incorporation with No. 47 of 1910.

2 Section Twenty-seven of the Principal Act is hereby amended by inserting the following Paragraph xi. (being a further exemption) at the end of Subsection (1):— Amendment of Section 27 of Principal Act.

"xi. Every pension under the War Pensions Act, 1914, of the Commonwealth."

4d.]

A.D. 1918.

Amendment of
Section 53 of
Principal Act.
Cf. No. 34, 1915,
s. 14 (A), Com.
Ct. No. 10, 1902,
s. 20 (Q) as
amended by
No. 9, 1901, s. 9.

3 Section Fifty-three of the Principal Act is hereby amended, as from the commencement thereof, by inserting at the end of Subdivision (a) of Paragraph v. of the said section the following words :—

“ Provided that for the purpose of computing such profits the value of all live stock, produce, goods, and merchandise (not being plant used in the production of income) not disposed of at the beginning and end of the year in which the income was derived shall be taken into account. But additions to stock resulting from natural increase shall be reckoned in their First year at such values as the Commissioner may consider fair and equitable, reserving to the taxpayer the right of objection to such values should he be dissatisfied.”

Amendment of
Section 54 of
Principal Act.
Cf. No. 2668, s.
19 (2) (d) Vict.
Cf. No. 5, 1916,
s. 56 (1) (d) N.Z.

4 Section Fifty-four of the Principal Act is hereby amended as from the First day of July, One thousand nine hundred and seventeen, by omitting therefrom paragraph viii. thereof and substituting the following therefor :—

“ viii. Any bad debts except debts proved to the satisfaction of the Commissioner to have become bad, and to have been actually written off by the taxpayer in the year ending the Thirtieth day of June immediately preceding the year of assessment, and which have not previously been allowed as a deduction :

Provided that all amounts at any time received on account of any such bad debt shall be credited as income in the year in which the same are received, ending the Thirtieth day of June immediately preceding the year of assessment and be subject to tax.”

Land and Income Taxation.

A.D. 1921.

Amendment of
Section 18 of the
Principal Act.

3 Section Eighteen of the Principal Act is hereby amended by expunging Paragraph ii. of Subsection (2) of the said section, and substituting the following paragraph therefor:—

“ii. Furnishes the Commissioner with full particulars in writing, in the prescribed form, of the transaction, the price obtained for the land, the name and address of the purchaser or transferee thereof, or of such facts as relieve him from liability at law.”

Amendment of
Section 27 of the
Principal Act.

4 Subsection (1) of Section Twenty-seven of the Principal Act is hereby amended by expunging from the Seventh line of the said subsection the words “received in or derived from” and substituting therefor the words “earned or derived in or from.”

Provided however that the amendment hereby made shall not apply to the income of any taxpayer for the year ended on the Thirtieth day of June, One thousand nine hundred and twenty-one, or to the tax payable by any taxpayer for the year ending on the Thirty-first day of December, One thousand nine hundred and twenty-two.

Repeal and
re-enactment of
Section 114 of
the Principal Act.
Deduction of
income tax paid
by certain persons
elsewhere than
in Tasmania.

5 Section One hundred and fourteen of the Principal Act is hereby repealed and the following section substituted therefor:—

“**114** Where a person—

- i. Is resident in Tasmania: and
- ii. Carries on any manufacturing business in Tasmania: and
- iii Sells in places outside of Tasmania during any year ending on the Thirtieth day of June after the commencement of this Act, any portion of the products manufactured by him in Tasmania being not less in value than Sixty per centum of the total value of the products so manufactured by him in Tasmania—

there shall be allowed, as a deduction from the amount of the income tax payable by such person in respect of his income subject to tax for the year of assessment immediately following such Thirtieth day of June, such sum as he shall prove to the satisfaction of the Commissioner to have been paid by him by way of income tax elsewhere than in Tasmania in respect of such last-mentioned year upon the profits derived from the sales in places outside of Tasmania of such products so manufactured in Tasmania and sold by him in places outside of Tasmania.

“Provided, however, that no deduction shall be allowed under this section in respect of any income tax paid by any such person as aforesaid under any law of the Commonwealth of Australia.

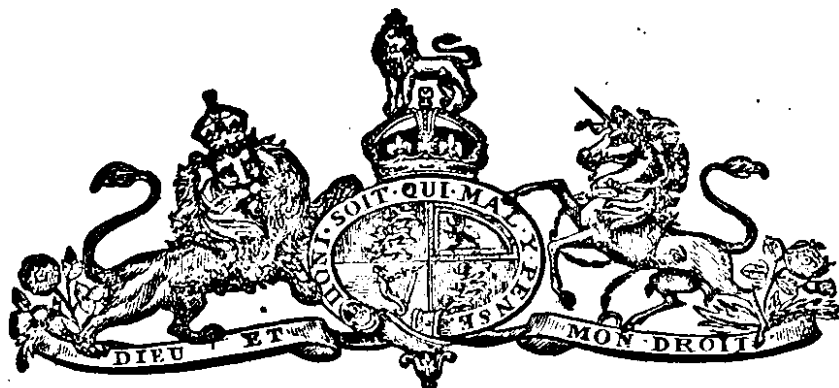
“Provided, further, that the income tax payable in Tasmania for any year by any such person as aforesaid shall not, by virtue of the provisions of this section, be reduced to an amount less than One-third of the amount of income tax which would have been payable by such person in Tasmania for that year if the whole of his profits had been derived from the sale in Tasmania of articles and goods manufactured by him in Tasmania.”

**THE LAND AND INCOME TAXATION
ACT, 1923.**

ANALYSIS.

- | | |
|--|--|
| <p>1. Short title.
Principal Act.</p> <p>2. Amendment of Section 4 of the Principal Act.</p> <p>3. Amendment of Subsection (1) of Section 27 of the Principal Act.</p> <p>4. Amendment of Section 53 of the Principal Act.
Inclusions.
Owner may elect to omit from return value of natural increase.</p> <p>5. Amendment of Section 94 of the Principal Act.</p> <p>6. Amendment of Section 97 of the Principal Act.</p> <p>7. Amendment of Section 101 of the Principal Act.
Proviso.</p> <p>8. Insertion in the Principal Act of new Section 101a.
Penal tax.
Amendment of Sections 103, 104, and 107 of the Principal Act.</p> | <p>10. Repeal of Section 114 of the Principal Act (as inserted by 12 Geo. V. No. 46), and substitution of new section.
Amount of income tax paid elsewhere may be deducted.
Land tax paid in respect of mortgages in other countries may be deducted.</p> <p>11. Insertion in the Principal Act of new Section 121a.
Certain particulars may be required in return.</p> <p>12. Repeal of Section 123 of the Principal Act, and substitution of new section.
Offences.</p> <p>13. Insertion in the Principal Act of new sections after Section 123.
Additional tax in certain cases.
Under-statement of income.
Avoiding taxation.
Penalties not to relieve from tax.</p> <p>14. Repeal of Section 125 of the Principal Act and substitution of new section.
Obstructing officers.</p> <p>15. Application of Act.</p> |
|--|--|

TASMANIA.



1923.

ANNO QUARTO DECIMO

GEORGI V. REGIS.

No. 13.



AN ACT to amend "The Land and Income Taxation Act, 1910." [23 October, 1923.] ^{A.D.} 1923.

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1—(1) This Act may be cited as "The Land and Income Taxation Act, 1923." Short title.

(2) "The Land and Income Taxation Act, 1910," is herein called "the Principal Act." Principal Act. 1 Geo. V. No. 47.

2 Section Four of the Principal Act is hereby amended by inserting after the definition of "taxpayer" in the said section the following definition:—

"Trading stock" means anything produced, manufactured, acquired, or purchased for purposes of manufacture, sale, or exchange. Amendment of Section 4 of the Principal Act. No. 37 of 1922 (Com.), s. 4.

Land and Income Taxation.

A.D. 1923.

Amendment of
Subsection (1) of
Section 27 of the
Principal Act.Amendment of
Section 53 of the
Principal Act.

Inclusions.

Cf. No. 37 of
1922 (Com.),
s. 16 (a).Owner may elect
to omit from
return value of
natural increase.
Cf. *ibid.*, s.
16 (aa).

3 Subsection (1) of Section Twenty-seven of the Principal Act is hereby amended by deleting the words "earned or derived in or from," occurring in the Seventh line of the said subsection, and substituting the words "received in or derived from" therefor.

4 Section Fifty-three of the Principal Act is hereby amended as follows:—

i. By expunging Subparagraph (a) of Paragraph v. of the said section and inserting the following subparagraph in lieu thereof—

"(a) The profits or moneys derived from any business which have been converted into stock-in-trade or added to the capital of, or in any way invested in, such business;

Provided that for the purpose of computing such profits the value of all livestock (not being livestock used as beasts of burden or as working beasts), and trading stock (not being livestock), on hand at the beginning and end of the period in which the income was derived shall be taken into account, except where the taxpayer otherwise elects, as provided in Paragraph va. of this section;

For the purposes of this subparagraph 'Value,' in the case of trading stock (not being livestock), means the actual cost price or market selling value of each article of trading stock, or the price at which each article of trading stock can be replaced, at the option of the taxpayer in respect of each article, and in the case of livestock (not being livestock used as beasts of burden or as working beasts), means the cost price or market selling price at the option of the taxpayer. The cost price in relation to natural increase of livestock shall be the value per head, selected by the taxpayer within the limits prescribed, of such livestock, and the value so selected shall be used for the purposes of the assessment of the income of the year ended on the Thirtieth day of June, One thousand nine hundred and twenty-three, and of all subsequent years";

ii. By inserting the following Paragraph va. after Paragraph v. of the said section:—

va. Notwithstanding anything contained in Subparagraph (a) of Paragraph (v.) of this section, an owner of livestock may elect to omit from the account required by that subparagraph the value of all natural increase of any livestock owned by him and born during the year in which the income is

Land and Income Taxation.

derived, and shall not be assessed for income tax in respect of that natural increase except to the extent to which he has disposed of it. The owner of the livestock shall give notice of his election, in writing, in the prescribed form signed by him, and deliver it at the office of the Commissioner on or before the prescribed date. Every notice given by a taxpayer in pursuance of this paragraph shall be irrevocable."

A.D. 1923.

5 Section Ninety-four of the Principal Act is hereby amended as follows:—

- I. By inserting "(1)" immediately before the word "Land" in the First line of the said section
- II. By deleting the words "and income" in the said First line: and
- III. By inserting the following subsections as Subsections (2), (3), and 4, of the said section respectively:—

Amendment of Section 94 of the Principal Act.

"(2) Income tax shall be due and payable Thirty days after the service by post of a notice of assessment.

Cf. No. 37 of 1922 (Com.), s. 54.

(3) Where an assessment is amended in accordance with this Act and additional income tax is thereby payable by the taxpayer, the additional income tax shall be due and payable Thirty days after the service by post of the notice of amended assessment upon the taxpayer.

(4) When the Commissioner has reason to believe that a taxpayer may leave Tasmania before the income tax on an assessment, or the additional income tax on an amended assessment, becomes due and payable, such tax or additional tax shall be due and payable on such date as the Commissioner fixes and notifies to the taxpayer."

6 Section Ninety-seven of the Principal Act is hereby amended by inserting the words "objection or" before the word "appeal" wherever the last-mentioned word occurs in the said section.

Amendment of Section 97 of the Principal Act.

7 The following words are hereby inserted at the end of Section One hundred and one of the Principal Act:—

Amendment of Section 101 of the Principal Act.

"Provided, however, that the Commissioner may in such cases as he thinks fit—

- I. Extend the time for payment as he considers the circumstances warrant: or
- II. Permit the payment of tax to be made by instalments within such time as he considers the circumstances warrant."

Proviso.

Cf. No. 37 of 1922 (Com.), s. 55.

8 After Section One hundred and one of the Principal Act the following new Section 101a is hereby inserted:—

Insertion in the Principal Act of new Section 101a.

"101a If the income tax or additional income tax payable on an amended assessment is not paid before the expiration of the time specified in Subsection (2) of Section Ninety-four of this Act, or such further time as may be allowed by the Commissioner under the proviso

Penal tax.

Cf. No. 37 of 1922 (Com.), s. 56.

Land and Income Taxation.

A.D. 1923.

to Section One hundred and one of this Act, additional income tax shall be payable at the rate of Ten Pounds per centum per annum, upon the amount of income tax unpaid, to be computed from the expiration of the time so specified, or where further time has been allowed, from the expiration of the time so allowed.

Provided, however, that the Commissioner may in any particular case, for reasons which in his discretion he thinks sufficient, remit the additional income tax or any part thereof."

Amendment of Sections 103, 104, and 107 of the Principal Act.

9 Sections One hundred and three, One hundred and four, and One hundred and seven of the Principal Act are hereby amended by inserting after the words "Thirty days," wherever those words occur in the said sections, the words "or such further period as may be allowed by the Commissioner under the proviso to Section One hundred and one of this Act."

Repeal of Section 114 of the Principal Act (as inserted by 12 Geo. V. No. 46), and substitution of new section.

10 Section One hundred and fourteen of the Principal Act (as inserted by Section Five of "The Land and Income Taxation Act, 1921") is hereby repealed, and the following section substituted therefor:—

Amount of income tax paid elsewhere may be deducted.

"114—(1) Where any taxpayer residing in this State derives any income from any source out of this State, such taxpayer shall be entitled to deduct from the amount of income tax payable by him under this Act, upon the income so derived, such sum as he shall prove to the satisfaction of the Commissioner to have been paid by him upon such income by way of income tax in the State, dominion, or country from which such income is derived, or in which such business is carried on.

"Provided, however, that no deduction shall be allowed under this subsection in respect of any income tax paid by any such taxpayer as aforesaid under any law of the Commonwealth of Australia.

"Provided, further, that the income tax payable in this State for any year by a taxpayer who is—

- i. Resident in this State : and
- ii. Carries on any manufacturing business in this State : and
- iii. Sells in places outside of this State during any year ending on the Thirtieth day of June preceding the year of assessment, any portion of the products manufactured by him in this State, being not less in value than Sixty per centum of the total value of the products so manufactured—

shall not, by virtue of the provisions of this subsection, be reduced to an amount less than one-third of the amount of income tax which would have been payable by such taxpayer in this State for that year if the whole of his profits had been derived from the sale in this State of articles and goods manufactured by him in this State.

Land tax paid in respect of mortgages in other countries may be deducted.

"(2) Where any taxpayer residing in this State derives any income from mortgages upon land situate outside this State, and land tax is levied upon or in respect of the amount of such mortgages under the law of the State, dominion, or country in which the land comprised

Land and Income Taxation.

in such mortgages is situate, such taxpayer shall be entitled to deduct from the amount of income tax payable by him under this Act upon the income so derived, such sum as he shall prove to the satisfaction of the Commissioner to have been paid by him during the year immediately preceding the year of assessment upon or in respect of the amount of such mortgages by way of land tax in such State, dominion, or country.”

A.D. 1923

11 After Section One hundred and twenty-one of the Principal Act the following new Section **121a** is hereby inserted :—

Insertion in the Principal Act of new Section 121a.

“**121a** Notwithstanding any law to the contrary, any form of return to be prescribed by the Governor may require particulars to be furnished to the Commissioner by a taxpayer of—

Certain particulars may be required in return.

- i. All property owned, occupied, used, or enjoyed by him, the value of any such property, and the purpose for which the same is used or occupied : and
- ii. All purchases, sales, and other transactions effected or carried out by him of, or in connection with, any property.”

12 Section One hundred and twenty-three of the Principal Act is hereby repealed, and the following section substituted therefor:—

Repeal of Section 123 of the Principal Act, and substitution of new section.

“**123**—(1) Any person who—

- i. Fails or neglects to duly furnish any return or information, or give the security required by Section Fifty-two of this Act, or to comply with any requirement of the Commissioner as and when required by this Act, or by the Commissioner ; or
- ii. Without just cause shown by him, refuses or neglects to duly attend and give evidence when required by the Commissioner or any officer duly authorised by him, or to truly and fully answer any questions put to him, or to produce any book or papers required of him by the Commissioner or any such officer ; or
- iii. Makes or delivers a return which is false in any particular, or makes any false answer whether verbally or in writing—

Offences.
Cf. No. 37 of 1922 (Com.), s. 66.

shall be guilty of an offence.

Penalty : Not less than Two Pounds nor more than One hundred Pounds.

(2) A prosecution in respect of an offence against Paragraph i. or iii. of Subsection (1) of this section may be commenced at any time.

(3) Any person who, after conviction for an offence against this section, continues to fail to comply with the requirements of this Act, or of the Commissioner, in respect of which he was convicted, shall be guilty of an offence and punishable as provided in Section **123c** of this Act.

Land and Income Taxation.

A.D. 1923.

(4) It shall be a defence to a prosecution for an offence against Paragraph III. of Subsection (1) of this Section if the defendant proves that the false particulars were given or the false statement was made through ignorance or inadvertence."

Insertion in the Principal Act of new sections after Section 123.

Additional tax in certain cases. Cf. No. 37 of 1922 (Com.), s. 67.

13 After Section One hundred and twenty-three of the Principal Act the following new Sections **123a**, **123b**, **123c**, and **123d** are hereby inserted :—

"**123a**—(1) Notwithstanding anything contained in the last preceding section, any person who—

- i. Fails or neglects to duly furnish any return or information as and when required by this Act or by the Commissioner; or
- ii. Fails to include any assessable income in any return; or
- iii. Includes in any return as a deduction an amount which is in excess of that actually expended or incurred by him—

shall, if a taxpayer, be liable, except as provided by this section, to pay by way of additional tax the sum of One Pound, in any case coming under Paragraph i. hereof, or, if the case comes under Paragraph ii. or iii. hereof, shall be liable to pay by way of additional tax the amount of One Pound, or double the tax which would have been evaded if the assessment had been based on the return lodged, whichever is the greater, in addition to any additional tax which may become payable by him in accordance with Section **101a** of this Act.

Provided that the Commissioner may, in any particular case, for reasons which he thinks sufficient, remit the additional tax or any part thereof.

(2) If the Commissioner considers that the circumstances of any case warrant action being taken to recover the penalty provided by the last preceding section or by the next succeeding section, such action may be taken by the Commissioner, and in that case the additional tax payable under this section shall not be charged.

Under-statement of income. *Ibid.*, s. 68.

123b If in any prosecution under Paragraph III. of Subsection (1) of Section One hundred and twenty-three it is proved that the taxpayer has wilfully made or delivered a false return with intent to defraud the amount by which his actual income for the year in respect of which such return was made, exceeds the amount of income shown in such return, shall be deemed to be income tax payable by the taxpayer, and may be recovered accordingly.

Avoiding taxation. *Ibid.*, s. 69.

123c Any person who, by any wilful act, default or neglect, or by any fraud, art, or contrivance whatever, avoids, or attempts to avoid, assessment or taxation, shall be guilty of an offence.

Penalty: Not less than Fifty Pounds nor more than Five hundred Pounds, and in addition treble the amount of tax payment whereof he has avoided or attempted to avoid.

Penalties not to relieve from tax. *Ibid.*, s. 71.

"**123d** Payment of penalties under this Act shall not relieve any person from liability to assessment and payment of any tax for which he would otherwise be liable."

Land and Income Taxation.

14 Section One hundred and twenty-five of the Principal Act is hereby repealed, and the following section substituted therefor:—

“**125** Any person who obstructs or hinders any officer acting in the discharge of his duties under this Act, shall be guilty of an offence.

Penalty: Not less than One Pound nor more than Fifty Pounds.”

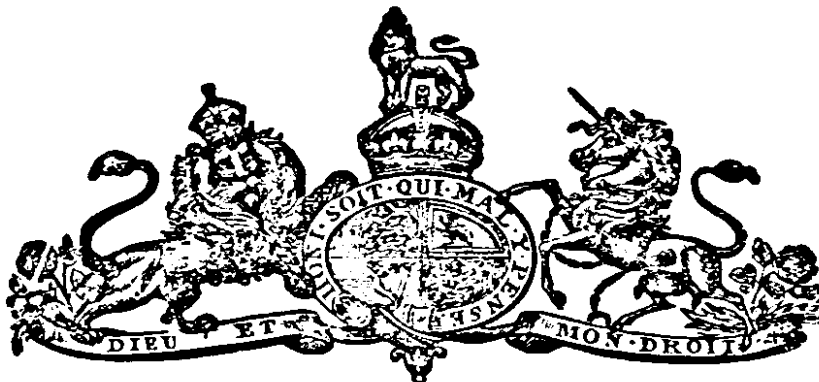
15 The amendments made by this Act shall apply to assessments of the income for the year ended the Thirtieth day of June, One thousand nine hundred and twenty-three, and in all subsequent years.

A.D. 1923.

Repeal of Section 125 of the Principal Act, and substitution of new section.

Obstructing officers.
No. 37 of 1922 (Com.), s. 72.
Application of Act.

T A S M A N I A



1924.

ANNO QUARTO DECIMO
GEORGII V. REGIS.
No. 32.

ANALYSIS.

- 1. Short title and incorporation with 1 Geo. V. No. 47.
- 2. Repeal of 3 Geo. V. No. 32.
- 3. Imposition of land tax for 1923.
Credit to be given for land tax already paid for 1923.
- 4. Imposition of land tax for 1924.



AN ACT to impose a Land Tax.

A.D.
1924.

[14 March, 1924.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as "The Land Tax Act, 1924," and shall be read and construed as one with "The Land and Income Taxation Act, 1910."

Short title and incorporation with 1 Geo. V. No. 47.

2 "The Land Tax and Income Tax Act, 1912" (hereinafter referred to as "the Act of 1912") is hereby repealed.

Repeal of 3 Geo. V. No. 32.

4d.]

Land Tax.

A.D. 1924.

Imposition of
land tax for 1923.

3—(1) Notwithstanding any law to the contrary there shall be deemed to have been imposed, and made due and payable, on the Eighth day of November, One thousand nine hundred and twenty-three, a graduated land tax for the year ending on the Thirty-first day of December, One thousand nine hundred and twenty-three (hereinafter in this section called "the said year"), at the rates declared and set forth in the schedule to this Act, in lieu of the graduated land tax imposed for the said year by the Act of 1912.

Credit to be given
for land tax
already paid for
1923.

(2) In any case in which payment has, before the commencement of this Act, been made to the Commissioner for, or on account of, land tax payable for the said year under the Act of 1912 in respect of any land, such payment shall be deemed to have been made on account of the land tax so deemed to have been imposed and made due and payable as aforesaid for the said year in respect of such land, and credit shall be given for such payment accordingly.

Imposition of
land tax for 1924.

4 For the year ending on the Thirty-first day of December, One thousand nine hundred and twenty-four, a graduated land tax is hereby imposed at the rates declared and set forth in the schedule to this Act.

SCHEDULE

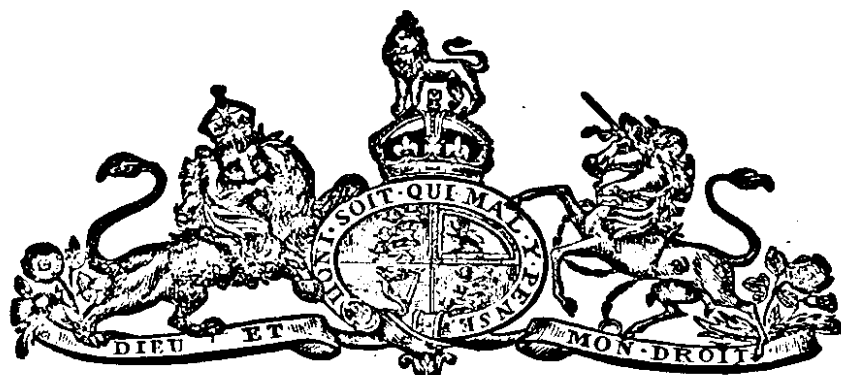
Section 3.

LAND TAX.

The rate of tax shall be as follows :—

For every Pound of the Taxable Value of the Land	Rate of Tax in Pence.
Up to £2500	1
Over £2500 up to £5000	1½
Over £5000 up to £15,000	2¼
Over £15,000 up to £30,000	3½
Over £30,000 up to £50,000	4
Over £50,000 up to £80,000	4½
Over £80,000	5

TASMANIA.



1924.

ANNO QUARTO DECIMO
 GEORGII V. REGIS.
 No. 33.

ANALYSIS.

- | | |
|--|--|
| <p>1. Short title and incorporation with 1 Geo. V. No. 47.</p> <p>2. Repeal.</p> <p>3. Imposition of income tax.</p> <p>4. Exemption of certain persons from income tax.</p> <p>5. Deduction in the case of certain married men.
 Deduction in the case of certain unmarried men.</p> <p>6. Taxable amount in cases not provided for in Section 5.</p> | <p>7. How deduction to be made.</p> <p>8. No exemption or deduction in respect of prize in lottery.</p> <p>9. Rates of income tax.</p> <p>10. Additional tax on profits from manufacture or sale by certain persons of liquor.</p> <p>11. Assessment of income tax payable by certain companies for the year 1924.</p> |
|--|--|

AN ACT to impose an Income Tax. A.D. 1924.
 [14 March, 1924.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows :—

1 This Act may be cited as "The Income Tax Act, 1924," and shall be read and construed as one with "The Land and Income Taxation Act, 1910," in this Act referred to as "the Principal Act." Short title and incorporation with 1 Geo. V. No. 47

2 The Acts set forth in Schedule (1) to this Act are hereby repealed to the extent therein stated. Repeal.

6d.]

Income Tax.

A.D. 1924.

Imposition of
income tax.

3 For the year ending on the Thirty-first day of December, One thousand nine hundred and twenty-four, and for the year ending on the Thirty-first day of December, One thousand nine hundred and twenty-five, income tax is hereby imposed at the rates declared in this Act, and subject to the provisions hereinafter set forth.

Exemption of
certain persons
from income tax.**4** A person—

i.—(a) Whose net income from all sources during the year ending on the Thirtieth day of June immediately preceding the year of assessment did not exceed One hundred and fifty-six Pounds; and

(b) Who is a widower or widow having a child under the age of Sixteen years dependent upon him or her, or is married: or

ii.—(a) Whose net income from all sources during the year aforesaid did not exceed One hundred and twenty-five Pounds; and

(b) Who is unmarried—

shall not be liable to income tax.

Deduction in the
case of certain
married men.

5—(1) For the purpose of arriving at the taxable amount of the income of any taxpayer—

i. Whose net income from all sources during the year ending on the Thirtieth day of June immediately preceding the year of assessment did not exceed Five hundred Pounds: and

ii. Who is a widower or widow having a child under the age of Sixteen years dependent upon him or her, or who is married—

there shall be deducted from such net income the sum of One Pound for every Three Pounds by which such net income was less than Five hundred Pounds.

Deduction in the
case of certain
unmarried men.

(2) For the purpose of arriving at the taxable amount of the income of any unmarried taxpayer whose net income from all sources during the year aforesaid did not exceed Four hundred Pounds, there shall be deducted from such net income the sum of One Pound for every Six Pounds by which such net income was less than Four hundred Pounds.

Taxable amount
in cases not pro-
vided for in
Section 5.

6 The taxable amount of the income of any taxpayer, other than a person to whom the provisions of Section Five of this Act apply, shall be the net income of such taxpayer.

How deduction
to be made.

7 Where the income of any person (not being a company) is partly income from business and partly income from property, the deduction allowed under Section Five shall be made from his income from business, and if his income from business is insufficient to allow him the full benefit of such deduction, then the balance of such deduction shall be made from his income from property (other than dividends upon which income tax has been paid at the source in this State.

Income Tax.

8 Notwithstanding anything contained in this Act to the contrary, any income receivable by any person as a prize in any lottery authorised by law in this State shall be liable to income tax under this Act without any exemption or deduction whatsoever.

A.D. 1924.

—
No exemption or deduction in respect of prize in lottery.

Rates of income tax.

9—(1) The rate of the income tax in respect of the dividends of any company on which income tax is payable under the provisions of Sections Thirty-six or Thirty-seven of the Principal Act shall be One Shilling and Nine Pence for every pound sterling of such dividends.

(2) The rate of the income tax in respect of the taxable amount of the income of any company shall be One Shilling and Nine Pence for every pound sterling of such taxable amount.

(3) The rate of the income tax on all income of any person represented by prizes in any lottery authorised by law in this State shall be Two Shillings for every pound sterling of such income.

(4) The rates of the income tax in respect of all other income of any person (not being a company) shall be such as are respectively equal to the rates set forth in Schedule (2) to this Act multiplied by 1.625.

10—(1) In any case in which the taxable amount of the income of any taxpayer or any part thereof is derived from the profits on the manufacture by him, or on the sale by him or any person on his behalf of any liquor as defined by "The Licensing Act, 1902," under a wholesale or importer's licence under that Act, there shall be imposed and paid by such taxpayer for the year ending on the Thirty-first day of December, One thousand nine hundred and twenty-four, and for the year ending on the Thirty-first day of December, One thousand nine hundred and twenty-five, in respect of such taxable amount or part thereof (as the case may be) so derived, an income tax of One Shilling for every pound sterling of the amount so to be taxed.

Additional tax on profits from manufacture or sale by certain persons of liquor.

(2) The tax payable under this section shall be in addition to any other tax payable by such taxpayer under the provisions of the Principal Act or this Act.

(3) Such taxpayer shall be entitled to a rebate from any tax payable by him under this section equal to the amount of the fee paid by him in respect of any such licence as aforesaid in the year in which such profits were derived, but such rebate shall not exceed the amount of such tax.

(4) Where such taxpayer is a company, the taxable amount of the income of the company shall, for the purposes of this section, be deemed to be the full income of the company before any deduction has been made therefrom in respect of any dividends declared, ascertained, or become due by the company.

11 Notwithstanding anything contained in the Principal Act to the contrary, for the purpose of assessing the income tax to be paid in accordance with the provisions of Section Nine of this Act, in respect of the year ending on the Thirty-first day of December, One thousand nine hundred and twenty-four, by every company which

Assessment of income tax payable by certain companies for the year 1924.

Income Tax.

A.D. 1924.

has its head office or chief place of business in Tasmania (other than a building society, or other than a mining company having its head office in Tasmania, but which carries on the whole of its mining operations elsewhere than in Tasmania), the taxable amount of the income of every such company (other than as aforesaid) shall be the full amount of the income of such company during the year ended on the Thirtieth day of June, One thousand nine hundred and twenty-three, without making any deduction therefrom in respect of dividends; and income tax shall be assessed in respect of such taxable amount. Before any levy is made of such income tax as last aforesaid, there shall be deducted therefrom an amount equal to the income tax paid by the company in respect of the dividends declared, or ascertained, or become due to the shareholders of the company, which, if this section had not been enacted, would have been deducted from the full income of the company, pursuant to Section Forty-seven of the Principal Act.

SCHEDULES.

(1)

Section 2.

Date and Number of Act.	Title of Act.	Extent of Repeal.
3 Geo. V. No. 32	"The Land Tax and Income Tax Act, 1912"	Sections 1 (a) and 3
5 Geo. V. No. 24	"The Land Tax and Income Tax Amendment Act, 1914"	The whole Act
6 Geo. V. No. 34	"The Land Tax and Income Tax Amendment Act, 1915"	The whole Act
7 Geo. V. No. 33	"The Land Tax and Income Tax Amendment Act, 1916"	The whole Act
8 Geo. V. No. 32	"The Land Tax and Income Tax Amendment Act, 1917"	The whole Act
10 Geo. V. No. 57	"The Land Tax and Income Tax Amendment Act, 1919"	The whole Act

Income Tax.

(2)

INCOME TAX.

A.D. 1924.

Section 9.

Rate of Tax (subject to the operation of Subsection (4) of Section Nine of this Act) upon Income from Business.

For so much of the whole taxable amount as does not exceed £3000, the average rate of tax per pound sterling shall be Threepence and Three eight-hundredths of One Penny where the taxable amount is One Pound sterling, and shall increase uniformly with each increase of One Pound sterling of the taxable amount by Three eight-hundredths of One Penny.

Where the taxable amount does not exceed £3000 the average rate of tax per pound sterling of such taxable amount may be calculated from the following formula :—

R = average rate of tax in pence per pound sterling.
I = taxable amount in pounds sterling.

$$R = \left\{ 3 + \frac{3}{800} I \right\} \text{ pence.}$$

For every pound sterling of taxable amount in excess of £3000 up to £5000, the rate of tax shall be $\frac{27}{1.625}$ pence.

For every pound sterling of taxable amount in excess of £5000, the rate of tax shall be $\frac{30}{1.625}$ pence.

Rate of Tax (subject to the operation of Subsection (4) of Section Nine of this Act) upon Income from Property.

I. Where the taxable amount does not exceed £546, the average rate of tax per pound sterling of such taxable amount shall be that given by the following formula :—

R = average rate of tax in pence per pound sterling.
I = taxable amount in pounds sterling.

$$R = \left\{ 3 + \frac{I}{181.058} \right\} \text{ pence.}$$

II. Where the taxable amount exceeds £546, the average rate of tax shall be as follows :—

- (a) For such part of the taxable amount as does not exceed £546, the average rate of tax per pound sterling shall be the same average rate as that payable where the taxable amount is £546.
- (b) For such part of the taxable amount as exceeds £546, but does not exceed £2000, the additional tax for each additional pound of the taxable amount above £546 shall increase continuously with the increase of the taxable amount in a curve of the second degree in such a manner that the increase of tax for One Pound increase of the taxable amount shall be—
- 11.713 pence for the pound sterling between £545 10s. and £546 10s.
 - 12.768 pence for the pound sterling between £599 10s. and £600 10s.
 - 14.672 pence for the pound sterling between £699 10s. and £700 10s.
 - 16.512 pence for the pound sterling between £799 10s. and £800 10s.
 - 18.288 pence for the pound sterling between £899 10s. and £900 10s.
 - 20.000 pence for the pound sterling between £999 10s. and £1000 10s.
 - 27.600 pence for the pound sterling between £1499 10s. and £1500 10s.
 - 33.600 pence for the pound sterling between £1999 10s. and £2000 10s.
- (c) For every pound sterling of the taxable amount in excess of £2000 up to £5000 the rate of tax shall be $\frac{33}{1.625}$ pence.
- (d) For every pound sterling of the taxable amount in excess of £5000 the rate of tax shall be $\frac{36}{1.625}$ pence.

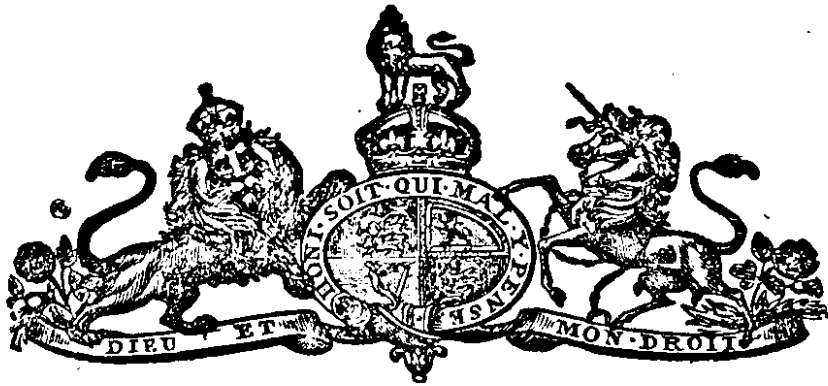
Income Tax.

A.D. 1924.
—

Rates of Tax (subject to the operation of Subsection (4) of Section Nine of this Act) upon Income which is Partly Income from Business and Partly Income from Property.

- I. For every pound sterling of the taxable amount of the income from business, the rate of tax shall be ascertained by dividing the total amount of the tax that would have been payable under this schedule if the total taxable amount of the taxpayer had been exclusively income from business, by such total taxable amount.
- II. For every pound sterling of the taxable amount of the income from property, the rate of tax shall be ascertained by dividing the total amount of the tax that would have been payable under this schedule if the total taxable amount of the taxpayer had been exclusively income from property (other than dividends), by such total taxable amount.

TASMANIA.



1924.

ANNO QUARTO DECIMO

GEORGII V. REGIS.

No. 43.

ANALYSIS.

1. Short title.
Principal Act.
2. Amendment of Section 4 of the Principal Act.
"Company."
3. Amendment of Section 50 (iv.) of the Principal Act.
4. Amendment of Section 51 (ii.) of the Principal Act.
5. Amendment of Section 53 of the Principal Act.
Income arising from sale of trading stock.
6. Amendment of Section 54 of the Principal Act.
7. Amendment of Section 114 of the Principal Act.
8. Application of Act.

AN ACT to amend "The Land and Income Taxation Act, 1910." [18 March, 1924.] A.D. 1924.

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1—(1) This Act may be cited as "The Land and Income Taxation Act, 1924." Short title

(2) "The Land and Income Taxation Act, 1910," is herein called "the Principal Act." Principal Act.
‡ Geo. V. No. 47,

8d.]

Land and Income Taxation.

A.D. 1924.

Amendment of
Section 4 of the
Principal Act.
"Company."

2 Section Four of the Principal Act is hereby amended as from the First day of July, One thousand nine hundred and twenty-one, by expunging the definition of the word "Company" in the said section, and substituting the following definition therefor :—

"'Company' includes all bodies or associations corporate or unincorporate, but does not include partnerships."

Amendment of
Section 50 (iv.)
of the Principal
Act.

3 Paragraph iv. of Section Fifty of the Principal Act is hereby amended by deleting the words "Five Pounds" in the Third line of the paragraph, and substituting the words "Seven Pounds Ten Shillings" therefor.

Amendment of
Section 51 (ii.) of
the Principal Act.

4 Paragraph ii. of Section Fifty-one of the Principal Act is hereby amended by deleting the words "Five Pounds" in the Sixth line of the paragraph, and substituting the words "Seven Pounds Ten Shillings" therefor.

Amendment of
Section 53 of the
Principal Act.

5 Section Fifty-three of the Principal Act is hereby amended as follows :—

i. By expunging Paragraphs iii. and iv. of the said section, and substituting the following paragraphs therefor respectively :—

"iii. There shall be allowed as a deduction from income derived as rent for the use and occupation of any land in respect of which land tax is payable by the taxpayer under any Act of this State—

(a) Any sum paid by the taxpayer by way of interest in respect of any mortgage of or encumbrance upon the said land ; and

(b) Any sum paid by the taxpayer by way of rent charge or other charge in respect of the said land ; and

(c) Any land tax paid by the taxpayer under any Act of this State or of the Commonwealth in respect of the said land :

iv. When any taxpayer owns and occupies for the purpose of business any land in respect of which land tax is payable by him under any Act of this State or of the Commonwealth, such taxpayer shall be entitled to similar deductions from the income derived from such land, or from carrying on business thereon, as are mentioned in Paragraph iii. of this section ;"

Land and Income Taxation.

11. By inserting after Subparagraph (d) of Paragraph v. of the said section the following subparagraphs as Subparagraphs (e), (f), (g), and (h) of the said paragraph respectively :—

A.D. 1924.

Cf. No. 37 of 1922
(Com.), s. 16 (d).

“(e) Money derived by way of royalty or bonuses and premiums, fines, or foregifts, or consideration in the nature of premiums, fines, or foregifts, demanded and given in connection with leasehold estates and the amount of any payment received by a lessee upon the assignment or transfer of a lease to another person, after deducting therefrom the part (if any) which, in the opinion of the Commissioner, is properly attributable to the transfer of any tangible assets belonging to the lessee, and so much of any fine, premium, or foregift paid by the lessee, or any amount paid by the lessee for the assignment or transfer of the lease, as is properly attributable to the period of the lease unexpired at the time of the assignment or transfer by the lessee.

Provided that this subparagraph shall not apply to the proceeds of the sale, transfer, or assignment of the lease of a mining property (other than coal-mining) where the Commissioner is satisfied that the lease has been sold, assigned, or transferred by a *bonà fide* prospector, or by a person, partnership, syndicate, or company who or which does not make a business of buying and selling mining properties, and who or which purchased the lease from a *bonà fide* prospector, and worked the property in a proper and efficient manner ;

- (f) Any gains or profits arising or accruing to a taxpayer, whether or not in connection with any business carried on by him, on the sale by such taxpayer during the year ending on the Thirtieth day of June immediately preceding the year of assessment of any estate or interest (other than a leasehold estate or interest) in land, including the goodwill of any business carried on on the land, where such estate or interest was bought by him during such year or the Three years next prior thereto :

Cf. No. 11 of 1912
(N.S.W.), s. 4.

Provided that if a sale is subsequently cancelled, an allowance may be made to the taxpayer in the year in which the cancellation takes place, or a refund may be made of any tax overcharged in connection with the profit made or supposed to be made.

2 Ed. VII. No. 10
(Q.), s. 12A.

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Cf. No. 37 of 1922
(Com.), s. 16 (f).Cf. *ibid.*, s. 16 (g).

The sum to be included in the income of any person under this subparagraph shall be deemed to be income from business;

(g) Five per centum of the capital amount of a retiring or superannuation allowance which is paid in a lump sum; and

(h) All allowances, gratuities (except retiring or superannuation allowances paid in lump sums), bonuses, and premiums, whether in money or goods, or sustenance or land allowed, given, or granted to a person in respect of or for or in relation, directly or indirectly, to any employment or service of such person to the amount of the value of such allowances, gratuities, bonuses, and premiums respectively”:

iii. By inserting the following Paragraph *vb.* after Paragraph *va.* of the said section:—

Income arising
from sale of
trading stock.
Cf. *ibid.*, s. 17

“*vb.* The proceeds derived from the sale, after the Thirtieth day of June, One thousand nine hundred and twenty-two, whether on the sale of the business as a going concern, or in any other manner whatsoever, of the trading stock or part of the trading stock of any business, shall be gross income derived from carrying on a business.

Where any trading stock is sold together with other assets of the business, the part of the consideration attributable to the trading stock shall be determined by the Commissioner, and the part of the consideration so determined shall be deemed to be the price paid for the trading stock by the purchaser.

For the purposes of this paragraph any trading stock which has been disposed of otherwise than by sale shall be deemed to have been sold, and any trading stock so disposed of, and any trading stock which has been sold for a consideration other than cash, shall be deemed to have realised the market price of the day on which it was so disposed of or sold, but, where there is no market price, trading stock shall be deemed to have realised such price as the Commissioner determines.

In this paragraph—

(a) The expression “trading stock” does not include live stock which, in the opinion of the Commissioner, are ordinarily used as beasts of burden, or as working beasts, or for breeding purposes; and

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(b) References to disposal of trading stock do not include disposal by way of testamentary disposition. A.D. 1924.

Any taxpayer who is dissatisfied with the decision of the Commissioner under this paragraph may object thereto in the manner provided by Section Sixty-two of this Act, and the provisions of that section shall apply to the objection, which shall be deemed to be an objection to an assessment” :

iv. By deleting all the words in Paragraph vi of the said section after the word “included” in the Third line of the said paragraph and down to the end of such paragraph :

v. By expunging Subparagraphs (e), (ee), and (eee) of Paragraph vii. of the said section, and substituting the following subparagraphs therefor respectively :—

“(e) Sums expended for repairs of premises occupied for business purposes, and for the repair or alteration of machinery, implements, utensils, and articles employed by the taxpayer for the purposes of his business ;

(ee) Such sum as the Commissioner may think just and reasonable as representing the diminished value, by reason of wear and tear, during the year of any implements, utensils, and machinery used by the taxpayer for the purposes of his business (such depreciation not being of a kind that could be made good by repairs) ; but where in any business income is set apart by the taxpayer by way of a fund to cover the depreciation by reason of wear and tear of such implements, utensils, and machinery, the amount so set apart for the year immediately preceding the year of assessment shall, subject to the approval of the Commissioner, be the sum to be deducted for depreciation : Provided that in no case shall any allowance be made for the depreciation of buildings : Provided also that where a deduction has been allowed under Subparagraph (e) of this paragraph, the Commissioner shall take into consideration the sum allowed under that subparagraph in determining the sum to be allowed under this subparagraph ;

(eee) Every fire insurance premium paid by a taxpayer in respect of buildings or plant used by him for the purposes of his business, or in respect of stock-in-trade belonging to his business :”

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vi. By inserting the following Subparagraph (*eeee*) after Subparagraph (*eee*) of Paragraph vii. of the said section:—

“ (*eeee*) The annual sum necessary to recoup the expenditure covenanted to be made on improvements on land by a lessee who has no tenant rights in the improvements. The deduction under this subparagraph shall be ascertained by dividing the amount (not exceeding the sum specified in the covenant) expended on the improvements by the lessee by the number of years in the unexpired period of the lease at the date the improvements were effected ;

vii. By expunging Paragraphs viii., ix., and x. of the said section, and substituting the following paragraphs therefor respectively:—

“ viii. Where it is proved to the satisfaction of the Commissioner that any taxpayer (being the lessee under a lease, or the assignee or transferee of a lease) has paid or given any fine, premium, or foregift, or consideration in the nature of a fine, premium, or foregift, for a lease or a renewal of a lease, or an amount for the assignment or transfer of a lease, of premises or machinery used for the production of income, the Commissioner may allow as a deduction, for the purpose of arriving at the income, the amount obtained by dividing the sum so paid by the number of years of the unexpired period of the lease at the date the amount was so paid, but so that the aggregate of the deductions so allowed shall not exceed the sum so paid if paid on or after the Thirtieth day of June, One thousand nine hundred and twenty-two, or the part of the sum so paid which is proportionate to the unexpired period of the lease from the Thirtieth day of June, One thousand nine hundred and twenty-two, if the sum were paid prior to that date ;

ix. Where during any year ending on the Thirtieth day of June immediately preceding the year of assessment sales, other than in connection with the carrying on by the taxpayer of any business, of estates or interests (not being leasehold estates or interests) in land have been made, and a profit has accrued upon one or more of such sales, and a loss has accrued upon another or others of such sales, the aggregate loss may be set off against the aggregate profit ; but if such aggregate loss exceeds such aggregate profit, the balance of loss shall not be deducted from any other income of the taxpayer ;

Cf. No. 37 of 1922
(Com.), s. 25 (i)]

Cf. No. 11 of 1912
(N.S.W.), s. 4.

Land and Income Taxation.

x. From the gross amount of the income of the taxpayer, ascertained as above provided the deductions allowable under the foregoing provisions of this Act shall be made, and, if the resulting amount does not exceed Four hundred Pounds, a further deduction shall be made from such resulting amount of Twenty-five Pounds in respect of each child of the taxpayer who was under the age of Sixteen years at the beginning of the financial year in which the income was received, wholly maintained by such taxpayer. The balance of the income remaining after all the deductions allowable under this Act have been made shall be the net income of the taxpayer, and such net income shall, subject to any deductions to be made therefrom under any Act declaring the rate of tax, be the taxable amount": and

A.D. 1924.

viii. By inserting the following Paragraphs xi. and xii. after Paragraph x. of the said section:—

“xi. Where the income tax payable in respect of any dividend included in the gross income of a taxpayer has been paid at the source in this State, the amount of such included income so previously taxed shall, for the purpose of calculating the rate of tax to be paid by the taxpayer under any Act declaring the rate of tax, be deemed to form part of the taxable amount of the taxpayer, but shall not be again subject to taxation.

xii. Shillings and pence and fractions thereof shall not be included in the taxable amount.”

6 Section Fifty-four of the Principal Act is hereby amended by expunging Paragraph iv. of the said section, and substituting the following paragraph therefor:—

Amendment of Section 54 of the Principal Act.

“iv. State income tax, or (in respect of the income of the taxpayer for the year ending on the Thirtieth day of June, One thousand nine hundred and twenty-three) Federal income tax.”

7 Subsection (1) of Section One hundred and fourteen of the Principal Act is hereby amended by deleting all the words of the said subsection after the word “derived” in the Fourth line thereof and down to the word “on” in the Seventh line thereof, and substituting the following words therefor:—“such sum as he shall prove to the satisfaction of the Commissioner to have been paid by him by way of income tax upon

Amendment of Section 114 of the Principal Act

Land and Income Taxation.

such income in the State, dominion, or country from which the same was derived, or a sum equal to a tax on the amount of such income calculated at the average rate payable by such taxpayer under this Act on the whole of his income of the class to which such firstmentioned income belongs, whichever sum shall be the less." A.D. 1924.

§ The amendments made by this Act shall apply to assessments of the income for the year ended the Thirtieth day of June, One thousand nine hundred and twenty-three, and in all subsequent years. Application of Act.

THE
TAXABLE CAPACITY OF
AUSTRALIAN STATES

BY

L. F. GIBLIN

TASMANIAN GOVERNMENT STATISTICIAN

WITH

A PREFATORY NOTE

BY

HON. J. A. LYONS

PREMIER OF TASMANIA

JOHN VALL, GOVERNMENT PRINTER
TASMANIA

18944

¹ Assented to 20th September, 1910.
² Held (per Griffith, C.J., Barton and O'Connor, JJ.), that this Act is not an Act imposing taxation within the meaning of section 55 of the Constitution. *Osborne v. Commonwealth*, (1911) 12 C.L.R. 121.

³ This is the date of assent to the *Land Tax Assessment Act 1910*.

C.10866.—Price 1s.

PREFATORY NOTE.

THE case for special financial assistance to Tasmania rests partly on the assumption that State taxation is already heavy. The severity of taxation in Tasmania is a matter of universal belief in this State, based on general impressions and comparisons of taxes paid in individual cases. Certainly Tasmania goes far beyond other States in the taxation of small incomes. But it has been objected that the actual figures of taxation per head do not bear out this general impression.

Under these circumstances, I have asked the Government Statistician to make an impartial examination into the severity of taxation in different States of Australia. The result, which will be found in the following pages, seems to me amply to bear out the general impression referred to above.

J. A. LYONS.

Hobart, 12th February, 1924.

Taxable Capacity of Australian States.

1. The Income Tax may be taken as the fundamental tax. Capacity to pay Income Tax will vary not only with the average income but with the distribution of income. Full information about the amount of income in the different grades would be necessary to measure the capacity to pay Income Tax.

The most obvious sources of information are these:—

- (a) Federal Income Tax Returns.
- (b) State Income Tax Returns.
- (c) Census of Wealth and Income, 1915.

FEDERAL INCOME TAXATION.

2. The Federal Income Tax should give the best information. It is a tax with a fairly low exemption, and is graded systematically in a way that is generally approved. The graduations of most Australian State taxes are in effect very similar. The tax is applied uniformly in all States, so that assessments of tax (or tax collected) in different States should give a trustworthy comparative measure of tax-paying capacity.

3. It may be noted that the most accessible information about income tax collections in States is liable to be misinterpreted. The figures which are published annually in the Commonwealth Year Book are the Treasury figures taken from the Auditor-General's report, and refer to the amount of tax paid in each State office and the central office, irrespective of where the income is earned. One might think the difference not likely to be material. But it appears from the figures published by the Federal Commissioner for Taxation for the assessments and collections of the year 1919-20 that the tax actually collected by a State office (Treasury figures) may differ by as much as 50

per cent. from the tax assessed and collected on account of that State (Commissioner's figures). See seventh annual report page 167, and Year Book No. 16, page 374. Differences almost as large are recorded for other years.

4. It is clear, then, that the Treasury figures will be useless for the purpose. The last figures published by the Taxation Commissioner are those for the year 1919-20, to which reference has just been made. Those for the year 1918-19 do not appear to be in print. Those for the three previous years, 1915-1918, are given in the Commissioner's sixth annual report, pages 36, 37. These three years were the first three years of Federal income taxation, and the assessments must have been to some extent tentative. It is generally considered that at least three years must elapse before income assessments approach reasonable completeness.

The Federal Commissioner, however, has been good enough to supply me with the figures for income tax assessments in States for the missing year 1918-19, and also for the three years 1920-21, 1921-22, and 1922-23, which have not yet been published in the Commissioner's reports. So that data from the inception of the tax to the present time are available. See Appendix I.

5. A further difficulty is due to the central office assessments, which refer chiefly to incomes earned in more than one State. In 1919-20 they amounted to a little more than one-third of the whole. There is no information available by which these assessments can be allotted correctly amongst the States. The only possible course seems to be to allot the central office assessments in proportion to the State assessments*, or what comes to the same thing for comparative purposes, to leave them out of account altogether. It is a fair assumption that Tasmania will have a more than proportionately small share in central office assessments, and the error involved in leaving them out will be in the direction of exaggerating the comparative tax-paying capacity of Tasmania.

6. From the Taxation Commissioner's reports, the tax assessed per head of population in each State can be computed. For comparative purposes these are most conveniently put in the form of an index-number, taking the tax per head for the whole of Australia as 1000.

* This is the assumption made by the Commissioner in apportioning Central Offices tax between States for any purpose.

STATE INCOME TAXATION RETURNS.

7. These are available, but are difficult to use for comparative purposes. As the rates are different in different States, only the incomes can be compared, and not the tax assessed. But for incomes the information is not uniform. Some States publish returns of gross income, and some of taxable income; the groups of income are different; and for some States no information at all happens to be immediately available. On the whole, it will be wiser not to attempt to use the information from State taxation.

CENSUS OF WEALTH AND INCOME, 1915.

8. The census was taken over all the States, so that the information is uniform. It is somewhat out of date, but it gives information from an independent source which can be used to check that from Federal taxation. The information printed in Sir George Knibbs's report on the "Private Wealth of Australia" is not very full. The average income for each State is given, but not the distribution of income in each State. We may perhaps for Australian States assume a similar distribution. With that assumption, for an income tax of the accepted pattern, where the rate of tax increases uniformly with the income, the amount of tax will vary approximately as the square of the average income, and this relation may be used to give an approximate index of tax-paying capacity from the index of average income, as follows:—

Australia, 1914-15.

	Average Income.	Index of Income.	Index of Tax-paying Capacity.
	£ s. d.		
New South Wales	50 10 4	1042	1086
Victoria	50 11 2	1043	1088
Queensland	47 2 9	973	947
South Australia...	44 13 2	921	848
Western Australia	44 14 1	922	850
Tasmania	36 0 1	743	552
Australia	49 8 7	1000	1000

See *Private Wealth of Australia*, 1915, page 23,
and Appendix 3.

9. The information from the Federal income tax assessments is, however, more direct than that from the Census of Wealth, as well as being more recent. Moreover, as it is available for eight years, comparison from year to year will show to what degree the information given is consistent. The table of index-numbers of relative tax-paying capacity is set out below, with the necessary explanation:—

Index of Tax-paying Capacity in States.

Year in which Income Earned.	N.S.W.	Vic.	Q.	S.A.	W.A.	Tas.	Six States.
1914-15	1122	850	1303	642	1066	577	1000
1915-16	915	1119	992	873	1970	730	1000
1916-17	1113	865	1153	819	1208	451	1000
1917-18	1118	804	1224	859	1254	402	1000
1918-19	1119	1059	790	836	952	606	1000
1919-20	1042	1078	836	1138	804	619	1000
1920-21	946	1175	853	1095	926	693	1000
1921-22	1030	1224	677	993	871	452	1000
Average	1051	1022	979	907	1056	566	1000

The basis of comparison between the States is the Federal income tax assessment. The year specified is the year for which the income is earned. The assessment is made in general in the following year, and the Federal Commissioner of Taxation publishes the figures for the amount of tax assessed for each State. The figures given for the central office are excluded altogether, *i.e.*, the assumption is made that the central office assessments may be apportioned to States in proportion to the direct assessments for each State. In the published figures are included the tax and fine outstanding at the beginning of the financial year, and these amounts are deducted to give the actual assessment for the year. In the case of Tasmania there are deducted also the amounts of income tax on lottery prizes from 1917-18 to 1922-23, which were included in the assessments of the Tasmanian Office. The net amount for each State is divided by the mean population of the year in which the assessment is made. The result-

ing tax assessed per head of population is then reduced to an index-number, the weighted average for the six States together being taken as 1000 for each year separately. The columns cannot therefore be read vertically to give the absolute variation of tax-paying capacity in the same State, but they may be read vertically to give the variation in tax-paying capacity relative to Australia as a whole, and as such may be combined in an average for a number of years.

10. No attempt has been made to get index-numbers which can be referred to a common base, and so can be directly compared any one with any other. The variation of the rate of tax from year to year with additional taxes and super-taxes is the first difficulty. Changes in the law and practice of assessment and in the exemptions and deductions allowed are a still greater difficulty and almost impossible to allow for. Beyond that, it is a reasonable supposition that part of the increase in the early years of the tax was due to the increasing efficiency of the machinery of assessment. So that index-numbers with one common base are practically impossible.

11. The fact that the numbers cannot be freely compared one with another makes it difficult to interpret the striking variations which occur in the table for the same State. A rise or fall relatively to the other States does not mean of necessity an absolute rise or fall, but if the rise or fall is considerable it almost certainly does so. For example, for the income of 1915-16, and of 1920-21, Tasmania has index-numbers, 730 and 693 respectively, much greater than for any other year. In 1915-16 Tasmania had record acreage and record yield of crops; and prices were good. The value of agricultural production in that year was actually double of that in either of the two preceding years or in either of the two following years. So that the high index-number of 730 (that is, high compared to the Tasmanian numbers for other years) is abundantly justified. Similarly, for 1920-21 the total value of Tasmanian production was considerably greater than in either of the two years preceding or the year following. So that again it is reasonable to expect that the Tasmanian index for that year would show more favourably in comparison with the other States than it does in the neighbouring years.

12. Probably the large year-to-year variations in all the States can be similarly explained. For example, the great drop in the Queensland index-number for 1915-16 is a reasonable consequence of the drought of 1915 in Queensland, with a small acreage of crops, a yield of wheat of only four bushels per acre, and, above all, a sugar production less than two-thirds of the normal. New South Wales was affected by the same drought to a less extent. On the other hand, West Australia with an abundant rainfall in 1915 has a particularly high index-number for 1915-16. But this is not the place for a detailed examination of the figures. A complete survey would require to take into account not only the quantities of all production, primary and secondary, and the prices obtained for it, but the changes in cost of production of various kinds, as well as a number of factors depending on transport, commerce, and finance. The very simple explanation given above of some of the most striking variations suggests that a careful examination on the lines just indicated would probably corroborate them all.

13. There may be, however, minor variations in the index-numbers which are not significant, which are due perhaps to accidents of assessment. For example, a certain class of income may possibly be sometimes assessed twice in one financial year, and not at all in the succeeding year. The evidence, however, appears to be against this having taken place to any appreciable extent.*

14. To eliminate such errors (if they exist) and, still more, the marked year-to-year variations due to the season or violent movement of prices, a series of three-year averages may be taken. This should give a truer presentation of the trend of economic conditions in the different States, relatively to one another. No inference, of course, can be made as to absolute advance or retrogression of any State. In the following table, against each year is set the average of the index-number, based on the

* The Commissioner of Taxation informs me that such irregularities in the yearly assessment have occurred owing to the impossibility of completing the assessment in time, so that the assessment of some of the incomes of one year had to be carried on to the next year. The Commissioner also believes that in the early years of the tax the assessment was not equally effective in all States. The first only of these sources of error is covered by the method of the next paragraph: the second must be borne in mind in considering the index-numbers for the first two or three years in which the tax was levied.

income earned in that year, and of the index-numbers of the year preceding and the year following:—

Adjusted Index of Relative Tax-paying Capacity.

Income Earned.	N.S.W.	Vic.	Q.	S.A.	W.A.	Tas.	Six States.
1915-16	1050	945	1149	778	1215	588	1000
1916-17	1048	929	1123	850	1278	527	1000
1917-18	1116	910	1056	838	1138	487	1000
1918-19	1093	980	950	945	1003	541	1000
1919-20	1035	1104	827	1023	894	640	1000
1920-21	1006	1158	789	1075	867	588	1000

15. The significance of these figures can be most easily seen from the diagram in which the index-number for each State is graphically represented. The violent oscillations are now eliminated, and each graph tells an apparently reasonable story of the relative progress of each State from 1915 to 1921. The salient features are:—

- (1) The comparative steadiness of the position of New South Wales.
- (2) The steady decline of the Queensland index from a high figure; and the same for West Australia, but beginning a year or so later.
- (3) The steady upward movement of South Australia from a low figure; and the same for Victoria in the latter part of the period.
- (4) The position of Tasmania, which shows no decided trend either way, but is always very much lower than that of any other State.
- (6) The relative equality of all the other States on the average over the period with a tax-paying capacity nearly double that of Tasmania.

SEVERITY OF STATE TAXATION.

16. The measures of tax-paying capacity estimated above may be applied to the crude figures of State taxation per head to give a true measure of the severity of the taxation in each State. Though there is some difference between the index-numbers for any State according to year and method of calculation, it will be noticed that there is a remarkable agreement between the various figures for Tasmania.

Tasmanian Tax-paying Capacity per Head as Percentage of Australian Average.

From the Wealth Census, 1914-15	55 per cent.
Federal Income Tax, average 1914-22	57 per cent.
Federal Income Tax, average 1919-22	59 per cent.
Federal Income Tax, 1921-22	45 per cent.

17. For a general comparison the most satisfactory figures will probably be those which are the average of the index-numbers for the three years 1919-20, 1920-21, and 1921-22. This will be the most recent measure available that is reasonably free from the effect of merely temporary influences. In reference to Tasmania, this period gives tax-paying capacity as 59 per cent. of the Australian average, the highest figure of the four set out in the previous paragraph; and so will tend to under-estimate the present severity of taxation in Tasmania. This is because the period includes the year 1920-21, for which Tasmania had an abnormally high tax-paying capacity compared to its average figure.

In the following table are set out opposite the name of each State the amounts of State taxation per head in 1922-23, omitting from the Tasmanian figures the collections on lottery prizes; this column is called the crude rate of taxation per head.

In the next column are the index-numbers for tax-paying capacity, as finally adopted in the preceding paragraph.

In the last column are given the rates of taxation per head, corrected for tax-paying capacity by dividing the crude rate by the index of tax-paying capacity and multiplying by 1000. This last column may stand as a true measure of severity of taxation in States for the year 1922-23:—

SEVERITY OF TAXATION.
State Taxation per Head, 1922-23.

State.	Crude Rate (Omitting Tattersall's Taxation).	Index of Tax-paying Capacity, 1919-22.	Severity of Taxation
	A.	B.	$\frac{A \times 1000}{B}$
	s. d.		s. d.
New South Wales	71 10	1006	71 5
Victoria	51 2	1158	44 2
Queensland	84 0	789	106 6
South Australia ...	71 0	1075	66 1
Western Australia	57 6	867	66 4
Tasmania	49 8	588	84 5
Six States	65 11	1000	65 11
Tasmania (New)...	61 10	588	105 2

Queensland then comes out as the most heavily taxed State, with Tasmania in the second place, followed at a considerable interval by New South Wales. It may be noted that if the proposals of the Tasmanian Government for adding 10s. per head to State taxation are successfully carried through, Tasmania's measure of severity of taxation per head will be about 101s. 6d., and come close to the Queensland figures. (See Appendix 2.)

18. It may be noted that if we take the index-numbers for the last year available, *i.e.*, based on the incomes of 1921-22, the severity of taxation in Tasmania comes out at a still higher figure. The Tasmanian index-number for 1921-22 was 452, and this would bring the comparative severity of State taxation to 109s. 11d. per head, compared with an average of 65s. 11d. for the six States. But the figures for any one year are too liable to sudden fluctuations to be a good criterion, and even the three-year average adopted may be too much influenced by one or two bad years to be a satisfactory measure of the general economic position. It may then be of value as a check to set out the severity of taxation as measured by the average index-numbers for the whole eight-year period.

Severity of State Taxation, 1922-23 (Based on Average Taxable Capacity for Eight Years).

State.	Index of Tax-paying Capacity, 1914-22.	Severity of Taxation.
		s. d.
New South Wales	1051	68 4
Victoria	1022	50 1
Queensland	979	85 10
South Australia... ..	907	78 3
Western Australia	1056	54 5
Tasmania... ..	566	87 9
Six States... ..	1000	65 11

These figures are not so valid as those of the previous table (Section 17), because the index-numbers for the past eight years show an unmistakable tendency to increase or decrease in certain States, apart from year-to-year variations, and the average does not take account of this trend. But they should be given some weight in esti-

making the severity of present taxation. Whichever measure be taken, the position of Tasmania comes out much the same, with a real severity of taxation which may be measured by almost double the nominal rate per head, when the taxation on lottery prizes is deducted.

APPENDIX I.

FEDERAL INCOME TAX ASSESSMENTS.
Net Taxes Assessed in Each Year in Each Office
(000's Omitted).

	1915-10.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£	£	£	£	£
Central	1,399	1,969	2,394	4,155	4,424	5,420	3,934	2,996
N.S. Wales... ..	1,198	1,349	2,159	2,860	3,688	4,268	4,261	3,800
Victoria... ..	682	1,228	1,238	1,511	2,562	3,221	3,866	3,305
Queensland... ..	507	528	805	1,130	943	1,241	1,397	911
South Australia	161	299	369	513	647	1,099	1,164	863
West Australia	191	329	374	510	501	523	659	508
Tasmania	64	110	162	179	300	373	431	277
Six State Offices	2,813	3,844	5,108	6,704	8,642	10,725	11,777	9,664
Tax on Lottery prizes included in Tasmanian assessments ...	—	—	72	75	96	116	116	111

NOTE.—The assessments in general are on the income earned in the previous financial year. The principal exception is in the case of lottery prizes, which are assessed in the same year in which they are "earned."

APPENDIX 2.

ADDENDUM.—24th March, 1924.

The taxation measures which have been passed in the session of the Tasmanian Parliament just ended provide for increases of taxation which are estimated on a conservative basis to bring in additional revenue of £131,000 for a full year, or about 12s. 2d. additional per head of population. These figures may be added for comparison to the table of Severity of Taxation (Taxable Capacity page 12), with this result :—

SEVERITY OF TAXATION.

State Taxation per Head, 1922-23.

State.	Crude Rate (Omitting Tattersall's Taxation).	Index of Tax-paying Capacity, 1919-22.	Severity of Taxation.
	A.	B.	A × 1000 B.
	s. d.		s. d.
New South Wales	71 10	1006	71 5
Victoria	51 2	1158	44 2
Queensland	84 0	789	106 6
South Australia...	71 0	1075	66 1
Western Australia	57 6	867	66 4
Tasmania	49 8	588	84 5
Six States, 1922-23	65 11	1000	65 11
Tasmania, 1924-25 (esti- mated)	61 10	588	105 2

The additional taxation imposed in Tasmania will raise the severity of taxation to approximately the high level of Queensland, and make it 60 per cent. higher than the average of all the Australian States in 1922-23

APPENDIX 3.

Note on Section 8 (p. 7).

Little weight should be given to this estimate of tax-paying capacity (based on the Wealth Census) compared with the estimates that follow, which are based on income tax assessments. At the best, this estimate is a very rough approximation. But the assumption specified, viz. that

the distribution of income in different States is similar, is almost certainly not justified. Moreover, the validity of the census itself, being the first of its kind, is doubtful, and almost certainly varies in different States. (See, *e.g.*, figures given for W.A., Census, page 39.) On the whole, little more can safely be deduced from the data of the Wealth Census than that Tasmanian tax-paying capacity was very low compared with all the other States.

THE COMMONWEALTH OF AUSTRALIA,

LAND TAX ASSESSMENT ACT 1910-1916,

BEING

THE LAND TAX ASSESSMENT ACT 1910 (No. 22 OF 1910)

AS AMENDED BY

THE LAND TAX ASSESSMENT ACT 1911 (No. 12 OF 1911),*†

THE LAND TAX ASSESSMENT ACT 1912 (No. 37 OF 1912),‡§

THE LAND TAX ASSESSMENT ACT 1914 (No. 29 OF 1914),||

AND BY

THE LAND TAX ASSESSMENT ACT 1916 (No. 33 OF 1916).¶

An Act relating to the Imposition, Assessment, and Collection of a Land Tax upon Unimproved Values.**

[Assented to 17th November, 1910.]§§

BE it enacted by the King's Most Excellent Majesty, the Senate and the House of Representatives of the Commonwealth of Australia, as follows:—

PART I.—INTRODUCTORY.

1. This Act may be cited as the *Land Tax Assessment Act 1910-1916*.

Short title.
Short title
amended by
No. 32, 1912,
s. 2.

(a) Held by the High Court that the Act, in so far as it purports to impose land tax upon leasehold estates in Crown lands, is not invalid—

(1) Under the *Colonial Laws Validity Act 1865*, as being repugnant to the Imperial Acts which confer upon the Legislatures of the several States powers of legislation with respect to waste lands of the Crown in those States respectively;

(2) Under Section 114 of the Constitution, as imposing a tax upon State property;

(3) As being not a law imposing taxation, but a law as to the control and management of Crown lands in the several States; or

(4) As infringing the rule laid down in *D'Emden v. Pedder*, 1 C.L.R. 91.

Attorney-General for Queensland v. Attorney-General for the Commonwealth, (1915) 20 C.L.R. 148.

* Assented to 18th December, 1911.

† The amendments of the Principal Act made by this Act shall apply to assessments for the financial year beginning on the first day of July, One thousand nine hundred and eleven, and all subsequent years. See Act No. 12, 1911, s. 13.

‡ Assented to 24th December, 1912.

§ The amendments of the Principal Act made by this Act, except the amendment of s. 27 (3), shall apply to assessments for the financial year beginning on the first day of July, One thousand nine hundred and twelve, and all subsequent years. See Act No. 37, 1912, s. 12.

|| Assented to 21st December, 1914.

¶ Assented to 30th September, 1916.

** Held (per Griffith, C.J., Barton and O'Connor, JJ.) that this Act is not an Act imposing taxation within the meaning of section 55 of the Constitution. *Osborne v. Commonwealth*, (1911) 12 C.L.R. 321.

§§ This is the date of assent to the *Land Tax Assessment Act 1910*.

C.10886.—PRICE 1s.

Parts.

2. This Act shall be divided into Parts, as follows:—

- PART I.—Introductory.
 PART II.—Administration.
 PART III.—The Land Tax.
 PART IV.—Returns, Assessments, and Liability.
 PART V.—Appeals.
 PART VI.—Acquisition of Land.
 PART VII.—Collection and Recovery of Tax.
 PART VIII.—Miscellaneous.

Definitions.

Of N.S.W.
 20 Vic. No. 15,
 s. 68 (A).
 N.Z. 1908,
 No. 95, s. 2.
 S.A. 1884,
 No. 323.
 W.A. 1907,
 No. 15, s. 2.

3. In this Act, unless the contrary intention appears—

“Absentee” means a person who does not reside in Australia or in a Territory under the authority of the Commonwealth; and includes a person who—

- (a) is absent from Australia and such Territories at the time when the ownership of his land for the purposes of this Act is determined; or
 (b) has been absent from Australia and such Territories during more than half of the period of twelve months immediately preceding that date,

unless he satisfies the Commissioner that he resides in Australia or a Territory under the authority of the Commonwealth; but does not include a public officer of the Commonwealth or of a State who is absent in the performance of his duty.

“Agent” includes every person who in Australia, for or on behalf of any person out of Australia (in this section called “the principal”) has the control or disposal of any land belonging to the principal, or the control, receipt, or disposal of any rents, issues, or proceeds derived from any such land.

“Assistant Commissioner” means the Assistant Commissioner of Land Tax.

“Owner,”^(a) in relation to land, includes every person who jointly or severally, whether at law or in equity—

- (a) is entitled to the land for any estate of freehold in possession; or

(a) Held by the High Court (Griffith, C.J. and Isaacs, J., Rich, J., dissenting) that where under a will trustees held real and personal estate upon trust to accumulate a specified sum to be paid at the end of a certain period to certain persons, and to divide the residuary estate among certain other persons, those other persons were not, while the trust for accumulation was still in operation, entitled to an estate of freehold in possession, and consequently were not owners or joint owners within this section. *Glenn v. Federal Commissioner of Land Tax*, (1915) 20 C.L.R. 490. Held by the High Court (Griffith, C.J. and Isaacs, J.) that it is an essential element of an estate of freehold in possession, as that term is used in this section, that the person entitled to the land for that estate has a present right of beneficial enjoyment of the land, whether accompanied by actual physical possession or not. *Glenn v. Federal Commissioner of Land Tax* (supra). Held by the High Court that the definition of owner in this section should be read as if after the word “includes” the words “besides absolute owners” were inserted, and so read the definition is exhaustive. *Union Trustee Co. of Australia Ltd. v. Federal Commissioner of Land Tax*, (1915) 20 C.L.R. 526. A testator who died before 1st July, 1910, by his will, after making certain bequests, gave the residue of his estate to trustees. He gave to his widow an annuity which he declared should be a yearly rent-charge charged upon and issuing out of her lands. Held by the High Court that the testator's widow was not liable to tax in respect of the lands on which the rent-charge was charged. By Griffith, C.J., and Barton, Gavan-Duffy, and Rich, J.J., on the grounds that she was not at law or in equity “entitled to receive or in receipt of, or if the land were let to a tenant . . . entitled to receive the rents and profits” of those lands, and therefore was not an “owner” within this section; and that, even if she were an “owner” of those lands, she held the rent-charges by way of security for money, and was therefore exempted under section 32. By Isaacs, J., on the ground that, although by virtue of the rent-charge she was an owner of those lands within section 3, she held the rent-charge by way of security for money, and so was exempted under section 32. *Cochrane v. Federal Commissioner of Land Tax*, (1916) 21 C.L.R. 422. Held by the High Court where a testator who died before 1st July, 1910, devised certain land and premises to trustees upon trust to carry on a business and out of the net profits of the business and the rents of the properties to pay certain annuities to certain persons for their lives, and subject to such annuities to pay the net profits annually to his nephew that the nephew was the “owner.” *Adams v. Federal Commissioner of Land Tax*, (1919) 26 C.L.R. 341.

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(b) is entitled to receive, or in receipt of, or if the land were let to a tenant would be entitled to receive, the rents and profits thereof, whether as beneficial owner, trustee, mortgagee in possession, or otherwise ;

and includes every person who by virtue of this Act is deemed to be the owner.

"Owned" has a meaning corresponding with that of owner.

"Joint owners"^(a) means persons who own land jointly or in common, whether as partners or otherwise, and includes persons who have a life or greater interest in shares of the income from the land. Amended by
No. 12, 1911,
s. 2.

"Land tax" means the land tax imposed as such by any Act, as assessed under this Act.

"Taxpayer" means any person chargeable with land tax.

"Improved value,"^(b) in relation to land, means the capital sum which the fee-simple of the land might be expected to realize if offered for sale on such reasonable terms and conditions as a *bonâ fide* seller would require.

(a) Held by the High Court to include persons who are beneficiaries of land vested in trustees for realization with powers of postponement and realization. *Baird v. Federal Commissioner of Land Tax*, (1915) 19 C.L.R. 400. Under a will of real and personal property trustees held the estate upon trust, subject to certain annuities, to accumulate the income during the life of the testator's widow, and after her death to appropriate the estate, including the accumulations, to his children in certain shares as tenants in common, and to pay the income of the shares to the children respectively for life, and after their respective deaths upon trust as to their respective shares for their children who attained 21 or married under that age. One of the testator's children died, leaving a daughter surviving. Held by the High Court that the testator's surviving children and his granddaughter were not during the life of his widow entitled to the land comprised in the estate for an estate of freehold in possession, and therefore were not joint owners of the land within the Act. *Union Trustee Company of Australia Ltd. v. Federal Commissioner of Land Tax*, (1915) 20 C.L.R. 526. Held by the High Court that for the purposes of assessment of land tax, the personal right created by a contract of partnership in a grazing business allowing the stock of the farm to be agisted on lands owned severally by members of the partnership does not constitute the partners joint owners of the land within the Act. *Atani v. Deputy Federal Commissioner of Land Tax for Queensland*, (1915) 20 C.L.R. 584. Held by the High Court that "joint owners" includes partners, each being the registered proprietor of a separate parcel of land, where the indenture of partnership provided that the "assets and capital" should consist of the several parcels of land and that on the expiration or determination of the partnership the real estate should remain the property of each individual in whose name it was shown to be in the certificates of title. *Seymour Bros. v. Deputy Federal Commissioner of Land Tax for South Australia*, (1918) 25 C.L.R. 303. Held by the High Court that where a testator devised certain land and promises to trustees upon trust to carry on a business and out of the net profits of the business and the rents of the properties to pay certain annuities to certain persons for their lives and subject to such annuities to pay the net profits to his nephew, the annuitants were not "joint owners" with the nephew. *Adams v. Federal Commissioner of Land Tax*, (1919) 26 C.L.R. 341.

(b) The ordinary principle of ascertaining the value of land on a given date, stated by Isaacs, J., in *Spencer v. The Commonwealth*, 5 C.L.R. 441, applies to the ascertainment of the value of land for the purposes of this Act. *Commissioner of Land Tax v. Nathan*, (1913) 16 C.L.R. 654. Held by the High Court that in ascertaining the improved value of pastoral land, the value of land which, situated as the land in question is, would carry one sheep to the acre, may properly be taken as the standard value. *McDonald v. Deputy Federal Commissioner of Land Tax for New South Wales*, (1916) 20 C.L.R. 231.

Held by the High Court that in ascertaining the value of land the price paid for the particular land or for similar land on a concluded contract, is admissible as evidence of the value, but the price offered for the particular land or the price which the owner has offered to accept, not followed by a concluded contract, is not so admissible. *McDonald v. Deputy Federal Commissioner of Land Tax for New South Wales* (supra).

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“Unimproved value,”^(a) in relation to land, means the capital sum which the fee-simple of the land might be expected to realize if offered for sale on such reasonable terms and conditions as a *bonâ fide* seller would require, assuming that the improvements (if any) thereon or appertaining thereto and made or acquired by the owner or his predecessor in title had not been made.^(a)

Amended by
No. 27, 1912,
s. 2.

“Value of improvements,”^(b) in relation to land, means the added value which the improvements give to the land at the date of valuation irrespective of the cost of the improvements:

Provided that the added value shall in no case exceed the amount that should reasonably be involved in bringing the unimproved value of the land to its improved value as at the date of assessment.

(a) To arrive at the unimproved value of land for the purposes of the Act the improvements existing at the time of the valuation upon the land itself as legally incident to its enjoyment are to be assumed as not made, but the existence of part improvements, and the effect which they or their use have had in bringing the land up to its then value, are not to be ignored. *The Commissioner of Land Tax v. Nathan*, (1913) 16 C.L.B. 654.

Where land was improved for certain purposes, which did not turn out to be successful, and was then used as a racecourse, for which it was peculiarly adapted, and which greatly increased the value of the land, it was held that in ascertaining the taxable value the land must be valued as a registered racecourse, and, in the circumstances, with the likelihood of registration not being refused in the future, and to ascertain the unimproved value it was only necessary to deduct the value of the improvements, which were to be valued as set out in section 8 of the Act. *Commissioner of Land Tax v. Nathan (supra)*.

Held by the High Court that the word “improvements” in the definition of the term “unimproved value” includes such operations of man upon the land since it has ceased to be Crown land, the benefit of which continues at the date of valuation, and operations of nature which are only effectual by reason of what man has done as have contributed to bring about the present enhancement of the value of the land. *Morrison v. Federal Commissioner of Land Tax*, (1914) 17 C.L.R. 498.

Held by the High Court that in estimating the unimproved value of land, the probability of the land bringing a higher price if subdivided before sale than if sold in one block is an element to be taken into consideration, but is no more. *Duncan v. Federal Commissioner of Land Tax*, (1915) 19 C.L.R. 551.

Held by the High Court that the unimproved value of land may be ascertained by comparison with the prices obtained for similar land in the neighbourhood in a state of nature. *Campbell v. Deputy Federal Commissioner of Land Tax for New South Wales*, (1915) 20 C.L.R. 49.

Held by the High Court that the existence of a water bore which has been constructed by a public trust on land adjoining a pastoral property, and from which part of the property may be watered, is not an improvement appertaining to the property the value of which may be deducted from the improved value in order to arrive at the unimproved value. *McDonald v. Deputy Federal Commissioner of Land Tax for New South Wales*, (1915) 20 C.L.R. 231.

Held by the High Court that the improvements contemplated by the Act are such as are in the strict legal sense appurtenant to the property and incident to its ownership. *McDonald v. Deputy Federal Commissioner of Land Tax for New South Wales (supra)*.

Held by the High Court (Isaacs and Gavan Duffy, J.J., Powers, J., dissenting), that in ascertaining the unimproved value of a pastoral property which has been improved and worked for some years, the only practical method in the majority of instances is to begin by finding the fair carrying capacity of the land, taking into consideration all existing improvements. *Fisher v. Deputy Federal Commissioner of Land Tax for New South Wales*, (1915) 20 C.L.B. 242.

(b) Held by the High Court (before the addition of the proviso) that the term “value of improvements” means the added value which the existing improvements give to the land at the date of valuation irrespective of costs—not the value which they gave from their creation up to that date, nor the value which past improvements have given. *Commissioner of Land Tax v. Nathan (supra)*.

Held by the High Court that the term “value of improvements” includes the present enhancement of the value of the land attributable to the operations of man upon the land effected since the land ceased to be Crown land, the benefit of which continues at the date of valuation, and also includes the present enhancement of value attributable to those operations of nature which are only effectual by reason of what man has done. *Morrison v. Federal Commissioner of Land Tax (supra)*.

Held by the High Court that the value of the improvements may be ascertained by ascertaining the improved value and deducting the unimproved value of land in the neighbourhood in a state of nature as shown by sales from the unimproved value. *Campbell v. Deputy Federal Commissioner of Land Tax for New South Wales*, (1915) 20 C.L.B. 49.

Held by the High Court that the added value which the proof by means of a bore of the presence of water below the surface of the land gives to that land is not an improvement on or appertaining to the land, and, therefore, the value of the improvement attributable to a water bore on the land is what at the date of the assessment it would cost in time and money to sink the bore. *McDonald v. Deputy Federal Commissioner of Land Tax for New South Wales*, (1915) 20 C.L.R. 231.

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"Trustee," in addition to every person appointed or constituted trustee by act of parties by order or declaration of a Court or by operation of law, includes—

- (a) an executor or administrator, guardian, committee, receiver, or liquidator, and
- (b) every person having or taking upon himself the administration or control of land affected by any express or implied trust, or acting in any fiduciary capacity, or having the possession control or management of the land of a person under any legal or other disability.

"Person" includes a company.

"Company" includes all bodies or associations corporate or unincorporate.

"Mortgage" includes any charge whatever upon land, or interest therein, howsoever created, for the securing of money.

"Mortgagee" includes every person entitled at law or in equity to a mortgage or any part thereof.

"The Commissioner" means the Commissioner of Land Tax.

PART II.—ADMINISTRATION.

4.—(1.) There shall be a Commissioner of Land Tax, who shall, subject to the control of the Minister, have the general administration of this Act.

Commissioner and Assistant Commissioner.
Amended by No. 33, 1916, s. 3.

(2.) There may be an Assistant Commissioner of Land Tax.

5.—(1.) The Commissioner shall be appointed for a term of seven years, and shall be eligible for re-appointment.

Tenure and salary of Commissioner and Assistant Commissioner.

(2.) The Assistant Commissioner may be appointed for a term of seven years, and shall be eligible for re-appointment.

(3.) The Commissioner and the Assistant Commissioner shall not be subject to the *Commonwealth Public Service Act* 1902-1916; but if any officer of the Commonwealth is appointed Commissioner or Assistant Commissioner, his service as Commissioner or Assistant Commissioner shall, for the purpose of determining his existing or accruing rights, be counted as public service in the Commonwealth; and if any officer in the Public Service of a State is appointed Commissioner or Assistant Commissioner, his service as Commissioner or Assistant Commissioner shall, for the purpose of determining his existing and accruing rights, be counted as public service in the Commonwealth as if he had been an officer of a Department transferred to the Commonwealth and were retained in the service of the Commonwealth.

Amended by No. 33, 1916, s. 4.

(4.) In case of the illness, absence, suspension, removal, or death of the Commissioner or the Assistant Commissioner, the Governor-General may appoint a person to be Acting Commissioner or Acting Assistant Commissioner, as the case may be, during the illness, absence, or suspension, or until the appointment of a successor and no longer; and the Acting Commissioner or the Acting Assistant Commissioner shall have all the powers and perform all the duties of the Commissioner or the Assistant Commissioner, as the case may be.

(5.) There shall be payable to the Commissioner a salary at the rate of One thousand two hundred and fifty pounds a year, and to the Assistant Commissioner a salary at the rate of Eight hundred pounds a year, out of the Consolidated Revenue Fund, which is hereby appropriated for that purpose accordingly.

Suspension or removal of Commissioner or Assistant Commissioner.

Amended by No. 22, 1916, s. 6.

6.—(1.) The Commissioner or the Assistant Commissioner may be suspended from his office by the Governor-General, but shall not be removed from office except as in this section provided.

(2.) The Minister shall cause to be laid before both Houses of the Parliament a full statement of the grounds of suspension within seven days of the suspension, if the Parliament is then sitting, but, if not, then within seven days of the next meeting of the Parliament.

(3.) The Commissioner or the Assistant Commissioner, as the case may be, shall be restored to office by the Governor-General unless each House of the Parliament, within forty-two days after the day when the statement is laid before it, declares by resolution that the Commissioner or the Assistant Commissioner, as the case may be, ought to be removed from office; and if each House within that time so declares, the Commissioner or the Assistant Commissioner, as the case may be, shall be removed from office by the Governor-General accordingly.

Assistant Commissioner. Inserted by No. 22, 1916, s. 6.

6A. The Assistant Commissioner shall have and may exercise such powers and functions as are prescribed, or as are delegated to him by the Commissioner.

Deputy Commissioners.

7. There may be such Deputy Commissioners of Taxes as are required, who shall, subject to the control of the Commissioner, have such powers and functions as are prescribed or as the Commissioner directs.

Delegations by Commissioner. Amended by No. 22, 1916, s. 7.

8.—(1.) The Commissioner may, by writing under his hand, delegate to the Assistant Commissioner all or any of his powers or functions under this Act (except this power of delegation), so that the delegated powers and functions may be exercised as fully and effectually by the Assistant Commissioner as by the Commissioner, and may, in relation to any particular matters or classes of matters, or to any particular State or part of the Commonwealth, by writing under his hand, delegate to a Deputy Commissioner or other person all or any of his powers or functions under this Act (except this power of delegation), so that the delegated powers or functions may be exercised by the Deputy Commissioner or person with respect to the matters or class of matters or the State or part of the Commonwealth specified in the instrument of delegation.

(2.) Every delegation under this section shall be revocable at will, and no delegation shall prevent the exercise of any power or function by the Commissioner.

9.—(1.) The Commissioner shall furnish to the Treasurer annually, for presentation to the Parliament, a report on the working of this Act. Report by Commissioner.

(2.) In the report the Commissioner shall draw attention to any breaches or evasions of this Act which have come under his notice.

PART III.—THE LAND TAX.

10.—(1.) Subject to the provisions of this Act, land tax shall be levied and paid upon the unimproved value of all lands within the Commonwealth which are owned by taxpayers, and which are not exempt from taxation under this Act. Land tax on unimproved value. Cf. N.S.W., 59 Vic. No. 15, s. 10.

(2.) The land tax shall be at such rates as are declared by the Parliament. W.A. 1907. No. 15, s. 9.

11.—(1.) Land tax shall be payable by the owner of land upon the taxable value of all the land owned by him, and not exempt from taxation under this Act. Taxable value.

(2.) The taxable value of all the land owned by a person is—

(a) in the case of an absentee—the total sum of the unimproved value of each parcel of the land.

(b) in the case of an owner not being an absentee—the balance of the total sum of the unimproved value of each parcel of the land, after deducting the sum of Five thousand pounds.^(a)

(3.) Every part of a holding which is separately held by any occupier, tenant, lessee, or owner, shall be deemed to be a separate parcel.

12. Land tax shall be charged on land as owned at noon on the thirtieth day of June immediately preceding the financial year in and for which the tax is levied : Date of ownership for purposes of tax Cf. N.Z., 1908, No. 95, s. 12 (U).

Provided that an owner of the land who, before the thirtieth day of September, One thousand nine hundred and ten, has sold or agreed to sell or conveyed part of the land or has sold or agreed to sell or conveyed all the land to different persons, shall, if the Commissioner is satisfied that the sale agreement or conveyance was *bonâ fide* and not for the purpose of evading the payment of land tax, be separately assessed for the year ending on the thirtieth day of June, One thousand nine hundred and eleven, in respect of the land so sold or agreed to be sold or conveyed to any one person, and be charged with land tax in respect of that land as if it were the only land owned by him.

13. The following lands shall be exempt from taxation under this Act, namely :— Land exempted from tax. Cf. ib. s. 14.

(a) all land owned by a State, or by a municipal, local, or other public authority of a State ;

(a) Held by the High Court that under this paragraph a taxpayer who owns several parcels of land is not entitled to a deduction of £5,000 from the value of each parcel, but to one deduction of £5,000 from the sum of the value of the several parcels. *Bailey v. Federal Commissioner of Land Tax*, (1911) 13 C.L.R. 302

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- (b) all land owned by a Savings Bank regulated by any State Act;
- (c) all land owned by any society registered under a State Act relating to friendly societies or trade unions;
- (d) all land owned by any building society registered as a building society under any Act or State Act, not being land of which the society has become owner by foreclosure of a mortgage;
- (e) all land owned by or in trust for a charitable or educational institution, if the institution, however formed or constituted, is carried on solely for charitable or educational purposes and not for pecuniary profit;
- (f) all land owned by or in trust for a religious society; the proceeds whereof are devoted solely to the support of the aged or infirm clergy or ministers of the society or their wives or widows or children, or to religious charitable or educational purposes;
- (g) all land owned by or in trust for any person or society and used or occupied by that person or society solely as a site for—
 - (1) a place of worship for a religious society, or a place of residence for any clergy or ministers or order of a religious society;
 - (2) a charitable or educational institution not carried on for pecuniary profit;
 - (3) a building owned and occupied by a society, club or association, not carried on for pecuniary profit;
 - (4) a public library, institute, or museum;
 - (5) a show ground;
 - (6) a public cemetery or public burial ground;
 - (7) a public garden, public recreation ground, or public reserve;
 - (8) a public road; or
 - (9) a fire brigade station.

Limitation of exemption.
Cf. N.Z., 1906, No. 95, s. 15.

14. With respect to land which, under the last preceding section, is exempt from land tax—

- (a) the exemption shall be limited to the owner specified in that section, and shall not extend to any other person who is the owner of any estate or interest in the land; and
- (b) in the case of land owned by or vested in the Crown on any express or implied trust, the person entitled in equity to the rents and profits of the land shall, for the purposes of this Act, and to the extent to which he is so entitled, be deemed to be the owner of the land and be liable to land tax in respect thereof.

PART IV.—RETURNS, ASSESSMENTS, AND LIABILITY.

Returns.

Taxpayer to furnish returns.
Cf. lb. ss. 13, 16.

15.—(1.) For the purposes of the assessment and levy of land tax, every taxpayer shall in each financial year, in the prescribed manner, and within the prescribed time, furnish returns setting forth

a full and complete statement of all land owned by him at noon on the thirtieth day of June then last past, and of the improved value and unimproved value of every parcel thereof, with such other particulars as are prescribed :

Provided that, except as otherwise required by the Commissioner or prescribed, a taxpayer who in any financial year has furnished the full returns above mentioned may in each of the two succeeding years furnish, in lieu of such full returns as above mentioned, supplementary returns setting out a full and complete statement of all land of which he has become or ceased to be the owner since the thirtieth day of June preceding the date of the last full return, and of the improved and unimproved value of every parcel thereof, with such other particulars as are prescribed.

(2.) In addition to the returns specified in the last preceding sub-section, every person, whether a taxpayer or not, shall, as and when required by the Commissioner, make such further or other returns as the Commissioner requires for the purposes of this Act.

16. Any return purporting to be made or signed by or on behalf of any taxpayer or person shall be deemed to have been duly made and signed by him until the contrary is proved.

Returns deemed to be duly made. Cf. N.Z., 1908, No. 95, s. 16 (f).

Assessments.

17.—(1.) The Commissioner may, if, as, and when he thinks fit, make or cause to be made valuations of any land.

Valuations of land. Cf. ib. s. 17.

(2.) The Commissioner may obtain and use as valuations, or for the purpose of preparing valuations, any valuations made by or for any State or any authority constituted under a State.^(a)

18. From the returns and valuations so made, if any, and from any other information in his possession, or from any one or more of those sources, and whether any return has been furnished or not, the Commissioner shall cause assessments to be made for the purpose of ascertaining the amount upon which land tax shall be levied.

Assessments to be made. Cf. ib. s. 18.

19. If—

- (a) any taxpayer or person makes default in furnishing any return ; or
- (b) the Commissioner is not satisfied with the return made by any taxpayer or person ; or
- (c) the Commissioner has reason to believe that any person (though he may have furnished no return) is a taxpayer,

Assessment in case of default or unsatisfactory return. Cf. ib. s. 19.

the Commissioner may make an assessment of the amount on which, in his judgment, land tax ought to be levied, and the taxpayer or person shall be liable to land tax thereon, excepting so far as he establishes, on appeal, that the assessment is excessive.

(a) As to the utilization of valuations made by local authorities, see *Nathan v. Commissioner of Land Tax*, 1912, S.R. (Q.) 191.

Held by the High Court that although the Commissioner is entitled to have regard to the valuation of land for the purpose of State land tax, on an appeal from an assessment that valuation is not evidence of the value of the land. *Duncan v. Federal Commissioner of Land Tax*, (1915) 19 C.L.R. 551.

Alterations of
assessment.
Cf. N.Z., 1906,
No. 95, s. 20.

20.—(1.) The ^(a) Commissioner may at any time make all such alterations in or additions to any assessment as he thinks necessary in order to insure its completeness and accuracy, notwithstanding that land tax may have been paid in respect of the land included in the assessment :

Provided that every alteration or addition which has the effect of imposing any fresh liability, or increasing any existing liability, shall be notified to the taxpayer affected, and, unless made with his consent, shall be subject to appeal.

(2.) For the purposes of this section the Commissioner may, *inter alia*—

- (a) place on or remove from an assessment the name of any person, or the particulars or valuation of any land, or
- (b) increase or reduce the assessed value of any land.

Alterations of
assessments in
certain cases.

21.—(1.) Where the Commissioner has assessed any person upon the return sent in by him, without making or obtaining any independent valuation, the Commissioner, so soon thereafter as is conveniently practicable, but not after the expiration of two years from the date of the assessment, if from valuations made or obtained by him, or other information in his possession, he finds that the assessment ought to have been for a greater amount, may alter the assessment accordingly, as from the date when the assessment was made.

(2.) Where the Commissioner has assessed any person, either on any return sent in by him or in the absence of any return, and at any time thereafter he finds that any land in respect of which that person was liable to pay land tax was not included in the assessment, he may add to and alter the assessment accordingly, as from the date when the assessment was made.

(3.) In any such case the taxpayer shall, subject to a right of appeal from the alteration or addition, and notwithstanding that land tax may have been paid in respect of the land, be liable to pay the difference between any land tax that he has paid and the land tax which he ought to have paid if the assessment had been originally made as altered.

Validity of
assessment.
Cf. ib. s. 20 (4).

22. The validity of any assessment shall not be affected by reason that any of the provisions of this Act have not been complied with.

Evidence.
Cf. ib. s. 20
(5) (6).

23.—(1.) The production of any assessment or of any document under the hand of the Commissioner purporting to be a copy of an assessment shall—

- (a) be conclusive evidence of the due making of the assessment ; and

(a) Held by the High Court that, where an assessment is appealed against and the Commissioner submits to the taxpayer's contention and the appeal is withdrawn, the Commissioner cannot subsequently make an amended assessment re-asserting his former claim. *Cox v. Deputy Federal Commissioner of Land Tax, Tasmania*, (1914) 17 C.L.R. 450.

Held by the High Court that the power conferred on the Commissioner by this section is not restricted by the provisions of sections 59 and 60. *Trustees, Executors, &c., Company v. Commissioner of Land Tax*, (1915) 20 C.L.R. 21.

(b) be conclusive evidence that the amount and all the particulars of the assessment are correct; except in proceedings on appeal against the assessment, when it shall be *prima facie* evidence only.

(2.) The production of any document under the hand of the Commissioner, purporting to be a copy of or extract from any return or assessment, shall for all purposes be sufficient evidence of the matter therein set forth, without producing the original.

24.—(1.) As soon as conveniently may be after a taxpayers' assessment is made, the Commissioner shall cause notice in writing of the assessment to be given to him. Notice of assessment. Cf. N.Z., 1908 No. 95, s. 21.

(2.) The omission to give any such notice shall not invalidate the assessment.

Liability.^(a)

25.—(1.) The^(b) owner of any freehold estate less than the fee-simple (other than an estate of freehold arising by virtue of a lease for life under a lease or an agreement for a lease) shall be deemed to be the owner of the fee-simple, to the exclusion of any person entitled in reversion or remainder^(c); Owner of freehold. Cf. ib. s. 55. Amended by No. 27, 1912, s. 2.

Provided that, for the purpose of the assessment of a legal tenant^(d) for life of land, without power to sell, under a settlement made before the first day of July, One thousand nine hundred and ten, or under the will of a testator who died before that day, the unimproved value of the land shall be calculated upon the basis of the rent which he obtains for the land, or which, if he let the land, he ought reasonably to be able to obtain; so that the unimproved value of the land shall be taken to be equal to the unimproved value of land owned in fee simple which would produce the same rent; and for the purpose of this section rent, in the case of improved land, means so much of the whole rent as bears to the whole rent the proportion which the unimproved value of the land bears to the improved value. Amended by No. 12, 1911, s. 2.

(a) Section 3 (2) of the *Land Tax Assessment Act 1911* is as follows:—"Assessments for the financial year beginning on the first day of July, One thousand nine hundred and ten, made in accordance with paragraph (a) of Regulation 51 of Statutory Rules No. 8 of 1911, shall be deemed to have been made in accordance with the Principal Act."

(b) Validity of section discussed by High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.R. 321.

(c) Held by the High Court (before the amendments made to this section by the *Land Tax Assessment Act 1911*) that this section applies to both a legal and an equitable tenant for life, and that under this section the tenant for life is the only owner of the land for the purposes of taxation, and that owners of estates in remainder are not liable to taxation. *Sendall v. Federal Commissioner of Land Tax*, (1911) 12 C.L.R. 458. See also *Iles v. Federal Commissioner of Land Tax*, (1912) 14 C.L.R. 372.

(d) Held by the High Court (after the amendments made to this proviso by the *Land Tax Assessment Act 1911*) that this section applies to legal tenants for life only. *Hedderwick v. Federal Commissioner of Land Tax*, (1913) 16 C.L.R. 27.

Held by the High Court that, where under a will trustees are empowered to carry on business on land until expiration of 21 years from testator's death, dividing net annual income among children living at each annual distribution, and at expiry of period dividing land among children then living and issue of deceased children, the children were not tenants for life within this proviso. *Trustees, Executors, &c., Company v. Commissioner of Land Tax*, (1915) 20 C.L.R. 21.

Held by the High Court that where a widow is entitled to the rents and profit of land until the eldest surviving son attains the age of 21 years, when son to receive the land, the widow has an estate for years in the land and is not a tenant for life within this section. *Cox v. Deputy Federal Commissioner of Land Tax, Tasmania*, (1914) 17 C.L.R. 450.

Held by the High Court that, where land under the *Real Property Act 1900* of New South Wales is devised to a person for life and the beneficiary has not been registered as tenant for life of the land, he is a legal tenant for life within this section. *Holt v. Deputy Federal Commissioner of Land Tax New South Wales*, (1914) 17 C.L.R. 720.

Ch. 45-6 Vic.
c. 38 s. 58.

(2.) In this section "tenant for life" includes—

- (a) a tenant for the life of another ;
- (b) a tenant for his own or any other life whose estate is liable to cease in any event during that life ;

Para. (e)
omitted; No. 12,
1911, s. 2.

Conditional
purchases.

26. The^(a) holder of land under a purchase or a right of purchase from the Crown upon conditions, under the laws of a State relating to the alienation or disposition of Crown lands, shall be deemed to be the owner of the land if all the conditions other than the payment of purchase money have been fulfilled, but not otherwise.

Lessee of land
after
commencement
of Act.
Substituted by
No. 37, 1912,
s. 4.

27.—(1.) The^(a) owner of a leasehold estate in land, under a lease made or agreed to be made after the commencement of this Act, not being a lease made in pursuance of an agreement made before the commencement of this Act, shall be deemed (though not to the exclusion of the liability of any other person) to be the owner of land of an unimproved value equal to the unimproved value of his estate :

Provided that where the owner of a leasehold estate has, within five years previously, been the owner of a freehold estate in the land he shall be assessed and liable to land tax as if he were the owner of the fee-simple.

(2.) He shall be entitled to deduct from the tax payable by him in respect of the unimproved value of his estate an amount equal to the sum of—

- (a) the amount which bears the same proportion to the tax payable in respect of the land by the owner of any freehold estate as the unimproved value of the leasehold estate bears to the unimproved value of the land, and
- (b) the amount which bears the same proportion to the tax payable in respect of the unimproved value of any precedent leasehold estate as the unimproved value of the leasehold estate bears to the unimproved value of the precedent leasehold estate.

Amended by
No. 20, 1914,
s. 2.

(3.) Notwithstanding^(b) anything in this section, where the owner of the fee-simple is exempt under sections thirteen or forty-one of this Act from taxation in respect of the land or the lease is a lease from the Crown, a lessee of the land shall be assessed and liable for land tax as if the lease were made before the commencement of this Act and not otherwise.

(a) Validity of section discussed by High Court. *Osborn v. Commonwealth*, (1911) 12 C.L.R. 321.
(b) This sub-section applies to all assessments made under the Act. See Act No. 37 1912, s. 12 (1).

(4.) For the purposes of this section—

- (a) the unimproved value of a leasehold estate means the present value of the annual value of the land calculated for the unexpired period of the lease at four and a half per centum, according to calculations based on the prescribed tables for the calculation of values;
- (b) the annual value of land means four and a half per centum of the unimproved value of the land:

Provided that the Commissioner may from time to time, if he thinks fit, alter the rate per centum upon which the calculations in this section are based; and

- (c) the owner of a leasehold estate includes the lessee of land for life under a lease or agreement for a lease.

28.—(1.) The^(a) owner of a freehold estate in land who or whose predecessor in title has before the commencement of this Act entered into an agreement to make or granted a lease of the land shall, for the purpose of his assessment under this Act, be entitled, during the currency of the lease, to have the unimproved value (if any) of the lease deducted from the unimproved value of the land.

Lessors and lessees of land leased before the commencement of this Act. Amended by No. 37, 1912, s. 5.

(2.) The owner of a leasehold estate in land,^(b) under a lease made or agreed to be made before the commencement of this Act, shall be deemed to be, in respect of the land, the owner of land of an unimproved value equal to the unimproved value (if any) of his estate; but if he has, before the commencement of this Act, entered into an agreement to make or granted a lease of the land, he shall be entitled, during the currency of that lease, to have the unimproved value (if any) of that lease deducted from the unimproved value of his estate:

Provided that where the owner of the leasehold estate has, within three years before the commencement of this Act, been the owner of a freehold estate in the land, he shall be assessed and liable to land tax as if his leasehold estate had been under a lease made after the commencement of this Act.

(3.) For^(c) the purposes of this section—

- (a) the unimproved value of a lease or leasehold estate in land means the value of the amount (if any) by which four and a half per centum of the unimproved value of land

(a) Validity of section discussed by High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.R. 321.
 (b) Held by the High Court that—
 (1) A lessee under the laws of a State of Crown lands with a right of purchase under a lease granted before the commencement of the Act is liable to taxation in respect of the land under section 28 (2) of the Act; and
 (2) The holder of a conditional lease granted before the commencement of the Act under the law of New South Wales, being a Crown lessee with a right of purchase, is taxable in respect thereof under section 28 (2) of the Act.
Fisher v. Deputy Federal Commissioner of Land Tax for New South Wales, (1915) 20 C.L.R. 242.
 Held by the High Court that the lessee has a taxable interest in the land, notwithstanding a provision in the lease empowering the Crown to cancel the lease after giving short notice of its intention and without becoming liable to pay any compensation to the lessee. *The Coal Cliff Collieries Ltd. v. Federal Commissioner of Land Tax*, (1917) 24 C.L.R. 197.
 (c) Method of ascertaining the unexpired value of the estate of a lessee of land leased before commencement of Act and of which sub-leases were granted by the lessee before that date discussed by High Court. *Heydon v. Deputy Federal Commissioner of Land Tax, New South Wales*, (1914) 17 C.L.R. 727.

exceeds the annual rent reserved by the lease,^(a) calculated for the unexpired period of the lease at four and a half per centum, according to the calculations based on the prescribed tables for the calculation of values :

Provided that the Commissioner may from time to time, if he thinks fit, alter the rate per centum upon which the calculations in this section are based :

- (b) rent, in the case of a lease of improved land, means so much of the whole rent as bears to the whole rent the proportion which the unimproved value of the land at the date of the lease bore to the improved value :

Provided that, where onerous conditions^(b) for constructing buildings, works, or other improvements upon the land, or expending money thereon, are imposed upon the lessee, or where any fine, premium, or fore-gift, or consideration in the nature of fine, premium, or fore-gift, is payable by the lessee, the Commissioner may assess the amount (if any) which ought, for the purposes of this section, to be added to the value of the rent in respect thereof, and the value of the rent shall be deemed to be increased by that amount accordingly ;

- (c) the owner of a leasehold estate includes the lessee of land for life under a lease or an agreement for a lease.

Amended by
No. 12, 1911,
s. 5.

Added by
No. 37, 1912,
s. 5.

Crown leases.
Amended by
No. 29, 1914,
s. 2.

29. Notwithstanding^(c) anything in the last two preceding sections, the owner of a leasehold estate under the laws of a State or part of the Commonwealth relating to the alienation or occupation of Crown lands or relating to mining (not being a perpetual lease or a lease with a right of purchase or a lease of land to be used for

(a) Held by the High Court that, where a lessee covenanted to pay an annual rent, to pay rates and taxes, to erect certain buildings, and keep them in repair, that the lessee was not entitled to have the amount expended for rates and taxes or for repairs added to the reserved rent. *Apperly v. Federal Commissioner of Land Tax*, (1914) 17 C.L.R. 535.

(b) Held by the High Court that where a lessee covenanted to pay an annual rent, to pay rates and taxes, to erect buildings and keep them in repair, he was not entitled to have either the amount expended for rates and taxes or for repairs added to the reserved rent or allowed as a deduction. *Apperly v. Federal Commissioner of Land Tax*, (1914) 17 C.L.R. 535.

Meaning of "onerous conditions" discussed. *Apperly v. Federal Commissioner of Land Tax* (*supra*).

Held by the High Court that a covenant in a lease of Crown land for mining purposes requiring the lessee during the term of the lease to employ in the construction of works or in mining operations on or under the land a number of able and competent workmen and miners, was an onerous condition for expending money upon the land. *The Coal Cliff Collieries Ltd. v. Federal Commissioner of Land Tax*, (1917) 24 C.L.R. 107.

(c) Held by the High Court that the *Land Tax Assessment Act 1910-1914* in so far as it purports to impose land tax upon leasehold estates in Crown lands is not invalid—

(1) Under the *Colonial Laws Validity Act 1865*, as being repugnant to the Imperial Acts which confer upon the legislatures of the several States powers of legislation with respect to waste lands of the Crown in those States respectively;

(2) Under section 114 of the Constitution, as imposing a tax upon State property ;

(3) As being not a law imposing taxation, but a law as to the control and management of Crown lands in the several States ; or

(4) As infringing the rule laid down in *D'Emden v. Pedder*.

Attorney-General for Queensland v. Attorney-General for the Commonwealth, (1915) 20 C.L.R. 148.

Held by the High Court that—

(1) A lessee under the laws of a State of Crown land with a right of purchase under a lease granted before the commencement of the Act is liable to taxation in respect of such land under section 28 (2) of the Act ; and

(2) A holder of a conditional lease granted before the commencement of the Act under the law of New South Wales, being a Crown lessee with a right of purchase, is taxable in respect thereof under section 28 (2) of the Act.

Fisher v. Deputy Federal Commissioner of Land Tax for New South Wales, (1915) 20 C.L.R. 242.

pastoral grazing or cultivation purposes or a homestead lease or a mining lease or a timber lease) shall not be liable to assessment or taxation in respect of the estate, and the owner of a leasehold estate under any such laws for a term not greater than one year certain shall not be so liable :

Provided that in the assessment of the unimproved value of a lease the value of any metals or minerals or other rights reserved to the Crown shall be excluded.

30. A covenant^(a) or stipulation in a lease or agreement for a lease of land, which has or purports to have the purpose or effect of imposing on the lessee the obligation of paying taxes on the land—

Covenant by lessee to pay land tax.

- (a) if the lease or agreement was made before the commencement of this Act—shall not be valid to impose on the lessee the obligation of paying land tax to any greater amount than the amount (if any) which would have been payable by the lessee if he had been the owner of the land included in the lease and of no other land ; and
- (b) if the lease or agreement was made after the commencement of this Act—shall be absolutely void.

31. No deduction from the unimproved value of any land shall be allowed in respect of any mortgage to which the land is subject, or in respect of any unpaid purchase money ; and a mortgagor shall be assessed and liable for land tax as if he were the owner of an unencumbered estate.

Mortgagees. Cf. N.Z. 1908, No. 95, s. 66.

32. A^(a) mortgagee, or other person owning any estate or interest in land by way of security for money, shall not be liable to land tax in respect of that mortgage, estate, or interest :

Mortgagees. Cf. ib. s. 67.

Provided that a mortgagee in possession of land, or any other person in possession of land by way of security for money, shall so long as such possession continues (though not to the exclusion of any other person) be deemed to be the owner of the land ; and the mortgagor shall be deemed to be the primary taxpayer, and the mortgagee in possession to be the secondary taxpayer ; and there shall be deducted from the tax payable by the latter in respect of the land such amount (if any) as is necessary to prevent double taxation :

Provided further that the last preceding proviso shall not apply—

- (a) to any mortgagee or person in possession whose possession began before the first day of July One thousand nine hundred and ten ; nor
 - (b) to any mortgagee or person in possession until a period of three years after he has entered into possession ;
- but any such mortgagee or person in possession shall, if the mortgagor makes default in the payment of land tax in respect of

(a) Validity of section discussed by High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.R., 321. Held by the High Court that the holder who holds the charge as security for money of a rent-charge, even if the owner of an estate in the land, is exempted from taxation under this section. *Cochrane v. Federal Commissioner of Land Tax*, (1916) 21 C.L.R. 422.

the land, be responsible for the payment of the tax due by the mortgagor, which payment shall be deemed to be made by him on behalf of the mortgagor.

Trustees.
Of. N.Z., 1908,
No. 95, s. 66.

33.—(1.) Any person in whom land is vested as a trustee shall be assessed and liable in respect of land tax as if he were beneficially entitled to the land :^(a)

Provided that where he is the owner of different lands in severalty, in trust for different beneficial owners who are not for any reason liable to be jointly assessed, the tax so payable by him shall be separately assessed in respect of each of those lands :

Provided also that when a trustee is also the beneficial owner of other land, he shall be separately assessed for that land, and for the land of which he is a trustee, unless for any reason he is liable to be jointly assessed independently of this section.

Proviso omitted:
No. 12, 1911,
s. 6.

Absentees.

(2.) A trustee shall in no case be deemed to be an absentee ; but any of the beneficiaries who are absentees shall be separately assessed and liable as absentees.

Land charged
with annuity
under settlement
or will before 1st
July, 1910.

34. Where under a settlement made before the first day of July, One thousand nine hundred and ten, or under the will of a testator who died before that day, land is charged with an annuity—^(b)

(a) the value of the annuity shall be calculated according to the prescribed tables for the calculation of values ; and

(b) there shall be deducted from the unimproved value of the land a sum which bears the same proportion to the value of the annuity as the unimproved value of the land bears to its improved value.

Proviso added
by No. 37, 1912,
s. 6.

Provided that, where a deduction is allowed in respect of the share of an annuitant as one of the beneficial owners of the land, the deduction under this section in respect of the annuity shall be the amount by which the value of the annuity applicable to the unimproved value of the land calculated as provided in this section exceeds the deduction allowed in respect of the annuitant's share in the land.

Equitable
owner.
Of. Ib. s. 64.

35. Subject^(c) to this Act, the owner of any equitable estate or interest in any land shall be assessed and liable in respect of land tax as if he were the legal owner of the estate or interest ; and the owner of the legal estate shall be deemed to be the primary taxpayer, and the owner of the equitable estate is to be the secondary taxpayer ; and there shall be deducted from the tax payable by the latter in respect of the land such amount (if any) as is necessary to prevent double taxation :

(a) As to the extent of the liability of a trustee under this section, see *Sendall v. Federal Commissioner of Land Tax*, (1911) 12 C.L.E., 653.

(b) Held by the High Court (Barton and Isaacs, JJ., Griffith, C.J., dissenting) that the word "annuity" in this section is used in its technical sense as meaning a sum certain payable periodically, and that therefore a "fair and reasonable allowance for the maintenance, education and support of children, not exceeding in the whole the annual sum of £200" is not an annuity within the meaning of the section. *Deputy Federal Commissioner of Land Tax, Sydney v. Hindmarsh*, (1912) 14 C.L.E., 334.

(c) Notwithstanding the provisions of this section an equitable tenant for life is not entitled to the benefit of the proviso to section 25. *Hedderwick v. Federal Commissioner of Land Tax*, (1913) 16 C.L.E., 27.

Provided^(a) that an equitable tenant for life of land under a settlement made before the first day of July One thousand nine hundred and ten or under the will of a testator who died before that day shall not be entitled to be assessed as if he were the legal tenant for life of the land, without power to sell.

Proviso added by No. 37, 1912, s. 7.

36.—(1.) Land^(b) owned by a married woman for her sole and separate use shall be liable to assessment and taxation as if she were unmarried.

Married woman. Cf. N.S.W., 59 Vic. No. 15, s. 28; N.Z. 1908, No. 95, s. 114.

(2.) Where^(c)—

(a) a husband has directly or indirectly transferred land to or in trust for his wife, or

(b) a wife has directly or indirectly transferred land to or in trust for her husband,

(they not being judicially separated), the husband and wife shall, unless the Commissioner is satisfied that the transfer was not for the purpose of evading land tax, be deemed to be joint owners of all the land owned by either of them :

Provided that this sub-section shall not apply to settlements made before the thirtieth day of September, One thousand nine hundred and ten.

37.—(1.) Where, before or after the commencement of this Act, an agreement has been made for the sale of land, whether the agreement has been completed by conveyance or not—

Buyer and seller. Cf. N.Z., 1908 No. 95, s. 61, 62.

(a) the buyer shall be deemed to be the owner of the land (though not to the exclusion of the liability of any other person) so soon as he has obtained possession of the land ; and

(b) the seller shall be deemed to remain the owner of the land (though not to the exclusion of the liability of any other person) until possession of the land has been delivered to the purchaser and at least fifteen per centum of the purchase money has been paid :

Provided that the Commissioner may exempt the seller from the provisions of this section, if he is satisfied that the agreement for sale has been made in good faith, and not for the purpose of evading the payment of land tax, and that the agreement is still in force ; as to all which matters the decision of the Commissioner shall be final and conclusive.

(2.) In estimating the amount of purchase money which has been paid, all money—

(a) owing by the purchaser to the seller, and secured by any mortgage or charge on the land ; or

(b) lent to the purchaser by the seller ; or

(c) owing by the purchaser to any other person, and directly or indirectly guaranteed by the seller,

shall be deemed to be unpaid purchase money.

(a) This proviso is merely declaratory of the law as it was before the proviso was inserted. *Hedderwick v. Federal Commissioner of Land Tax*, (1913) 16 C.L.B. 27.
 (b) Validity of section discussed by High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.B. 321.
 (c) Sub-section held invalid by High Court. *Waterhouse v. Deputy Federal Commissioner of Land Tax, South Australia*, (1914) 17 C.L.B. 685.

(3.) When by virtue of this section the buyer and seller of any land are both liable for land tax in respect thereof, the buyer shall be deemed to be the primary taxpayer, and the seller to be the secondary taxpayer; and there shall be deducted from the tax payable by the seller in respect of the land such amount (if any) as is necessary to prevent double taxation.

Joint owners.
 Cf. N.Z., 1908
 No. 95, ss. 54
 (3) 59.
 Amended by
 No. 37, 1912,
 s. 8.

38.—(1.) Joint owners of land shall be assessed and liable for land tax in accordance with the provisions of this section.

(2.) Joint owners (except those of them whose interests are exempt from taxation under section thirteen or section forty-one of this Act) shall be jointly assessed and liable in respect of the land (exclusive of the interest of any joint owner so exempt) as if it were owned by a single person,^(a) without regard to their respective interests therein or to any deductions to which any of them may be entitled under this Act, and without taking into account any land owned by any one of them in severalty or as joint owner with any other person.

(3.) Each joint owner of land shall in addition be separately assessed and liable in respect of—

(a) his individual interest in the land (as if he were the owner of a part of the land in proportion to his interest), together with

(b) any other land owned by him in severalty,^(b) and

(c) his individual interests in any other land.

(4.) The joint owners in respect of their joint assessment shall be deemed to be the primary taxpayer, and each joint owner in respect of his separate assessment to be a secondary taxpayer; and from the tax payable, in respect of his interest in the land,^(c) by each joint owner under the last preceding sub-section, there shall be deducted such amount (if any) as is necessary to prevent double taxation.

(5.) Joint owners shall in no case be deemed in respect of their joint assessment to be absentees; but any of them who is an absentee shall be separately assessed and liable, under this section, as an absentee.

(6.) This section shall not apply in the case of joint owners who have made partition of their interests since the thirtieth day of June, One thousand nine hundred and ten, and before the thirtieth day of September, One thousand nine hundred and ten.

(a) See *Inles v. Federal Commissioner of Land Tax*, (1912) 14 C.L.R., 372. See *Baird v. Federal Commissioner of Land Tax*, (1915) 19 C.L.R., 400. See *Seymour Bros. v. Deputy Federal Commissioner of Land Tax for South Australia*, (1918) 25 C.L.R. 803.

(b) Held by the High Court that where a joint owner of land is also an owner in severalty of other land and is separately assessed under this sub-section in respect of the whole of his interests, the land held by him in severalty is to be assessed according to the ordinary rules for assessing land so held. *Flemmich v. Federal Commissioner of Land Tax*, (1916) 21 C.L.R. 167.

(c) Held by the High Court that the amount of the tax payable in respect of a joint owner's interest in the land, within the meaning of this section, is the whole amount payable by him as a secondary taxpayer in respect of that land, and not a part of that amount proportional to the value of his joint interest as compared with the value of the land owned by him in severalty. *Bailey v. Federal Commissioner of Land Tax*, (1911) 13 C.L.R. 302. (But see now section 42A of this Act, which was added by the amending Act of 1911.)

Held by the High Court that where land is subject to a lease granted before the commencement of the Act then in ascertaining the unimproved value of the land for the purpose of preventing double taxation, the taxpayer is entitled to have the unimproved value of the lease deducted from the unimproved value of the land. *Flemmich v. Federal Commissioner of Land Tax*, (1916) 21 C.L.R. 167.

(7.) Where,^(a) under a settlement^(b) made before the first day of July, ^{Added by No. 12, 1911, s. 7.} or under the will^(c) of a testator who died before that day, the beneficial interest in any land^(d) or in the income therefrom is for the time being shared among a number of persons, all of whom are relatives of the settlor or testator by blood, marriage, or adoption, in such a way that they are taxable as joint owners under this Act,^(e) then, for the purpose of their joint assessment as such joint owners, there may be deducted from the unimproved value of the land, instead of the sum of Five thousand pounds as

(a) Sub-sections (7) and (8) of this section were added by the *Land Tax Assessment Act 1911*, which also repealed the following proviso, which stood as the third proviso to section 33 (1) :—

"Provided further that, in the case of land vested in a trustee, under a settlement made before the first day of July, One thousand nine hundred and ten, or under the will of a testator who died before that day, upon trust to stand possessed thereof for the benefit of a number of persons who are relatives of the settlor or testator, then, for the purpose of ascertaining the taxable value of the land owned by him as such trustee, there may be deducted from the unimproved value of the land, instead of the sum of Five thousand pounds as provided by paragraph (b) of sub-section (2) of section eleven of this Act, the aggregate of the following sums, namely :—

"In respect of each share into which the land is in the first instance distributed under the settlement or will amongst such beneficiaries, the sum of Five thousand pounds, or the unimproved value of the share, whichever is the less."

Under this proviso the following decisions have been given by the High Court :—Where by a will of a testator who died before 1st July, 1910, land was given to trustees upon trust to sell and distribute the proceeds among certain relatives of the testator, it was held that the trustees "stood possessed of the land for the benefit of a number of persons who were relatives of the testator" within the meaning of this proviso. *Archer v. Federal Commissioner of Land Tax*, (1912) 13 C.L.R., 567. Where by a will of a testator real estate was left to trustees upon trust to pay the income thereof to the wife of the testator during the minority of his children, and upon trusts for their benefit (subject to certain other trusts) thereafter, and all the children had attained their majority at the time of the assessment, it was held that the trustees were entitled to the statutory deduction in respect of each of the children's shares. *Reading v. Federal Commissioner of Land Tax*, (1912) 14 C.L.R., 217. The words "in respect of each share into which the land is in the first instance distributed under the . . . will amongst such beneficiaries" were held to relate to beneficiaries who at the time the question arose derived their title to their shares directly from the instrument and independently of any intermediate person. Certain shares held to be shares into which the land was in the first instance distributed under the will among the class of beneficiaries referred to in the proviso. *Archer v. Federal Commissioner of Land Tax (supra)*. The words "is in the first instance distributed" were held to extend to contingent interests. *Neill v. Federal Commissioner of Land Tax*, (1912) 14 C.L.R., 207. A testator who died before 1st July, 1910, devised all his real and personal property including certain land to trustees upon trust after payment of certain annuities for such of the children of his daughter as being born in his lifetime should attain the age of 25 years, or, if a female, marry, or being born after his death, attained the age of 21 years or, being a female, married. The daughter married subsequently to the testator's death, and, at the time when the land was assessed in the hands of the trustees, had four children, the eldest of whom was 9 years of age. It was held that the trustees were entitled to claim the statutory deduction in respect of each of the four children. *Neill v. Federal Commissioner of Land Tax (supra)*. It was held that a joint owner, who holds as a trustee, is entitled to the benefit of this proviso. *Iles v. Federal Commissioner of Land Tax*, (1912) 14 C.L.R., 372. It was held that beneficiaries in a trust estate who also own other land are entitled to the benefit of this proviso. *Baird v. Federal Commissioner of Land Tax*, (1915) 19 C.L.R., 490.

(b) Settlement does not include intestacy. *Hart v. Federal Commissioner of Land Tax*, (1913) 15 C.L.R., 545.

(c) Held by the High Court that, where under a will land was devised to trustees on trust for such sons as should attain 25, with power for the trustees to apportion the land in such manner as they thought fit, and on the sons attaining 25, the trustees at the sons' request conveyed the land to them as tenants in common, the beneficial interest in the land was no longer shared by the sons under the will. *Thomson v. Deputy Federal Commissioner of Land Tax, Tasmania*, (1915) 19 C.L.R., 351.

A testator, who died before 1st July, 1910, by his will devised his land to trustees upon trust for the benefit of his eight children, all of whom survived him as tenants in common. One of his daughters died after that date, having by her will given all her property to her husband. Held by the High Court that the beneficial interest in the land, although still shared among a number of persons all of whom were relatives of the testator by blood, marriage or adoption, was no longer so shared under the testator's will within the meaning of this sub-section. *Wilson v. Federal Commissioner of Land Tax*, (1916) 21 C.L.R., 226.

(d) Held by the High Court that land in this sub-section means a parcel of land and does not include an interest in land. *Clifford v. Deputy Federal Commissioner of Land Tax, New South Wales*, (1915) 19 C.L.R., 603.

(e) Held by the High Court that all the joint owners at the time of assessment must be relatives by blood, marriage or adoption of the original settlor or testator. *Parker v. Deputy Federal Commissioner of Land Tax, Tasmania*, (1914) 17 C.L.R., 438. Under a will of real and personal property trustees held the estate upon trust, subject to certain annuities, to accumulate the income during the life of the testator's widow and after her death to appropriate the estate, including the accumulations, to his children in certain shares as tenants in common, and to pay the income of the shares to the children respectively for life, and after their respective deaths upon trust as to their respective shares for their children who attained 21 or married under that age. One of the testator's children died leaving a daughter surviving. Held by the High Court that the testator's surviving children and his granddaughter were not during the life of his widow entitled to the land comprised in the estate for an estate of freehold in possession, and therefore were not joint owners of the land within the Act. *Union Trustee Company of Australia Limited v. Federal Commissioner of Land Tax*, (1915) 20 C.L.R., 526.

provided by paragraph (b) of sub-section (2.) of section eleven of this Act, the aggregate of the following sums, namely:—

In respect of each of the joint owners who hold an original share in the land under the settlement or will—

- (a) the sum of Five thousand pounds, or
- (b) the sum which bears the same proportion to the unimproved value of the land, after deducting the value of any annuity under section thirty-four of this Act, as the share bears to the whole,

whichever is the less :

Proviso added
by No. 37, 1912,
L. S.

Provided that, where the same persons have a beneficial interest in land^(a) or in the income therefrom under more than one settlement or will or under a settlement and will, they shall be jointly assessed in respect of the whole of their interests under the settlements or wills or settlement and will, and there may be deducted in the joint assessment from the unimproved value of the land comprised in the joint assessment, instead of the sum of Five thousand pounds as provided by paragraph (b) of sub-section (2.) of section eleven of this Act, the aggregate of the following sums, namely:—

In respect of each of the joint owners who holds an original share in the land being jointly assessed—

- (a) the total sum of Five thousand pounds, or
- (b) the sum which bears the same proportion to the unimproved value of the land after deducting the value of any annuity under section thirty-four of this Act as the share bears to the whole,

whichever is the less.

Added by No.
12, 1911, s. 7.
Amended by No.
37, 1912, s. 8.

(8.) In this section, "original share in the land"^(b) means the share of one of the persons specified in the settlement or will as entitled to the first life or greater interest thereunder in the land or the income therefrom, or to the first such interest in remainder after a life interest of the settlor or after a life interest of the wife or husband of the settlor or testator.

Deductions
under original
and subsidiary
settlements
and wills.
Inserted by
No. 37, 1912,
L. S.

38A.—(1.)^(c) Where, under a settlement made before the first day of July One thousand nine hundred and ten, or under the will of a testator who died before that day (in this section referred to as the "original settlement or will") together with a settlement made before

(a) Held by the High Court (Griffith, C.J., and Barton, Gavan Duffy and Rich, J.J., Isaacs, J., dissenting), that the term "beneficial interest in land" in the proviso to section 38 (7) refers to the beneficial interest mentioned in the earlier part of the sub-section, and means the whole beneficial interest in the land assessed; that the proviso does not apply to a case in which each of the settlements or wills rolled upon comprises only an undivided interest in land; and that the only effect of the proviso is that, when the same group of persons take different parcels of land under more than one will or settlement, then, whether the settlors or testators are a single person or not, the privilege conferred by sub-section (7.) must be claimed once for all, in respect of the aggregate value of all the land. *Emmerton v. Federal Commissioner of Land Tax*, (1916) 22 C.L.R., 40.

(b) Held by the High Court that where land is devised to the testator's daughter for life, and upon her decease in trust for her children, the children are not holders of original shares. *Lewis v. Federal Commissioner of Land Tax*, (1914) 17 C.L.R., 566.

(c) The next of kin taking under the intestacy of a person who died before 1st July, 1910, cannot claim the benefit of this section. *Hart v. Federal Commissioner of Land Tax*, (1913) 15 C.L.R., 548.

that day by a beneficiary under the original settlement or will of his share thereunder or a will of a beneficiary under the original settlement or will who died before that day, the beneficial interest in any land or in the income therefrom is for the time being shared among a number of persons, who are relatives by blood, marriage, or adoption of the original settlor or testator^(a) in such a way that they are taxable as joint owners under this Act, then, for the purpose of their joint assessment as such joint owners, there may be deducted from the unimproved value of the land, instead of the sum of Five thousand pounds as provided by paragraph (b) of sub-section (2.) of section eleven of this Act, the aggregate of the following sums, namely :—

In respect of each of the joint owners who holds an original share^(b) in the land under the original settlement or will—

- (a) the sum of Five thousand pounds, or
- (b) the sum which bears the same proportion to the unimproved value of the land, after deducting the value of any annuity under section thirty-four of this Act, as the share bears to the whole,

whichever is the less.

(2.) In this section, "original share in the land" means the share of one of the persons specified in the settlement or will as entitled to the first life or greater interest thereunder in the land or the income therefrom, or to the first such interest in remainder after a life interest of the settlor or after a life interest of the wife or husband of the settlor or testator.

39.—(1.) All^(c) land owned by a company shall be deemed (though not to the exclusion of the liability of the company or of any other persons) to be owned by the shareholders of the company as joint owners, in the proportions of their interests in the paid-up capital of the company.

Land owned by companies.
Of. N.Z., 1908
No. 95, s. 57.

(2.) The provisions of section thirty-eight of this Act shall apply accordingly (but so that the assessment and liability of the company shall be in lieu of the joint assessment and liability under sub-section (2.) of that section), and the shareholders shall be separately assessed and liable, and entitled to deductions, in accordance with that section.

(3.) The term "shareholder," in this and the next following section includes all persons on whose behalf a share in the company is held by a trustee or by any other person.

(4.) A company shall in no case be deemed to be an absentee; but any of the shareholders who are absentees shall be separately assessed and liable as absentees.

Cr. Ib s. 54 (4)

(a) Held by the High Court that all the joint owners at the time of assessment must be relatives by blood, marriage, or adoption of the original settlor or testator. *Parker v. Deputy Federal Commissioner of Land Tax, Tasmania*, (1914) 7 C.L.R., 438.

(b) Held by the High Court that where an original share is held for the benefit of several persons each of whom is a relative by blood, marriage, or adoption of the original testator, the deduction may be made as if the shares were held by one person only. *Archer v. Deputy Federal Commissioner of Land Tax, Tasmania*, (1913) 17 C.L.R., 444.

(c) Section held valid by High Court. *Morgan v. Deputy Federal Commissioner of Land Tax*, (1912) 15 C.L.R., 601.

Attorney-General for Queensland v. Attorney-General for Commonwealth, (1915) 20 C.L.R., 148.
Validity of section discussed by High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.R., 321.

Added by No.
37, 1912, s. 18.

(5.) A company shall be deemed to be the agent in the Commonwealth for the purposes of this Act for an absentee shareholder in respect of his interest in the company.

Companies
having
substantially
the same
shareholders.
Cf. N.Z., 1908,
No. 95, s. 58.

40.—(1.) Any^(a) two or more companies which consist substantially of the same shareholders shall be deemed to be a single company, and shall be jointly assessed and liable accordingly, with such rights of contribution or indemnity between themselves as is just.

(2.) Two companies shall be deemed to consist substantially of the same shareholders if not less than three-fourths of the paid-up capital of each of them is held by or on behalf of shareholders of the other. Shares in one company held by or on behalf of another company shall for this purpose be deemed to be held by shareholders of the last-mentioned company.

Mutual Life
Assurance
Societies.
Amended by
No. 12, 1911,
s. 8.

41.—(1.) Land^(b) owned by a Mutual Life Assurance Society (not being land of which the society is mortgagee in possession, or which the society has acquired under or by virtue of a mortgage) shall not be liable as against the society or its policy-holders, to assessment or taxation under this Act.

(2.) For the purposes of this section, a Mutual Life Assurance Society means any assurance society all the profits of which are divided among the policy-holders. In the case of a society which has shareholders who are entitled to receive a share of the profits of the society, a proportion of such land owned by the society, corresponding to the proportion of the total assurances of the society which is represented by its Australian policies, shall not be liable as against the society or its policy-holders to assessment or taxation under this Act.

Sub-sec. (3)
omitted; No.
12, 1911, s. 8.
No disposition
to be effective
while possession
retained.
Cf. ib. s. 63.

* * * * *

42. Notwithstanding any conveyance, transfer, declaration of trust, settlement, or other disposition of land, whether made before or after the commencement of the Act, the person making the same shall, so long as he remains or is in possession or in receipt of the rents and profits of the land, whether on his own account or on account of any other person, be deemed (though not to the exclusion of any other person) to be the owner of the land.

Occupation,
control or use
of land.
Inserted by
No. 27, 1912,
s. 11.

42A. Where land is occupied, controlled, or used by a person who is not the owner and there is no lease or agreement for a lease for a definite term^(c) in respect of the occupancy, control, or user of the land, the person occupying, controlling, or using the land shall be deemed to be the lessee for life of the land and shall be assessable as provided in section twenty-seven of this Act:

Provided that the Commissioner may exempt the person occupying, controlling, or using the land from the provisions of this section, if he is satisfied that the arrangement is of a temporary nature, as to which matter the decision of the Commissioner shall be final and conclusive.

(a) Validity of section discussed by High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.R. 321.
(b) Validity of section discussed by High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.R. 321. (Note.—This section has since been amended by the *Land Tax Assessment Act 1911*.)
(c) Held by the High Court that a lease from year to year is a lease for a definite term within the meaning of this section. *Weatherly v. Federal Commissioner of Land Tax*, (1915) 20 C.L.R. 282.

43. Where under this Act—

- (a) any person is deemed to be the secondary taxpayer in respect of any land or interest; and
- (b) it is provided that there shall be deducted from the tax payable by the secondary taxpayer, in respect of the land or interest, such amount (if any) as is necessary to prevent double taxation,

Deductions to prevent double taxation.
See ss. 32, 35, 37, 38.
Amended by No. 12, 1911, s. 9.

the amount of the deduction (if any) shall be the lesser of the following amounts:—

- (a) the amount of tax payable in respect of the land or interest by the secondary taxpayer; or
- (b) the aggregate of the amounts of tax (if any) payable in respect of the land or interest by the primary taxpayer and by any precedent secondary taxpayer.

* * * * *

Proviso omitted No. 12, 1911, s. 9.

Provided that the secondary taxpayer shall be assessed and liable in respect of the land or interest, notwithstanding that the primary taxpayer is exempt from taxation in respect of the land or interest, or that there is no primary taxpayer in respect of the land or interest.

43A. Where^(a) in this Act reference is made to the tax payable by a person in respect of any land or interest, the reference is to so much of the whole tax payable by him as bears to the whole tax payable by him the proportion which the unimproved value of the land or interest referred to bears to the unimproved value of all the land owned by him.

Meaning of tax payable in respect of certain land.
Inserted by No. 12, 1911, s. 10.

PART V.—APPEALS.

44.—(1.) Any taxpayer or person may within the prescribed time appeal to the High Court in its original jurisdiction, the Supreme Court or a County or District Court of a State, or such other Court as is specified in that behalf by proclamation, against any assessment by the Commissioner with respect to his land, on the ground that he is not liable for the tax or any part thereof, or that the assessment is excessive.

Appeal.

(2.) When the appeal is to the High Court or a Supreme Court, it shall be heard by a single justice of the Court.

(3.) An inferior Court of a State shall not have jurisdiction under this section unless it is constituted or presided over by a Judge authorized in that behalf by the Governor-General.

Added by No. 12, 1911, s. 11.

45.—(1.) The fact that an appeal is pending shall not in the meantime interfere with or affect the assessment appealed from; and land tax may be levied and recovered on the assessment as if no appeal were pending.

Pending appeal not to affect assessment.
Cf. N.Z., 1908 No. 95, s. 32.

(2.) If the assessment is altered on appeal a due adjustment shall be made, for which purpose amounts paid in excess shall be refunded, and amounts short paid shall be recoverable as arrears.

(a) Held by the High Court that where land is subject to a lease granted before the commencement of the Act. In ascertaining the unimproved value of the land for the purposes of this section the taxpayer is entitled to have the unimproved value of the lease deducted from the unimproved value of the land. *Flemmich v. Federal Commissioner of Land Tax*, (1916) 21 C.L.R. 107.
See *In re Clarke and Learmonth's Contract*, (1916) V.L.R. 151.

Power of Court
on hearing of
appeal.

46.—(1.) On the hearing of the appeal the Court may make such order as it thinks fit, and may either reduce or increase the assessment, and its order shall be final and conclusive on all parties except as provided in this section.

(2.) The cost of the appeal shall be in the discretion of the Court.

(3.) On the hearing of the appeal, the Court may, if it thinks fit, state a case in writing for the opinion of the High Court upon any question arising in the appeal which in the opinion of the Court is a question of law. The High Court shall hear and determine the question, and remit the case with its opinion to the Court below, and may make such order as to costs as it thinks fit.

(4.) An appeal shall lie to the High Court, in its appellate jurisdiction, from any order made under sub-section (1.) of this section.

Rules of Court

47.—(1.) The Justices of the High Court, or a majority of them, may make Rules of Court for regulating the practice and procedure in relation to appeals against assessments.

(2.) All such rules shall—

(a) be notified in the *Gazette* ;

(b) take effect from the date of notification, or from a later date specified in the Rules ;

(c) be laid before both Houses of the Parliament within thirty days of the making thereof, or if the Parliament is not then sitting, within thirty days after the next meeting of the Parliament.

(3.) If either House of the Parliament passes a resolution, of which notice has been given at any time within fifteen sitting days after the Rules have been laid before that House, disallowing any Rule, that Rule shall thereupon cease to have effect.

PART VI.—ACQUISITION OF LAND.

Power of
Commonwealth
to acquire land
unless valuation
increased.
Ct. N.Z., 1908,
No. 95, s. 33.

48. For^(a) the protection of the revenue against the undervaluation of land, if the Commissioner is of opinion that the owner of any land has, in a return furnished under this Act, understated the unimproved value of the land, to the extent of twenty-five per centum or more, the following provisions shall apply :—

(a) The Commissioner may apply to the High Court for a declaration that the Commonwealth is entitled to acquire the land under this Act.

(b) The application shall be heard by a Justice of the High Court, whose decision shall be final and without appeal ; and the owner of the land shall be entitled to be heard.

(c) If the Justice—

(i.) is satisfied that the owner has understated the unimproved value of the land to the extent of twenty-five per centum or more ; and

(ii.) is not satisfied that the undervaluation was not made with a view to evading taxation,

he shall make the declaration applied for.

^(a) Validity of section discussed by High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.R. 323.

- (d) Thereupon the Governor-General may acquire the land on behalf of the Commonwealth; and for that purpose may, within a reasonable time, by proclamation, declare that the land is vested in the Commonwealth, but subject to all leases, mortgages, and other charges affecting the land.
- (e) The effect of the proclamation shall be to vest the land in the Commonwealth for the same estate or interest therein as the owner was entitled to at the date of the publication of the proclamation in the *Gazette*, but subject to all leases, mortgages, and other charges then affecting the land, and to entitle the owner to compensation therefor upon the basis of the improved value obtained by adding the fair value of improvements to the unimproved value stated in the return, together with the amount of ten per centum upon that improved value, by way of an allowance for compulsory dispossession.
- (f) The provisions of the *Lands Acquisition Act* 1906 shall, so far as applicable, but subject to this Act, apply in relation to the land so acquired as if it had been acquired under that Act.
- (g) The Minister shall forthwith notify a Minister of the Crown for the State in which the land is situate that the land has been so acquired; and if within three months after the notification the Government of the State requires the Commonwealth to convey the land to the State, in consideration of the payment by the State to the Commonwealth of the sum payable by the Commonwealth to the owner, together with the costs of conveyance and any expenses incurred by the Commonwealth in regard to the land acquired, the land shall be conveyed to the State accordingly.
- (h) If the Government of the State does not so require the Commonwealth to convey the land to the State, the Governor-General may authorize the use of the land for any public purpose of the Commonwealth for which it is required; or, if it is not required for any public purpose, may authorize the disposal of it as he thinks fit.

PART VII.—COLLECTION AND RECOVERY OF TAX.

49. Land tax for each year shall be due and payable on such date as appointed in that behalf by the Governor-General by notice published in the *Gazette* not less than one month before the date so appointed.

Date of payment of tax.
N.S.W. 59 Via.
No. 15, s. 47;
N.Z., 1908, No.
95, s. 91.

50. Every person who fails to pay the amount payable by him in respect of land tax before the expiration of thirty days after it

Additional tax in case of default.
N.S.W. ib. s. 48
N.Z. ib. s. 92.

has become due shall be liable by way of additional tax to a further amount of ten per centum on the amount of the tax :

Added by No.
12, 1911, s. 12.

Provided that the Commissioner may in any particular case, for reasons which in his discretion he thinks sufficient, remit the additional tax or any part thereof. The Commissioner shall furnish to the Treasurer annually, for presentation to Parliament, a report of all such remissions with a statement of the reasons therefor.

Recovery of tax.
N.S.W.
59 Vict. No. 15,
ss. 42, 51 ;
N.Z. 1908,
No. 98, s. 98.

51.—(1.) Land tax shall be deemed when it becomes due or is payable to be a debt due to the King on behalf of the Commonwealth and payable to the Commissioner in the manner and at the place prescribed.

(2.) Any land tax unpaid including any additional tax may be sued for and recovered in any court of competent jurisdiction by the Commissioner, suing in his official name.

Substituted
service.
N.Z. lb. s. 95.

52. If, in any proceedings against a taxpayer for the recovery of land tax, the defendant—

(a) is absent from Australia and has not to the knowledge of the Commissioner after reasonable inquiry in that behalf any attorney or agent in Australia on whom service of process can be effected ; or

(b) cannot after reasonable inquiry be found,

service of any process in the proceedings may without leave of the Court be effected on him by posting the same or a sealed copy thereof in a letter addressed to him at his last known place of business or abode in Australia, or by fixing the same on a conspicuous part of the land to which the tax relates.

Provision when
tax not paid
during lifetime.
Ct. lb. s. 98.

53. The following provisions shall apply in any case where, whether intentionally or not, a taxpayer escapes full taxation in his lifetime by reason of not having duly made full and complete returns :—

(a) The Commissioner shall have the same powers and remedies against the executors and administrators of the taxpayer in respect of the estate of the taxpayer as he would have had against the taxpayer in his lifetime.

(b) The executors and administrators shall make such returns as the Commissioner requires for the purpose of a full assessment.

(c) The assessment shall be at the rates payable in respect of the years for which the tax ought to have been paid, and the amount payable shall (where the taxpayer's default was intentional) be treble the amount of the difference between the tax so assessed and the amount actually paid by the taxpayer, and shall be a first charge on all the taxpayer's estate in the hands of the executors and administrators.

(d) No lapse of time shall prevent the operation of this section, and the Commissioner may take all such proceedings and exercise all such powers and remedies for the purpose of giving effect to this section and recovering the treble tax as in the case of ordinary assessments and taxation.

54. No statute of limitations at any time in force shall bar or affect any action or remedy for recovery of land tax.

Statutes of Limitations.

Cf. N.Z. 1908, No. 95, s. 100.

55. Where a taxpayer makes a default in the payment of land tax, then without in any way releasing him from his liability the following provisions shall apply as long as the default continues:—

Remedy against other persons where taxpayer makes default.
Cf. *ib.*, s. 102.

(a) If the tax is payable in respect of land subject to any lease or occupied by any person, then the lessee or occupier shall be responsible for the payment of the tax and it may be recovered from him as if he were the defaulting taxpayer.

(b) All payments made under this section by a lessee or occupier shall be deemed to be made on behalf of the defaulting taxpayer:

Provided that the responsibility of the lessee or occupier under this section shall only be to the extent of any rent or payments due by him to the taxpayer at the time of demand made or action brought by the Commissioner, or from time to time accruing due thereafter.

56.—(1.) Land^(a) tax shall until payment be a first charge upon the land taxed in priority over all other encumbrances whatever, and notwithstanding any disposition of the land it shall continue to be liable in the hands of any purchaser or holder for the payment of the tax so long as it remains unpaid:

Tax to be a first charge on land.
N.S.W. 59 Vic. No. 15, s. 54;
N.Z., *ib.* s. 99.

Provided that no such charge shall be of effect as against a *bona fide* purchaser for value who at the time of purchase made due inquiry but had no notice of the liability:

Provided further that a purchaser shall be deemed to have made due inquiry who has made inquiry of the Commissioner as prescribed.

(2.) Where the Commissioner thinks it advisable to register the charge, he may lodge with the Registrar-General or Registrar of Titles or other proper officer of the State or part of the Commonwealth in which the land is situated a certificate under his hand describing the land charged, and stating that there are arrears of land tax payable in respect thereof; and the Registrar or other proper officer shall register it in the register and as nearly as may be in the manner in which dealings with land are registered, and shall deal with and give effect to the certificate as if it were an instrument of charge or encumbrance duly executed under the laws in force in that State or part of the Commonwealth.

Cf. 1906, No. 13, s. 6.
N.Z., *ib.* s. 99(2).

(a) Validity of section discussed by the High Court. *Osborne v. Commonwealth*, (1911) 12 C.L.R. 321.

Recovery of tax
paid on behalf of
another person.
N.Z. 1908,
No. 95, s. 112.

57. Every person who, under the provision of this Act, pays any tax for or on behalf of any other person, shall be entitled to recover the same from that other person as a debt, together with the costs of recovery, or to retain or deduct same out of any money in his hands belonging or payable to that other person.

Contribution
from taxpayers
jointly liable.
N.S.W.
59 Vic. No. 15,
s. 1 (2); N.Z.,
1908, No. 95,
s. 112.

58. Where two or more persons are jointly liable to land tax, they shall each be liable for the whole tax on the land, but any of them who has paid the tax may recover contributions as follows:—

(a) A person who has paid the tax in respect of any land may recover by way of contribution from any other owner thereof a sum which bears the same proportion to the tax as the value of the estate of such other person bears to the whole value of the land.

(b) Every person entitled to contribution in respect of land tax under this section may sue therefor in any Court of competent jurisdiction as money paid to the use of the person liable to contribute at his request; or may retain or deduct the amount of the contribution out of any moneys in his hands belonging or payable to the person liable to contribute.

Payment of
deficiency.
Cf. N.Z. ib.
s. 112.

59. If^(a) within three years after any land tax has been paid it is discovered that too little in amount has been paid, the taxpayer liable for the tax shall forthwith pay the deficiency:

Provided that nothing in this section shall operate to limit or affect the liability of the taxpayer or any other person under section fifty-three of this Act.

Refund of
excess.
Cf. ib. s. 116.

60. If^(b) within three years after any land tax has been paid, it is discovered that too much in amount has been paid, whether by reason of duplicate taxation or otherwise, the Commissioner upon being satisfied thereof shall order the excess to be returned to the taxpayer entitled thereto.

PART VIII.—MISCELLANEOUS.

Public officer of
company.
N.S.W., ib.
s. 43; N.Z., ib.
s. 8.

61. Every Company which is a taxpayer and which carries on business in Australia shall at all times be represented by a person residing in Australia duly appointed by the Company or by its duly authorized agent or attorney, and with respect to every such Company and person the following provisions shall apply:—

(a) The person so appointed shall for the purposes of this Act be called the public officer of the Company.

(b) The Company shall keep the office of public officer constantly filled, and no appointment of a public officer shall be deemed to be duly made until after notice

(a) Held by the High Court that where an assessment is appealed against and the Commissioner submits to the contention of the taxpayer and the appeal is withdrawn, the Commissioner is precluded from subsequently making an amended assessment re-assessing his former claim. *Coz v. Deputy Federal Commissioner of Land Tax, Tasmania*, (1914) 17 C.L.R. 450.

Held by the High Court that this section does not restrict the powers of the Commissioner under section 20. *Trustees Executors, &c., Company v. Commissioner of Land Tax*, (1916) 20 C.L.R. 21.

(b) Held by the High Court that this section does not restrict the powers of the Commissioner under section 20. *Trustees, Executors, &c., Company v. Commissioner of Land Tax, supra*.

thereof in writing, specifying the name of the officer and address for service, has been given to the Commissioner.

- (c) If the Company fails or neglects to duly appoint a public officer when and as often as such appointment becomes necessary, it shall be guilty of an offence.
Penalty: Fifty pounds for every day during which the failure or neglect continues.
- (d) Service of any document at the address for service or on the public officer of a company shall be sufficient service upon the company for all the purposes of this Act or the Regulations, and if at any time there is no public officer then service upon any person acting or appearing to act in the business of the company shall be sufficient.
- (e) The public officer shall be answerable for the doing of all such things as are required to be done by the company under this Act or the Regulations by a taxpayer, and in case of default shall be liable to the same penalties.
- (f) Everything done by the public officer which he is required to do in his representative capacity shall be deemed to have been done by the company. The absence or non-appointment of a public officer shall not exonerate the company from the necessity of complying with any of the provisions of this Act or the Regulations, or from the penalties consequent on the failure to comply therewith, but the company shall be liable to the provisions of this Act as if there were no requirement to appoint a public officer.

62. With respect to every agent, and with respect also to every trustee, the following provisions shall apply:—

- (a) He shall be answerable as taxpayer for the doing of all such things as are required to be done by virtue of this Act in respect of the land held by him in his representative capacity and the payment of land tax thereon.
- (b) He shall in respect of such land make the returns and be assessed thereon, but in his representative capacity only, and each return and assessment shall except as otherwise provided by this Act be separate and distinct from any other.
- (c) If he is an executor or administrator, the returns shall be the same as far as practicable as the deceased person if living would have been liable to make.
- (d) Where as agent or trustee he pays land tax, he is hereby authorized to recover the amount so paid from the person in whose behalf he paid it, or to deduct it from any money in his hands belonging to that person.
- (e) He is hereby authorized and required to retain from time to time out of any money which comes to him in his representative capacity so much as is sufficient to pay the land tax which is or will become due in respect of the land.

Agents and
trustees.
N.S.W. 59 Vic.
No. 15, s. 14;
N.Z. 1908, No.
95, s. 9.

- (f) He is hereby made personally liable for the land tax payable in respect of the land if while the tax remains unpaid he alienates charges or disposes of any real or personal property which is held by him in his representative capacity, but he shall not be otherwise personally liable for the tax.
- (g) If he is a trustee he may raise whatever moneys are necessary in order to pay the land tax by mortgage or charge with or without power of sale of any real or personal property held by him as such trustee, and may apply the money so raised or any other moneys in his possession as such trustee in paying the tax.
- (h) He is hereby indemnified for all payments which he makes in pursuance of this Act or by requirements of the Commissioner.
- (i) For the purpose of insuring the payment of land tax the Commissioner shall have the same remedies, against all land or other property of any kind vested in or under the control or management or in the possession of any agent or trustee, as he would have against the land or other property of any other taxpayer in respect of land tax, and in as full and ample a manner.

Contracts to evade tax void. N.S.W. 59 Vic. No. 15, s. 63; N.Z. 1908, No. 95, s. 103.

63. Every^(a) contract agreement or arrangement made or entered into, in writing or verbally, whether before or after the commencement of this Act, shall (except as provided by section thirty of this Act) so far as it has or purports to have the purpose or effect of in any way, directly or indirectly,

- (a) altering the incidence of any land tax; or
 (b) relieving any person from liability to pay any land tax^(b) or make any return; or
 (c) defeating evading or avoiding any duty or liability imposed on any person by this Act; or
 (d) preventing the operation of this Act in any respect,

be absolutely void, but without prejudice to its validity in any other respect or for any other purpose.

Access to lands buildings, &c. Cf. N.Z., ib. s. 104 (c).

64. The Commissioner, or any officer authorized by him on that behalf, shall at all times have full and free access to all lands, buildings, places, books, documents, and other papers, and to all registers of deeds or documents of title, for the purpose of valuing or inspecting any land, or of ascertaining the ownership of any land, and for any of those purposes may make extracts from or copies of any such books documents or papers.

(a) Validity of section discussed by the High Court. *Osborns v. Commonwealth*, (1911) 12 C.L.R. 321. Section held by the Supreme Court of Victoria to be valid. *Patterson v. Farrell*, 1912 V.L.R. 17; 38 A.L.J. 149; 17 A.L.R. 562.

(b) In a contract of sale of certain land, in respect of which the vendor was liable to pay land tax under this Act, a condition was inserted providing that "the purchaser shall be liable for all rates, taxes, and insurance premiums falling due from and after the date of possession, but all annual outgoings and insurance premiums in respect of the property sold shall be apportioned between the vendor and purchaser up to such date." It was held by the High Court that the federal land tax was an "annual outgoing" within the meaning of this condition; that the agreement that the land tax for the year during which the purchaser went into possession should be apportioned was not affected by this section; and that therefore the vendor was entitled to recover from the purchaser a sum which would represent a portion of the federal land tax payable in respect of land whose unimproved value was equivalent to that of the land sold, proportionate to the period of the year during which the purchaser had been in possession. It was held, further, that the purchaser was not liable to pay at the higher rate at which the vendor was liable to pay because of his owning other land. *Patterson v. Farrell*, (1912) 14 C.L.R. 348.

65.—(1.) The Commissioner may by notice in writing require any person, whether a taxpayer or not, to attend and give evidence before him, or before any officer authorized by him in that behalf, concerning any land or assessment, and to produce all books documents and other papers whatever in his custody or under his control relating thereto.

Power to obtain evidence.
Cf. N.Z., 1908, No. 95, s. 104 (d) (e).

(2.) The Commissioner may require the evidence to be given on oath, and either verbally or in writing, and for such purpose he, or the officer so authorized by him, may administer an oath.

(3.) The Regulations may prescribe scales of expenses to be allowed to persons required under this section to attend.

66.—(1.) In any case where it is shown to the satisfaction of the Commissioner that a taxpayer liable to pay land tax has become bankrupt or insolvent, or has suffered such a loss that the exaction of the full amount of tax will entail serious hardship, or that, by reason of drought or adverse seasons or other adverse conditions, the returns from the land have been seriously impaired, a Board consisting of the Commissioner, the Secretary to the Treasury, and the Comptroller-General of Customs, may release such taxpayer wholly or in part from his liability, and the Commissioner may make such entries and alterations in the assessment as are necessary for that purpose.

Release of taxpayer in case of hardship.
Cf. Ib. s. 117.
Amended by No. 22, 1914, s. 4.

(2.) The Commissioner shall be the Chairman of the Board, and the decision of the majority shall prevail.

(3.) The Minister shall cause to be laid before both Houses of Parliament as soon as may be after the close of the financial year a full statement of all cases in which, and the grounds on which, liability has been so released.

67. Any person who obstructs or hinders any officer acting in the discharge of his duty under this Act or the Regulations shall be guilty of an offence.

Obstructing officers.
N.S.W. 59 Vic. No. 15, s. 61 ;
N.Z., Ib. s. 108 (a).

Penalty: Fifty pounds.

68. Any person who—

(a) fails or neglects to duly furnish any return as and when required by this Act or the Regulations or by the Commissioner; or

(b) without just cause shown by him refuses or neglects to duly attend and give evidence when required by the Commissioner or any officer duly authorized by him, or to truly and fully answer any questions put to him, or to produce any book or papers required of him by the Commissioner or any such officer; or

(c) knowingly and wilfully makes or delivers any false return, or makes any false answer, whether verbally or in writing, in relation to any matter or thing affecting his own or any other person's liability to or exemption from assessment of land tax,

Offences.
N.S.W., Ib. ss. 60, 61 ; N.Z. Ib. s. 108.

shall be guilty of an offence.

Penalty: One hundred pounds.

Under-
valuation of
land.

69.—(1.) Any^(a) person who, with intent to defraud, in any return understates the unimproved value of any land, shall be guilty of an indictable offence.

Penalty: Five hundred pounds and an amount equal to treble the amount of the tax which would have been evaded if the value stated in the return had been accepted as the unimproved value of the land; or forfeiture of the land undervalued or any part thereof.

(2.) Where the value stated in the return is less, by twenty-five per centum or more, than the value as found by the jury, the value shall be presumed, in the absence of evidence to the contrary, to have been understated with intent to defraud.

Evading
taxation.
N.S.W. 59 Vic.
No. 13, s. 60;
N.Z., 1908,
No. 95, s. 106.

70. Any^(a) person who, by any wilful act default or neglect, or by any fraud art or contrivance whatever, evades or attempts to evade assessment or taxation, shall be guilty of an indictable offence.

Penalty: Five hundred pounds and treble the amount of the tax payment whereof he has evaded or attempted to evade; or forfeiture of the land in respect of which the offence was committed, or any part thereof.

Forfeiture of
land for
fraudulent
evasions, &c.

71.—(1.) Where,^(a) on the conviction of any person under either of the last two preceding sections, the penalty of forfeiture of any of his land has been imposed, the Governor-General may, by proclamation, declare that the estate or interest of that person in the land is forfeited to the Commonwealth.

(2.) The proclamation shall have the same effect as a proclamation under section forty-eight of this Act, and paragraphs (c) to (h), inclusive, of that section shall apply, except that—

(a) the taxpayer shall not be entitled to any compensation; and

(b) paragraph (g) of that section shall be read with the substitution of the improved value of the land, as assessed by the Commissioner, for the sum payable by the Commonwealth to the owner.

Penalties not to
relieve from tax.

72. Payment of penalties under this Act shall not relieve any person from liability to assessment and payment of any tax for which he would otherwise be liable.

Aiding or
abetting
offences.

73. Whoever aids, abets, counsels, or procures, or by act or omission is in any way directly or indirectly knowingly concerned in the commission of any offence under this Act, shall be deemed to have committed that offence, and shall be punishable accordingly.

Regulations.

74. The Governor-General may make Regulations not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for giving effect to this Act.

(a) Validity of section discussed by the High Court. *Osborne v. Commonwealth*. (1911) 12 C.L.R. 321.

THE COMMONWEALTH OF AUSTRALIA.

THE INCOME TAX ASSESSMENT ACT
1922-1923,

BEING

THE INCOME TAX ASSESSMENT ACT 1922 (No. 37 OF 1922),

AS AMENDED BY

THE INCOME TAX ASSESSMENT ACT 1923 (No. 27 OF 1923),^(a)

An Act to consolidate and amend the Law relating to the Imposition Assessment and Collection of a Tax upon Incomes.

[Assented to 18th October, 1922.^(b)]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

PART I.—PRELIMINARY.

1. This Act may be cited as the *Income Tax Assessment Act 1922-1923*. Short title.
Short title
amended.
No. 32, 1918,
& 2.
Repeat.
Parts.
2. The Acts set forth in the Schedule to this Act are repealed.
3. This Act shall be divided into Parts, as follows:—
 - PART I.—Preliminary.
 - PART II.—Administration.
 - PART III.—Liability to Taxation.
 - PART IV.—Returns and Assessments.
 - PART V.—Objections and Appeals.
 - PART VI.—Collection and Recovery of Tax.
 - PART VII.—Penal Provisions.
 - PART VIII.—Taxation Prosecutions.
 - PART IX.—Miscellaneous.
4. In this Act, unless the contrary intention appears:—

“Absentee” means a person who does not reside in Australia and includes a person who has been absent from Australia during more than half the financial year in which the income the subject of the assessment was derived, unless he satisfies

Definitions.

(a) Assented to 1st September, 1923. By section 13 of the *Income Tax Assessment Act 1923*, the amendments made by that Act apply to assessments for the financial year beginning on 1st July, 1923, and all subsequent years.

(b) This is the date of assent to the *Income Tax Assessment Act 1922*.

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the Commissioner that he resides in Australia, but does not include a public officer of the Commonwealth or a State who is absent in the performance of his duty or a resident of the Territory of Papua ;

" Agent " includes every person who in Australia, for or on behalf of any person out of Australia (in this section called " the principal "), holds or has the control receipt or disposal of any money belonging to the principal, and every person declared by the Commissioner to be an agent or the sole agent for any person for the purposes of this Act ;

" Assessable income " means the gross income which is not exempt from taxation ;

" Assistant Commissioner " means the Assistant Commissioner of Taxation ;

" Australia " includes the Territory of Papua ;

" Business " includes any profession, trade, employment, vocation or calling ;

" Commissioner " means the Commissioner administering this Act ;

" Company " includes all bodies or associations corporate or unincorporate, but does not include partnerships ;

" Income " includes—

(a) interest upon money secured by mortgage of any property in Australia ; and

(b) in the case of a co-operative company or society—all sums received from members in payment for commodities supplied or animals or land sold to them or received in respect of commodities animals or land sold by the company or society whether on its own account or on account of its members,

but does not include—

(c) any rebate received by a member of a co-operative company based on his purchases from that company where the Commissioner is satisfied that ninety per centum of its sales is made to its own members ; and

(d) in the case of an annuity which has been purchased—that part of the annuity which represents the purchase price ;

" Income from personal exertion " or " income derived by any person from personal exertion " means income derived from sources in Australia consisting of earnings, salary, wages, commission, fees, bonuses, pensions, superannuation allowances, retiring allowances and gratuities not paid in a lump sum, allowances received in the capacity of employee, and the proceeds of any business carried on by the taxpayer either alone or as a partner with any other person, and any income from any property where the income forms part of the emoluments of any office or employment of profit held by

- by the individual, but does not include interest, unless the taxpayer's principal business consists of the lending of money, and does not include rents and dividends;
- "Income from property" or "income derived from property" means all income derived from sources in Australia and not derived from personal exertion;
- "Income tax" means the income tax imposed as such by any Act as assessed under this Act;
- "Mortgage" includes any charge, lien, or encumbrance to secure the repayment of money upon which interest is payable;
- "Partnership" means an association of persons carrying on business as partners or in receipt of income jointly, but does not include a company;
- "Person" includes a company;
- "Shareholder" includes stockholder;
- "Taxable income" means the amount of income remaining after all deductions allowed by this Act have been made;
- "Taxpayer" means any person chargeable with income tax;
- "Trading Stock" means anything produced, manufactured, acquired or purchased for purposes of manufacture, sale or exchange;
- "Trustee" in addition to every person appointed or constituted trustee by act of parties, by order, or declaration of a court, or by operation of law, includes—
- (a) an executor or administrator, guardian, committee, receiver or liquidator, and
 - (b) every person having or taking upon himself the administration or control of income affected by any express or implied trust, or acting in any fiduciary capacity, or having the possession, control or management of the income of a person under any legal or other disability.

5. This Act shall extend to the Territory of Papua, but shall not apply to any income derived from sources in Papua by a resident of Papua nor to any income earned in Papua by personal exertion by any person while there.

Act to extend to Papua.

5A.—(1.) This Act shall not apply to any income derived from primary production in the Northern Territory by a resident of that Territory prior to the first day of July, One thousand nine hundred and twenty-seven.

Application of Act to Northern Territory.

Inserted by No. 27, 1922, s. 2.

(2.) In this section—

- (a) "Primary production" means the production resulting directly from—
- (i) cultivation of land;
 - (ii) maintenance of animals or poultry;
 - (iii) mining; or
 - (iv) fisheries,

and

and includes dairy produce manufactured by the person who produced the raw material used in the manufacture of that produce; and

- (b) "income derived from primary production" means income which is derived directly and in the first place from primary production.

PART II.—ADMINISTRATION.

Commissioner.

6.—(1.) The Commissioner of Taxation shall have the general administration of this Act.

(2.) The Commissioner shall be paid such remuneration as the Parliament provides.

Assistant Commissioner.

7. The Assistant Commissioner of Taxation shall have and may exercise such powers and functions as are prescribed, or as are delegated to him by the Commissioner.

Deputy Commissioners.

8. The Deputy Commissioners of Taxation shall, subject to the control of the Commissioner, have such powers and functions as are prescribed, or as the Commissioner directs.

Delegation by the Commissioner.

9.—(1.) The Commissioner may, by writing under his hand, delegate to the Assistant Commissioner all or any of his powers or functions under this Act (except this power of delegation) so that the delegated powers and functions may be exercised as fully and effectually by the Assistant Commissioner as by the Commissioner, and may, in relation to any particular matters or class of matters, or to any particular State or part of the Commonwealth, by writing under his hand, delegate to a Deputy Commissioner or other person all or any of his powers or functions under this Act (except this power of delegation) so that the delegated powers or functions may be exercised by the Deputy Commissioner or person with respect to the matters or class of matters or the State or part of the Commonwealth specified in the instrument of delegation.

(2.) Every delegation under this section shall be revocable at will, but any delegation shall not prevent the exercise of any power or function by the Commissioner.

Report by the Commissioner.

10.—(1.) The Commissioner shall furnish to the Treasurer annually for presentation to the Parliament, a report on the working of this Act.

(2.) In the report the Commissioner shall draw attention to any breaches or evasions of this Act which have come under his notice.

Governor-General may make arrangements with Governor of State.

11.—(1.) The Governor-General may make arrangements with the Governor in Council of a State for the collection by the Commonwealth on behalf of the State of income tax at rates to be fixed by the Parliament of the State on a taxable income ascertained in accordance with this Act or an Act of that State.

(2.) The Governor-General may make regulations for carrying into effect any arrangement made under the provisions of this section.

12.—(1.) Every

12.—(1.) Every person executing any power or duty conferred or imposed on an officer under this Act or the Regulations shall, before entering upon his duties or exercising any power under this Act, make before a Justice of the Peace or a Commissioner for taking Affidavits or a Commissioner for Declarations, a declaration in the form prescribed.

Officers to observe secrecy.

(2.) Any person who acts in the execution of any duty under this Act or the Regulations before he has made the prescribed declaration or who after making the declaration makes a record of or divulges any information relating to the affairs of a person except in the performance of any duty under this Act shall be guilty of an offence.

Penalty : Two hundred and fifty pounds.

(3.) Any person who has been an officer or has performed any duty under this Act or under any Act repealed by this Act, and who communicates any information acquired by him in the performance of any duty under this Act or the Regulations or under any Act repealed by this Act or under any Regulations made under any such repealed Act to any person other than a person to whom he is authorized by the Commissioner to communicate it shall be guilty of an offence.

Penalty : Two hundred and fifty pounds.

(4.) Notwithstanding anything contained in this section, the Commissioner, the Assistant Commissioner or a Deputy Commissioner may communicate any matter which comes to his knowledge in the performance of his official duties, to the Commissioner of Income Tax for any State, or the officer or authority administering any Act of a State relating to Stamp Duties or Succession Duties (who is authorized by law to afford similar information to the Commissioner, the Assistant Commissioner or a Deputy Commissioner) or to the Commissioner of Pensions or the Repatriation Commission for the purpose of the administration of any law of the Commonwealth relating to pensions.

(5.) An officer shall not be required to produce in any Court any return, assessment, or notice of assessment, or to divulge or communicate to any Court any matter or thing coming under his notice in the performance of his duties under this Act or any Act repealed by this Act, except as may be necessary for the purpose of carrying into effect the provisions of this Act.

PART III.—LIABILITY TO TAXATION.

13.—(1.) Subject to the provisions of this Act, income tax shall be levied and paid for each financial year upon the taxable income derived directly or indirectly by every taxpayer from sources within Australia during the period of twelve months ending on the thirtieth day of June preceding the financial year for which the tax is payable.

Income tax.

(1A.) The income tax payable by a company shall be at such rate as is declared by the Parliament.

Inserted by No. 27, 1922, s. 3.

(2.) In assessments of tax for the financial year beginning on the first day of July One thousand nine hundred and twenty-two and subsequent

Amended by No. 27, 1923 s. 3.

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subsequent years, the rate to be applied to the taxable income of a taxpayer other than a company shall be calculated under the Act by which the rates of income tax are declared as if the taxable income were the average of the income derived by the taxpayer in the years (in this section called "average years") beginning with the first average year and ending with the year next preceding the financial year for which the tax is payable.

(3.) The first average year shall be the fifth year before the financial year for which the tax is payable—except in the cases in which the subsequent provisions of this section provide for the first average year being a later year.

(4.) The first average year shall not be earlier than the year beginning on the first day of July One thousand nine hundred and twenty.

(5.) Where the taxable income of the taxpayer ascertained from the income of the year which would otherwise be the first average year was greater than his taxable income of the next succeeding year, the first average year shall be the first year, subsequent to the first-mentioned year, in which the taxable income of the taxpayer was less than his taxable income in the next subsequent year.

(6.) Any year in which the taxpayer was not carrying on business and was not in receipt of a taxable income shall not be counted as a first average year.

(7.) Any year in which the taxpayer was carrying on business but had no taxable income shall be capable of being a first average year.

(8.) In the case of a taxpayer who is carrying on business, the excess of allowable deductions over assessable income in any year which is an average year shall be taken into account in calculating the average.

(9.) Where a taxpayer establishes that, owing to his retirement from his occupation, or from any other cause, his taxable income has been permanently reduced to an amount which is less than two-thirds of the average taxable income by reference to which his rate of tax would be calculated, apart from the provisions of this sub-section, he shall be assessed as if he had never been a taxpayer in a previous year.

(10.) Where there are not at least two average years for the purpose of calculating the rate under the foregoing provisions of this section, the rate of income tax to be applied in a year to the taxable income of a taxpayer shall be the rate applicable in that year, under the Act by which the rates of income tax are declared, to a taxable income of that amount.

Exemptions. 14.—(1.) The following incomes, revenues and funds shall be exempt from income tax :—

(a) the revenue of a municipal corporation or other local governing body or of a public authority ;

(b) the

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- (b) the income of a society registered under a Friendly Societies Act of the Commonwealth or a State and not carried on for the purposes of profit or gain to the individual members thereof ;
 - (c) the income of a trade union or of an association of employers or employees registered under any Act of the Commonwealth or a State relating to the settlement of industrial disputes ;
 - (d) the income of a religious, scientific, charitable or public educational institution ;
 - (e) the income derived from the bonds, debentures, stock or other securities of the Commonwealth issued for the purpose of Commonwealth War Loans the interest on which is declared by the prospectus to be free from Commonwealth income tax ;
 - (f) the income of a provident, benefit or superannuation fund established for the benefit of the employees in any business or class of business and the income of a fund established by any will or instrument of trust for public charitable purposes if the Commissioner is satisfied that the particular fund is being applied to the purposes for which it was established ;
 - (g) the salary of the Governor-General and the salaries of the Governors of the States ;
 - (h) the official salaries of foreign consuls and the trade commissioners of any part of the British Dominions ;
 - (i) pensions paid under the *Australian Soldiers' Repatriation Act 1920-1921* ;
 - (j) the income of any society or association not carried on for the purposes of profit or gain to the individual members thereof, established for the purpose of promoting the development of the agricultural, pastoral, horticultural, viticultural, stock-raising, manufacturing or industrial resources of Australia ;
 - (k) the income of any society or association established for musical purposes, or for the encouragement of music, art, science or literature, and not carried on for the purposes of profit or gain to the individual members thereof ;
 - (l) the remuneration paid by the Government of the Commonwealth or of a State to a person residing outside Australia for expert advice to that Government or as a member of a Royal Commission ; and
 - (m) dividends, bonuses, or profits, or the face value of bonus shares distributed by a company among its members or shareholders, except as provided under section sixteen of this Act.
- (2.) If a company, which has derived income from the bonds, debentures, stock or securities specified in paragraph (e) of sub-section (1.) of this section, pays in any year any portion of that income in dividends

Added by
No. 27, 1923,
s. 4.

dividends to its shareholders, the exemption under that paragraph shall extend to the proportion of the dividend for that year which has been paid out of such income.

Limitation of exemption.

15. With respect to income which, under the last preceding section, is exempt from income tax, the exemption shall be limited to the persons specified in that section and shall not extend to the salaries and wages of persons employed by such persons, although such salaries and wages may be paid wholly or in part out of the income, revenues or funds so exempt.

What is included as income.
Amended by No. 27, 1923, s. 5.

16. The assessable income of any person shall include—

(a) profits derived from any trade or business and converted into stock-in-trade or added to the capital of or in any way invested in the trade or business :

Provided that for the purpose of computing such profits the value of all live stock (not being live stock used as beasts of burden or as working beasts), and trading stock (not being live stock), not disposed of at the beginning and end of the period in which the income was derived shall be taken into account except where the taxpayer otherwise elects, as provided in paragraph (aa) of this section :

Substituted by No. 27, 1923, s. 5.

For the purposes of this paragraph " Value " means—

(i) in the case of trading stock (not being live stock)—the actual cost price or market selling value of each article of trading stock, or the price at which each article of trading stock can be replaced, at the option of the taxpayer in respect of each article ; and

(ii) in the case of live stock (not being live stock used as beasts of burden or as working beasts)—the cost price or market selling price at the option of the taxpayer. The cost price in relation to natural increase of live stock shall be the value per head of the live stock selected by the taxpayer within the limits prescribed and the value so selected shall be used for the purposes of the assessment of the financial year beginning on the first day of July One thousand nine hundred and twenty-three and of all subsequent years ;

Inserted by No. 27, 1923, s. 5.

(aa) Notwithstanding anything contained in paragraph (a) of this section, an owner of live stock may elect to omit from the account required by that paragraph the value of all natural increase of any live stock owned by him, and born during the year in which the income is derived, and shall not be assessed for income tax in respect of that natural increase except to the extent to which he has disposed of it. The
owner

owner of the live stock shall give notice of his election in writing, in the prescribed form signed by him, and deliver it at the office of the Commissioner on or before the prescribed date. Every notice given by a taxpayer in pursuance of this paragraph shall be irrevocable ;

(b) in the case of a member, shareholder, depositor or debenture-holder of a company which derives income from a source in Australia or of a company which is a shareholder in a company which derives income from a source in Australia—

(i) dividends, bonuses or profits, (but not including a reversionary bonus issued on a policy of life assurance) credited, paid or distributed to the member or shareholder from any profit derived from any source by the company :

Provided that where a company derives income from a source in Australia and from a source outside Australia a taxpayer shall only be taxable on so much of the dividend as bears to the whole dividend the same proportion that the profits derived by the company from a source in Australia bears to the total profits of the company :

Provided further that where a company distributes to its members or shareholders any undistributed income accumulated prior to the first day of July One thousand nine hundred and fourteen the sum so received by the member or shareholder shall not be included as part of his income. For the purposes of this proviso amounts carried forward by a company in its profit and loss account, appropriation account, revenue and expenses account or any other account similar to any of the foregoing accounts shall not be deemed to be accumulated income :

Provided also that where a dividend or bonus is paid wholly and exclusively out of the profits arising from the sale of capital assets a member or shareholder shall not be liable to tax on that dividend or bonus.

(ii) the face value of shares distributed by a company to its members or shareholders in consequence of the capitalization of the whole or any part of the assessable income of the company which it is liable to include in its return for the purposes of its current assessment :

Provided that nothing in this section shall render liable to taxation the value of shares issued

issued by a company to its members or shareholders in consequence of the capitalization of any other of its profits;

- (iii) interest credited or paid to any depositor or debenture-holder of a company:

Proviso added by
No. 27, 1922,
c. 6.

Provided where the dividends, bonuses, profits or shares referred to in sub-paragraphs (i) or (ii) of this paragraph have been distributed out of profits upon which any company has paid or is liable to pay tax under the provisions of any Income Tax Act which comes into operation after the thirtieth day of June One thousand nine hundred and twenty-three the amount of those dividends, bonuses, profits or shares shall be excluded from the assessment of the income of the taxpayer unless the rate of tax payable by him on income from property, if the dividends, bonuses, profits or shares are included, exceeds the rate of tax paid or payable by the company:

Proviso added by
No. 27, 1922,
c. 6.

Provided further that if the rate of tax exceeds the rate of tax paid or payable by the company, the taxpayer shall be entitled to a rebate in his assessment of the amount of tax paid by the company on that part of the said dividends, bonuses and profits, and of the face value of the said shares, which is included in his taxable income;

- (c) beneficial interests in income derived under any will, settlement, deed of gift or instrument of trust;
- (d) money derived by way of royalty or bonuses, and premiums fines or foregifts or consideration in the nature of premiums fines or foregifts demanded and given in connexion with leasehold estates, and the amount of any payment received by a lessee upon the assignment or transfer of a lease to another person after deducting therefrom—
- (i) the part (if any) which, in the opinion of the Commissioner, is properly attributable to the transfer of any tangible assets belonging to the lessee; and
- (ii) so much of any fine, premium or foregift paid by the lessee or any amount paid by the lessee for the assignment or transfer of the lease as is properly attributable to the period of the lease unexpired at the time of the assignment or transfer by the lessee:

Provided that paragraph (d) shall not apply to the proceeds of the sale, transfer or assignment of the lease of a mining property (other than coal mining) where the Commissioner

Commissioner is satisfied that the lease has been sold, assigned or transferred—

- (i) by a *bond fide* prospector ; or
- (ii) by a person, partnership, syndicate or company who or which does not make a business of buying and selling mining properties and who or which purchased the lease from a *bond fide* prospector and worked the property in a proper and efficient manner ;

* * * * *

- (f) five per centum of the capital amount of a retiring allowance or gratuity which is paid in a lump sum ;
- (g) all allowances, gratuities (except retiring allowances and gratuities paid in lump sums), bonuses and premiums whether in money or goods or sustenance or land allowed, given or granted to a person in respect of or for or in relation, directly or indirectly, to any employment or service of such person to the amount of the value of such allowances, gratuities, bonuses and premiums respectively ; and
- (h) prizes in lotteries paid in cash or by means of inscribed stock or bonds or other negotiable instruments.

Paragraph (e) omitted by No. 27, 1923, s. 5.

17.—(1.) The proceeds derived from the sale, after the thirtieth day of June One thousand nine hundred and twenty-one, whether on the sale of the business as a going concern, or in any other manner whatsoever, of the trading stock or part of the trading stock of any business, shall be assessable income derived from carrying on a business.

Income arising from sale of trading stock.

(2.) Where any trading stock is sold together with other assets of the business, the part of the consideration attributable to the trading stock shall be determined by the Commissioner, Assistant Commissioner or Deputy Commissioner (as the case requires), and the part of the consideration so determined shall be deemed to be the price paid for the trading stock by the purchaser.

(3.) For the purposes of this section any trading stock which has been disposed of otherwise than by sale shall be deemed to have been sold, and any trading stock so disposed of and any trading stock which has been sold for a consideration other than cash shall be deemed to have realized the market price of the day on which it was so disposed of or sold, but, where there is no market price, trading stock shall be deemed to have realized such price as the Commissioner determines.

(4.) In this section—

- (a) the expression "trading stock" does not include live stock which in the opinion of the Commissioner, Assistant Commissioner or Deputy Commissioner are ordinarily used as beasts of burden or as working beasts or for breeding purposes ; and

(b) references

(b) references to disposal of trading stock do not include disposal by way of testamentary disposition.

(5.) Any taxpayer who is dissatisfied with the decision of the Commissioner, Assistant Commissioner or Deputy Commissioner under this section may require the Commissioner to refer his case to a Board of Appeal, and the Commissioner shall refer the case accordingly.

Rebates in cases of double and treble taxation.

18.—(1.) Any person who has an amount of income which is liable to income tax for any year of assessment—

- (a) under this Act and in the United Kingdom, or
- (b) under this Act and in the United Kingdom and in a State of the Commonwealth of Australia,

and who satisfies the Commissioner as to—

- (c) the amount of the income which is so liable; and
- (d) the amounts of taxes to which the income is so liable, together with the rate or rates of those taxes,

shall be entitled to a rebate of tax upon that amount of income at a rate which shall be ascertained as follows:—

(i) In the case where the amount of income is liable to tax under this Act and in the United Kingdom, and the Commonwealth rate is greater than one-half of the British rate

- (a) where the Commonwealth rate is greater than the British rate, the rate of rebate shall be one-half of the British rate;
- (b) where the Commonwealth rate is not greater than the British rate, the rate of rebate shall be the excess of the Commonwealth rate over one-half of the British rate:

Provided that no rebate shall be claimable under this paragraph with respect to any amount of income to which the next following paragraph is applicable;

(ii) In the case where the amount of income is liable to tax under this Act and in a State and in the United Kingdom, and the sum of the Commonwealth and State rates is greater than one-half of the British rate, the proportion which the Commonwealth rate bears to the sum of the Commonwealth and State rates shall be ascertained, and the rate of rebate shall be that proportion of the following rates:—

- (a) Where the sum of the Commonwealth and State rates is greater than the British rate—one-half of the British rate;
- (b) Where the sum of the Commonwealth and State rates is not greater than the British rate—the excess of the sum of the Commonwealth and State rates over one-half of the British rate.

(2.) In

(2.) In this section the following expressions, in relation to an amount of income, have the following meanings:—

- (a) "Commonwealth rate" means the rate ascertained by dividing the total amount of income tax paid or payable for the year by the taxpayer (before the deduction of rebate granted under this section) by the amount of the total taxable income in respect of which the tax paid or payable under this Act has been charged for that year; except that, where the tax is charged on an amount other than the ascertained amount of actual profits, the rate of tax shall be as determined by the Commissioner;
- (b) "State rate" has a corresponding meaning in relation to the income tax paid or payable on the amount of income under the law of a State; and
- (c) "British rate" means the appropriate rate of the tax in the United Kingdom upon the amount of income.

(3.) For the purposes of this section a certificate issued by or on behalf of the Commissioners of Inland Revenue in the United Kingdom shall be receivable in evidence to show—

- (a) what is the appropriate rate of United Kingdom tax, and
- (b) the particular amount of income which is liable to tax under this Act and in the United Kingdom.

19. Income shall be deemed to have been derived by a person within the meaning of this Act although it is not actually paid over to him, but is re-invested, accumulated, capitalized, carried to any reserve, sinking fund or insurance fund however designated, or otherwise dealt with on his behalf or as he directs.

Money credited, re-invested, accumulated, &c., to be income.

20.

* * * * *

(2.) In addition to any other income tax payable by it, a company shall also pay income tax on—

* * * * *

- (b) the interest paid or credited by the company to any person, who is an absentee, on money raised by debentures of the company and used in Australia or on money lodged at interest in Australia with the company; and
- (c) interest paid or credited in respect of debentures payable to bearer the names and addresses of the holders of which are not supplied to the Commissioner by the company as if the total amount so paid or credited were the income of an individual:

Taxation of companies. Sub-section (1.) omitted by No. 27, 1923, s. 6.

Paragraph (a) omitted by No. 27, 1923, s. 6.

Amended by No. 27, 1923, s. 6.

Provided that a company shall be entitled to deduct and retain for the use of the company from the amount payable to any of the persons referred to in paragraph (b) of this sub-section

Amended by No. 27, 1923, s. 6.

such

such amount as is necessary to pay the tax which becomes due in respect of that amount :

Amended by
No. 27, 1923,
s. 6.

Provided also that a company shall be entitled to deduct and retain for the use of the company from the interest payable to any person who is a holder of debentures payable to bearer an amount which bears the same proportion to the amount paid by the company under paragraph (c) of this sub-section as the interest payable to that person bears to the total interest payable in respect of those debentures :

Amended by
No. 27, 1923,
s. 6.

Provided further that, where the Commissioner is satisfied that the holder of debentures payable to bearer is a person who is not liable to furnish a return, the Commissioner may refund to that person the amount of the tax paid by the company in respect of the debentures of that person :

Amended by
No. 27, 1923,
s. 6.

Provided further that where a company pays tax under this sub-section on any interest, and the member, shareholder or person includes that interest in his return, the proportionate amount of tax paid by the company in respect of the interest shall be deducted from the total tax payable by the member, shareholder or person.

(3.) A company, notwithstanding any contract, agreement, or arrangement entered into by it, may, with the approval of the Commissioner, charge *pro rata* the amount of the tax actually paid by it against those beneficially interested in the income of the company.

(4.) Where a company has paid income tax on undistributed income and that income is in any year subsequent to that in which it was derived by the company distributed to the members or shareholders of the company, a member or shareholder who is a taxpayer shall be entitled to a rebate in his assessment of the lesser of the two following amounts :—

(a) the part of the tax so paid by the company which bears the same proportion to the total tax so paid by the company as the amount so distributed to the member or shareholder bears to the total amount so distributed to the members or shareholders of the company ; or

(b) the part of the tax payable by the member or shareholder in his individual assessment which bears the same proportion to the tax payable by him on his income from property as the amount so distributed to him bears to his total income from property remaining after allowing all the deductions allowed by this Act from that income, except the deduction under section twenty-four.

Added by
No. 27, 1923,
s. 6.

(5.) For the purpose of ascertaining the taxable income of a life insurance company there shall be deducted from the total assessable income

income, in addition to any other deductions allowed by this Act, so much of the assessable income as—

- (a) is available for distribution and is distributed to the members of the company ; and
- (b) consists of premiums paid upon the policies issued by the company.

21.—(1.) Where in any year a company has not distributed to its members or shareholders at least two-thirds of its taxable income, the Commissioner shall determine whether a sum or a further sum (not exceeding the excess of two-thirds of the taxable income of the company over the amount distributed by it to its members or shareholders) could reasonably have been distributed by the company to them, such determination in the case of any financial year prior to that beginning on the first day of July One thousand nine hundred and twenty-two to be made not later than the thirtieth day of June One thousand nine hundred and twenty-three and in the case of other financial years within six months after the date of the issue to the company of its ordinary assessment.

Taxation of company where distribution not reasonable.

(2.) The Commissioner shall calculate the additional tax, if any, which would have been payable by the shareholders if the sum or further sum determined by the Commissioner in accordance with sub-section (1.) of this section had been distributed to them in proportion to their interests in the paid-up capital of the company, and the company shall pay to the Commissioner the amount by which the additional tax, if any, exceeds the tax payable by the company on the sum or further sum so determined by the Commissioner.

(3.) In addition to any other facts which the Commissioner may consider in exercising the powers conferred upon him by sub-section (1.) of this section, the Commissioner shall take into consideration the relation between the distributable income of the company and its taxable income and the fact of the retention by the company of taxable income for the following purposes :—

- (a) to restore unrecouped losses of paid-up capital or of accumulated trading profits which had been invested in the business ;
- (b) to meet losses which the directors consider were certain to arise during subsequent accounting periods of the business ;
- (c) to provide an annual sinking fund calculated at five per centum per annum compound interest to repay debentures used by the company for the purposes of its business ; and
- (d) in the case of a company dealing with exported butter, for the purpose of insuring regularity of price on any consignment.

* * * * *

(5.) A taxpayer who is dissatisfied with the decision of the Commissioner under this section may require the Commissioner to refer his case to a Board of Appeal, and the Commissioner shall refer the case accordingly.

Sub-section (4.) omitted by No. 27, 1923, s. 7.

(6.) Where

(6.) Where in any year by virtue of sub-section (2.) of section sixteen of the *Income Tax Assessment Act 1915*, or of that sub-section, as amended by the *Income Tax Assessment Act 1918*, any part of the income of a company not actually distributed has been deemed to be distributed to any member or shareholder of the company, his taxable income shall be reduced—

- (a) by one-third of the total amount of the income of the company actually distributed to him and of the income of the company so deemed to be distributed to him ; or
- (b) by the amount of the income of the company so deemed to be distributed to him,

whichever is the less ; and the Commissioner shall refund to him the tax over-paid, and the company shall repay to the Commissioner the tax previously refunded to it or dealt with as it directed in respect of the total amount of income to be excluded from the assessments of the shareholders of the company under this sub-section.

(7.) This section shall also apply to all assessments hereafter to be made in respect of any financial year prior to that beginning on the first day of July One thousand nine hundred and twenty-two.

Taxation of a
mining
company.

22. In connexion with income derived from mining operations (other than coal mining) carried on in Australia, the following provisions shall apply :—

- (a) the return required by this Act to be made by the person deriving the income in the first place shall show the total income so derived during the accounting period in respect of which the return is compiled ;
- (b) the capital expended by the person carrying on the mining operations in necessary plant and development of a mining property from which income has been received (less the distributed and undistributed income derived by that person prior to the financial year for which income tax is being levied) shall be divided by the estimated number of years during which payable mining operations may be expected to continue under normal conditions, and the quotient thus obtained shall, in addition to any other deductions allowed by this Act, be deducted from the income ;
- (c) as an alternative to the deduction allowable by the last preceding paragraph, there shall, at the option of the taxpayer, be deducted so much of the income of the accounting period as is expended in that year for development or is appropriated for development (the cost of which is not deductible under section twenty-three of this Act) and for new plant :

Provided that any of the money so appropriated which has not been expended for that purpose at the end of the year in which it was appropriated shall be liable to tax as income of that year :

Provided

Provided further that no deduction under paragraph (e) of sub-section (1.) of section twenty-three of this Act shall be allowed on any new plant to which this paragraph applies ;

- (d) where separate and distinct mining operations are carried on by the same person either alone or in association with any other person and a profit is made on some and a loss is made on others, that person shall be entitled to deduct the sum of the losses from the sum of the profits, and the balance of profits (if any) shall be included in the income of that person.

23.—(1.) In calculating the taxable income of a taxpayer the total assessable income derived by the taxpayer from all sources in Australia shall be taken as a basis, and from it there shall be deducted—

- (a) all losses and outgoings (not being in the nature of losses and outgoings of capital) including commission, discount, travelling expenses, interest and expenses actually incurred in gaining or producing the assessable income :

Provided that where a company carries on the business of insurance (other than life insurance) in Australia and re-insures risks with a person or company carrying on a similar business but not in Australia, the company carrying on business in Australia shall be entitled to deduct—

- (i) so much of the premiums received on those risks as is credited or paid to that person or company ; and
(ii) only so much of the losses on those risks as relates to the risks or part of the risks which have not been so re-insured ;
- (b) all rates and taxes (including State and Federal land taxes and State income tax) actually paid in Australia by the taxpayer during the year in which the income was derived, but not including any tax paid under this Act :

Provided that when a taxpayer receives a refund of the whole or any part of any of the taxes mentioned in this paragraph other than Federal income tax the amount of the refund shall be brought into account as income in the year in which the refund is received ;

- (c) every premium or sum paid by the taxpayer during the year in which the income was derived on the insurance on his own life or that of his wife or children or for a deferred annuity or other like provision for his wife or children or in respect of any fidelity guarantee or bond which the taxpayer is required to provide in the exercise of his business :

Provided that in no case shall any deduction be allowed under this paragraph beyond the sum of Fifty pounds in

the aggregate or for any premium or sum paid in respect of any insurance, annuity or other provision effected outside Australia ;

- (d) sums expended by the taxpayer during the year in which the income was derived for repairs to or on that part of any property occupied for the purpose of producing income or from which income is derived or is deemed to have been derived, and for the repair of machinery, implements, utensils, rolling-stock and articles employed by the taxpayer for the purpose of producing income ;
- (e) such sum as the Commissioner thinks just and reasonable as representing the diminished value per centum by wear and tear during the year in which the income was derived of any machinery, implements, utensils, rolling-stock and articles (including beasts of burden and working beasts) used by the taxpayer for the purpose of producing income ; such wear and tear not being of a kind that may be made good by repairs :

Provided that where a deduction has been allowed under paragraph (d) of this section, the Commissioner shall take into consideration the sum allowed under that paragraph in determining the sum to be allowed under this paragraph :

Provided further that where in any business income is set apart by the taxpayer by way of a fund to cover depreciation under any of the headings mentioned in this paragraph, the amount so set apart for the year in which the income was derived shall, subject to the approval of the Commissioner, be the sum to be deducted for depreciation ;

- (f) the sum actually expended by the taxpayer during the year in which the income was derived for food and for rent of quarters provided for an employee (other than a member of the taxpayer's own family under the age of sixteen years) who is employed exclusively in a business yielding an income to the taxpayer :

Provided that where a taxpayer provides quarters for such employees in any property in respect of which the taxpayer returns as income five per centum on the capital value of the property the proportion of such income found by the Commissioner to be applicable to the quarters so provided shall be deducted ;

- (g) payments not exceeding One hundred pounds in the aggregate made for the personal benefit of the taxpayer or his wife or children during the year in which the income was derived by a taxpayer who is in receipt of salary, wages, allowances, stipends or annuity, or whose taxable income does not exceed Eight hundred pounds, to superannuation, sustentation, widows' or orphans' fund established in Australia

or

or any society duly registered under any Friendly Societies Act of the Commonwealth or a State;

- (h) (i) contributions made to the Department of Repatriation or to any public authority for the purpose of being handed over to the Department of Repatriation :

Provided that the value of the contribution if in kind shall be verified to the satisfaction of the Commissioner ; and

- (ii) gifts exceeding Five pounds each made, during the year in which the income was derived, to public charitable institutions in Australia, if the gifts are verified to the satisfaction of the Commissioner ;

- (i) so much of the assessable income as is paid in calls on shares in a mining company or syndicate carrying on mining operations in Australia for gold, silver, base metals, rare minerals, or oil, ^(a) or in any company carrying on afforestation as its principal business ;

Amended by No. 27, 1923, s. 8.

- (j) so much of the assessable income as is set aside or paid by an employer of labour as or to a fund to provide individual personal benefits, pensions or retiring allowances for employees :

Provided that a deduction shall not be allowed unless the Commissioner is satisfied that the fund has been established or the payment made in such a manner that the rights of the employees to receive the benefits, pensions or retiring allowances have been fully secured :

Provided also that if the Commissioner is satisfied that any part of the assessable income of a person has been so set aside or paid by that person to provide individual personal benefits, pensions or retiring allowances to employees in any business or class of business, the person setting aside or paying the sum shall be entitled to deduct it ;

- (k) the sum of Fifty pounds in respect of each child who is under the age of sixteen years at the beginning of the financial year in which the income was received, wholly maintained by any taxpayer who is not an absentee ;

Amended by No. 27, 1923, s. 8.

- (l) sums paid by way of commission for collecting the assessable income ;

(m) the

(a) Section 14 of the *Income Tax Assessment Act 1923* is as follows :—

14. Notwithstanding anything contained in the Principal Act or this Act, there shall be deducted from the assessable income of a taxpayer for the financial year commencing on the first day of July One thousand nine hundred and twenty-three all sums paid by the taxpayer during the financial year commencing on the first day of July One thousand nine hundred and twenty-one in calls on shares in any company or syndicate prospecting for oil in the Commonwealth.

Special deduction from 1922-23 income for calls paid in oil company.

- (m) the interest paid by the taxpayer during the year in which the income was derived on a mortgage of land to which section sixteen, paragraph (e), of this Act applies, if the taxpayer satisfies the Commissioner that the mortgage was entered into in good faith; and
- (n) the annual sum necessary to recoup the expenditure covenanted to be made on improvements on land by a lessee who has no tenant rights in the improvements. The deduction under this paragraph shall be ascertained by dividing the amount (not exceeding the sum specified in the covenant) expended on the improvements by the lessee by the number of years in the unexpired period of the lease at the date the improvements were effected.

(2.) Where, by this Act, any sum is allowed to be deducted from any taxpayer's total income and the total income consists partly of income from personal exertion and partly of income from property the sum may in the first place, subject to section twenty-four of this Act, be deducted—

- (a) in the case of the deductions allowed by paragraphs (c), (g), (h) and (k) of sub-section (1.) of this section—from that class of income which is the greater, and
- (b) in the case of the remaining deductions—from that class of income to which it, in the opinion of the Commissioner, relates,

but if the income of the class from which the deduction is in the first place to be made does not amount to the sum to be deducted, the difference shall be deducted from the income of the other class.

(3.) A taxpayer who is dissatisfied with the determination of the Commissioner under paragraph (e) of sub-section (1.) of this section may require the Commissioner to refer his case to a Board of Appeal, and the Commissioner shall refer the case accordingly.

Special
deduction.

24.—(1.) In the case of a person (other than a company or an absentee) there shall be deducted, in addition to the sums set forth in the last preceding section, the sum of Two hundred pounds less One pound for every Three pounds by which the income exceeds Two hundred pounds.

(2.) When the income consists partly of income from personal exertion and partly of income from property the deduction under this section shall be made in the first place from the income from property, and when the deduction exceeds that income the excess shall be deducted from the income from personal exertion.

(3.) For the purposes of this section "income" means the income of a taxpayer after allowing the deductions allowed by any other section of this Act.

25. A deduction

25. A deduction shall not, in any case, be made in respect of any of the following matters :—

Deductions not to be allowed in certain cases.

- (a) the cost incurred in the maintenance of any taxpayer, his family, or establishment other than as specified in section twenty-three of this Act;
- (b) domestic or private expenses ;
- (c) any loss or expense which is recoverable under any contract of insurance or indemnity ;
- (d) income carried to any reserve fund or capitalized in any way ;
- (e) money not wholly and exclusively laid out or expended for the production of assessable income ;
- (f) rent, or value of or cost of repairs to any premises or part of premises not occupied for the purpose of producing income ;
- (g) any bad debts, except bad debts proved to be such to the satisfaction of the Commissioner and to have been incurred in and actually written off by the taxpayer in the year in which the income was derived, but the Commissioner may allow a deduction for bad debts claimed in respect of any year if he is satisfied that the taxpayer has in that or any previous year included those debts as income in his return :

Provided that all amounts at any time received on account of any such bad debts shall be credited in income in the year in which the same were received and be subject to tax :

Provided further that bad debts incurred in the year preceding that in which the income was derived and not proved to be bad and written off until the year in which the income was derived may be deducted if the Commissioner considers that they would have been deductible if they had been proved to be bad and actually written off in the year in which the income was derived ;

- (h) any loss not connected with or arising out of the production of income, or any capital withdrawn from any business producing income, or any sum used or intended to be used as capital in any business, or any capital used in the improvement of premises occupied for the purpose of any business ;
- (i) any wastage or depreciation of lease or in respect of any loss occasioned by the expiration of any lease :

Provided that where it is proved to the satisfaction of the Commissioner that any taxpayer (being the lessee under a lease or the assignee or transferee of a lease) has paid any fine, premium or foregift, or consideration in the nature of a fine, premium or foregift for a lease, or a renewal of a lease, or an amount for the assignment or transfer of a lease of premises or machinery used for the production of income, the Commissioner may allow as a deduction, for the purpose of arriving at the income, the amount obtained by dividing the sum so paid by the number of years

years of the unexpired period of the lease at the date the amount was so paid, but so that the aggregate of the deductions so allowed shall not exceed the sum so paid if paid on or after the thirtieth day of June, One thousand nine hundred and fourteen, or the part of the sum so paid which is proportionate to the unexpired period of the lease from the thirtieth day of June, One thousand nine hundred and fourteen if the sum were paid prior to that date;

- (j) interest which might have been earned on any capital employed in the production of income, if lent out at interest; and
- (k) payments made by husband to wife or by wife to husband unless the Commissioner is satisfied that the payments have been made *bond fide* in the course of business and for services rendered.

Deduction of losses from profits.

26. Where a taxpayer makes a loss in any year in carrying on a business either alone or as a partner with other persons, he shall be entitled to deduct the loss from any assessable income derived by him in that year from other sources. The loss shall be deducted in the first place from any income from personal exertion of the taxpayer, but if that income does not amount to the loss to be deducted, the difference shall be deducted from the taxpayer's income, if any, derived from property in the year mentioned.

Ship charterers.

27.—(1.) Every person whose principal place of business is out of Australia and who either as owner or charterer of any ship carries passengers, live stock, mails or goods shipped in Australia shall by his agent or other representative in Australia, when called upon by the Commissioner by notice published in the *Gazette* or by any other notice, make a return of the full amount payable to him (whether such amount be payable in or beyond Australia) in respect of the carriage of the passengers, live stock, mails and goods.

Amended by No. 27, 1923, s. 9.

(2.) The agent or other representative shall be assessed thereon and liable to pay tax on Seven and one half pounds per centum of the amount so payable.

(3.) When such person has no recognised agent or representative in Australia other than the master of the ship and the master fails to make any return, the Commissioner may assess such master, and the master shall be liable to pay the tax assessed.

(4.) The Commissioner shall give notice of every such assessment to the master, and the master shall pay the tax assessed prior to the clearance of the ship.

(5.) A Collector of Customs for the State—

- (a) shall not grant a clearance to a ship in respect of the earnings of which an assessment is made under this section, and
- (b) may detain the ship,

until he is satisfied that the tax has been paid, or that arrangements, to the satisfaction of the Commissioner or Deputy Commissioner, for the payment of the tax have been made.

28.—(1.) When

28.—(1.) When any business which is carried on in Australia is controlled principally by persons resident outside Australia, and it appears to the Commissioner that the business produces either no taxable income or less than the ordinary taxable income which might be expected to arise from that business, the person carrying on the business in Australia shall be assessable and chargeable with income tax on such percentage of the total receipts (whether cash or credit) of the business, as the Commissioner in his judgment thinks proper.

Taxation of
Australian
business
controlled
abroad.

(2.) The provisions of section twenty of this Act shall not apply in any case in which the person assessed under this section is a company.

(3.) A taxpayer who is dissatisfied with the decision of the Commissioner under this section may require the Commissioner to refer his case to a Board of Appeal, and the Commissioner shall refer the case accordingly.

29. A partnership shall be liable to furnish a return in respect of the income of the partnership but shall not, except as provided in this section, be liable to pay tax, but each partner shall be assessed in his individual capacity in respect of—

Partners.

- (a) his individual interest in the income of the partnership which, if the partnership were liable to pay tax, would have been the income of the partnership remaining after allowing all the deductions under this Act, except the deduction under section twenty-four, together with
- (b) any other income derived by him separately, and
- (c) his individual interests in the income derived by any other partnership :

Provided that where in a partnership formed after the thirteenth day of September One thousand nine hundred and fifteen any partner is not a taxpayer and the Commissioner is not satisfied that that partner is in receipt and control of his share of the income, the partnership shall be assessed and liable, on behalf of that partner, for income tax on his individual interest in the income of the partnership under paragraph (a) of this section, at the rate which would be applicable to a taxable income equal to the income of the partnership remaining after allowing the deductions allowed under this Act.

30.—(1.) Where an individual derives income from a business carried on by himself or in partnership with other persons, and his rate of tax on that income exceeds the rate imposed on the taxable income of a company, he shall be entitled to a rebate in his assessment of a sum equal to the amount by which his tax on fifteen per centum of that income exceeds the tax that would be payable on that percentage of that income, at the rate imposed on the taxable income of a company.

Rebate in
respect of
business
income.
Amended by
No. 27, 1923
s. 16.

(2.) In

(2.) In this section "business" means a business which from its nature and character requires for its efficient working the retention in the business of some part of the income of each year.

Trustees.

31.—(1.) A trustee shall not be liable to pay tax as trustee, except as provided by this Act, but each beneficiary who is not under a legal disability and who is presently entitled to a share of the income of the trust estate shall be assessed in his individual capacity in respect of—

- (a) his individual interest in the income of the trust estate, which if the trustee were liable to pay the tax in respect of the income of the trust estate, would have been the income of the trust estate remaining after allowing all the deductions under this Act, except the deduction under section twenty-four; together with
- (b) any other income derived by him separately; and
- (c) his individual interests in the income derived from any other source.

(2.) A trustee shall be separately assessed and liable to pay tax in respect of that part of the income of the trust estate which if the trustee were liable to pay tax in respect of the income of the trust estate, would have been the income of the trust estate remaining after allowing all the deductions under this Act, except the deduction under section twenty-four, and

- (a) which is proportionate to the interest in the trust estate of any beneficiary who is under a legal disability; or
- (b) to which no other person is presently entitled and in actual receipt thereof and liable as a taxpayer in respect thereof.

(3.) A beneficiary who is under a legal disability, and who is a beneficiary in more than one trust estate, or derives income from any other source, shall be assessed in his individual capacity in respect of—

- (a) his individual interest, upon which the trustee is liable to be assessed under sub-section (2.) of this section, in the income of each trust estate;
- (b) any other income derived by him separately; and
- (c) his individual interests in the income derived from any other source:

Provided that there shall be deducted from the tax assessed against the beneficiary the tax paid by any trustee in respect of the beneficiary's interest in the income of a trust estate.

(4.) For the purposes of this section, where by any deed, will or settlement a trustee is required to hold the income of a trust fund in trust for the beneficiaries specified therein in such manner as he in his absolute discretion thinks fit, a beneficiary in whose favour the trustee exercises his discretion shall be deemed to be presently entitled to the amount of the income of the year paid to him by the trustee in the exercise of his discretion under the deed, will or settlement.

PART

PART IV.—RETURNS AND ASSESSMENTS.

32.—(1.) For the purpose of assessment and levy of income tax, every person shall, when called upon by the Commissioner by notice published in the *Gazette*, furnish to the Commissioner in the prescribed manner a return setting forth a full and complete statement of the income derived by him from sources in Australia during the financial year ending on the preceding thirtieth day of June if—

Persons to furnish returns.

(a) in the case of a person, not an absentee, the total income from all sources in Australia amounts to the sum of Two hundred pounds or upwards;

(b) in the case of a company or an absentee, the total income from all sources in Australia exceeds the sum of One pound.

(2.) The first assessment of income tax under this Act shall be for the financial year commencing on the first day of July One thousand nine hundred and twenty-two, and each subsequent assessment shall be for the succeeding financial year:

Provided that nothing in this sub-section shall prevent the Commissioner requiring returns to be furnished to him before the commencement of any financial year for which income tax is to be assessed.

(3.) When the income of any person cannot be conveniently returned as for the year fixed by this Act, the Commissioner may accept returns made up to the date of the annual balance of the accounts of that person (in this Act referred to as "the accounting period"), and in such case the person shall not be entitled, without the consent of the Commissioner, to alter the period for which his returns are made.

33.—(1.) The Commissioner may at any time require any person to furnish a return or a further and fuller return of income either in respect of the whole or any part of income received by such person, whether on his own behalf or as an agent or trustee, and although a return has been previously made by such person for the same annual period.

New or further and fuller returns.

(2.) All the provisions of this Act shall extend and apply to any such return or further and fuller return, and assessments may be made upon or in respect of it by the Commissioner in such manner as may be necessary.

(3.) In addition to the returns specified in this and the preceding section every person, whether a taxpayer or not, shall, as and when required by the Commissioner, make such further or other returns as the Commissioner requires for the purposes of this Act.

34. Any return purporting to be made or signed by or on behalf of any taxpayer or person shall be deemed to have been duly made and signed by him until the contrary is proved.

Returns deemed to be duly made.

35. From the returns and from any other information in his possession, or from any one or more of these sources, the Commissioner shall cause assessments to be made for the purpose of ascertaining the taxable income upon which income tax shall be levied.

Assessments to be made.

36. If

Assessment in case of default or unsatisfactory return.

36. If—

- (a) any person makes default in furnishing any return ; or
- (b) the Commissioner is not satisfied with the return made by any person ; or
- (c) the Commissioner has reason to believe that any person (though he may not have furnished any return) is a taxpayer, the Commissioner may make an assessment of the amount upon which, in his judgment, income tax ought to be levied, and the person assessed shall be liable to income tax thereon, excepting so far as he establishes on objection that the assessment is excessive.

Alterations of assessment.

37.—(1.) The Commissioner may at any time make all such alterations in or additions to any assessment as he thinks necessary in order to insure its completeness and accuracy, notwithstanding that income tax may have been paid in respect of income included in the assessment :

Provided that every alteration or addition which has the effect of imposing any fresh liability, or increasing any existing liability, shall be notified to the taxpayer affected, and, unless made with his consent, shall be subject to objection :

Provided further that an alteration or addition shall not be made in or to an assessment after the expiration of three years from the date when the tax payable on the assessment was originally due and payable, unless the Commissioner has reason to believe that there has been an avoidance of tax owing to fraud or attempted evasion.

(2.) When any alteration in an assessment has the effect of reducing the taxpayer's liability the Commissioner may refund the taxpayer any tax overpaid :

Provided that where the alteration in the assessment is due to an application by the taxpayer no refund shall be given if the application has not been made within three years after the tax was originally due and payable.

Validity of assessment.

38. The validity of any assessment shall not be affected by reason that any of the provisions of this Act have not been complied with.

Copies as evidence.

39.—(1.) The production of any notice of assessment or of any document under the hand of the Commissioner, Assistant Commissioner, or a Deputy Commissioner purporting to be a copy of a notice of assessment shall—

- (a) be conclusive evidence of the due making of the assessment ; and
- (b) be conclusive evidence that the amount and all the particulars of the assessment are correct ; except in proceedings on appeal against the assessment when it shall be *prima facie* evidence only.

(2.) The production of any document under the hand of the Commissioner, Assistant Commissioner, or a Deputy Commissioner purporting

purporting to be a copy of or extract from any return or notice of assessment, shall for all purposes be sufficient evidence of the matter therein set forth, without producing the original.

40.—(1.) As soon as conveniently may be after an assessment is made the Commissioner shall cause notice in writing of the assessment to be given to the person liable to pay the income tax.

Notice of assessment.

(2.) The omission to give any such notice shall not invalidate the assessment.

PART V.—OBJECTIONS AND APPEALS.

41.—(1.) For the purposes of this Part, there shall be a Board or Boards of Appeal.

Boards of Appeal.

(2.) Each Board shall consist of a Chairman and two other members, who shall be appointed by the Governor-General.

(3.) A Board of Appeal holding office at the commencement of this Act shall continue to hold office as if appointed under this Act.

(4.) The members of a Board shall hold office for a term of seven years, but shall be eligible for re-appointment.

42.—(1.) If any officer of the Public Service of the Commonwealth is appointed a member of a Board, his service as member shall, for the purpose of determining his existing and accruing rights, be counted as public service in the Commonwealth.

Officers of Public Service appointed to Board.

(2.) If any member of the Public Service of a State is appointed a member of a Board, he shall have the same rights as if he had been an officer of a Department transferred to the Commonwealth and were retained in the service of the Commonwealth.

43.—(1.) In the case of the illness, suspension or absence of the Chairman, the Governor-General shall appoint one of the other members to act as Chairman during such illness, suspension or absence.

Illness or suspension of Chairman or member.

(2.) In the case of the illness, suspension or absence of any member of a Board, the Governor-General may appoint a person to act as the deputy of the member during his illness, suspension or absence, and the deputy shall, whilst so acting, have all the powers and perform all the duties of a member.

44.—(1.) A Board of Appeal shall have power to hear such cases as are prescribed, or are referred to it by the Commissioner under this Act.

Powers of Board.

(2.) The provisions of sections fifty-one, fifty-two, and fifty-three of this Act shall apply, so far as applicable, to references by the Commissioner to the Board as if those references were appeals.

45.—(1.) For the conduct of the business of a Board any two members shall form a quorum.

Quorum and voting.

(2.) At a meeting of a Board the decision of the majority shall prevail.

(3.) The

(3.) The Chairman of a Board shall have a deliberative, but not a casting vote.

Board may not be sued.

46. No action or suit shall be brought or maintained against any person who is or has been a member of a Board, for any nonfeasance or misfeasance in connexion with his duties.

Remuneration of members.

47. The Chairman and each of the other members of a Board shall receive such remuneration and travelling allowance as the Governor-General determines, and the Consolidated Revenue Fund is, to the necessary extent, but not exceeding the sum of Ten thousand pounds per annum, hereby appropriated accordingly.

Removal or suspension of member.

48.—(1.) The Governor-General may remove any member of a Board from office on an address praying for his removal being presented to the Governor-General by the Senate and the House of Representatives respectively in the same Session of the Parliament.

(2.) The Governor-General may suspend any member of a Board from office for misbehaviour or incapacity.

(3.) A statement of the cause of the suspension shall be laid before both Houses of the Parliament within seven days after the suspension, if the Parliament is then sitting, or, if the Parliament is not then sitting, then within seven days after the next meeting of the Parliament, and if within sixty days thereafter an address is presented to the Governor-General by the Senate and the House of Representatives praying for the restoration of the member to office, the member shall be restored accordingly, but if no such address is so presented the Governor-General may declare the office of the member to be vacant, and the office shall thereupon become and be vacant.

Vacation of office of member.

49. A member of a Board shall be deemed to have vacated his office if—

- (a) he engages, during his term of office, in any paid employment outside the duties of his office;
- (b) he becomes bankrupt or insolvent, or applies to take the benefit of any Act or State Act for the relief of bankrupt or insolvent debtors, or compounds with his creditors, or makes an assignment of his salary for their benefit;
- (c) except on leave granted by the Governor-General, he absents himself from duty for fourteen consecutive days or for twenty-eight days in any twelve months; or
- (d) he becomes permanently incapable of performing his duties.

Objections.

50.—(1.) A taxpayer who is dissatisfied with the assessment made by the Commissioner under this Act may, within forty-two days after service by post of the notice of assessment, post to or lodge with the Commissioner an objection in writing against the assessment stating fully and in detail the grounds on which he relies.

(2.) The Commissioner shall consider the objection, and may either disallow it, or allow it, either wholly or in part.

(3.) Th

(3.) The Commissioner shall give to the objector written notice of his decision on the objection.

(4.) A taxpayer who is dissatisfied with the decision of the Commissioner may, within thirty days after the service by post of notice of the decision of the Commissioner, in writing request the Commissioner to treat his objection as an appeal and to forward it, as required by the taxpayer, either to the High Court or the Supreme Court of a State (where the objection raises questions of law only), or to the High Court or a Supreme Court or a Board of Appeal (where the objection raises questions of fact).

(5.) Objections which are treated as appeals to a Board of Appeal shall, if the taxpayer's written request is accompanied by a deposit of such amount as is prescribed for the particular class of case, be forwarded to the Board of Appeal by the Commissioner not later than thirty days after receipt by him of the written request.

(6.) A taxpayer shall be limited on the hearing of his appeal to the grounds stated in his objection.

(7.) If the assessment has been reduced by the Commissioner after considering the objection, the reduced assessment shall be the assessment appealed from.

(8.) When the appeal is to the High Court or a Supreme Court, it shall be heard by a single Justice of the Court.

51.—(1.) On the hearing of the appeal, the Court or Board of Appeal may make such order as it thinks fit, and may either reduce or increase the assessment.

Powers of Court and Board on hearing of appeals.

(2.) An order of the Board on questions of fact shall be final and conclusive on all parties.

(3.) An order by the Court shall be final and conclusive on all parties except as provided in this section.

(4.) The costs of the appeal shall be in the discretion of the Court or the Board, as the case may be.

(5.) The Board shall, if it considers an appeal to be frivolous or unreasonable, order the forfeiture of the whole or part of the amount mentioned in sub-section (5.) of the last preceding section.

(6.) On the hearing of the appeal the Board shall, on the request of a party, and the Court may, if the Court thinks fit, state a case in writing for the opinion of the High Court upon any question arising in the appeal which in the opinion of the Board or of the Court, as the case may be, is a question of law.

(7.) The High Court shall hear and determine the question, and remit the case with its opinion to the Court below or to the Board, as the case may be, and may make such order as to costs of the case stated as it thinks fit.

(8.) An appeal shall lie to the High Court, in its appellate jurisdiction, from any order made under sub-section (1.) of this section, except a decision by the Board on a question of fact.

52.—(1.) The

Pending appeal
not to delay
payment of tax.

52.—(1.) The fact that an appeal is pending shall not in the meantime interfere with or affect the assessment appealed from; and income tax may be levied and recovered on the assessment as if no appeal were pending.

(2.) If the assessment is altered on appeal a due adjustment shall be made, for which purpose amounts paid in excess shall be refunded, and amounts short paid shall be recoverable as arrears.

Rules of Court
or Board of
Appeal.

53.—(1.) The Governor-General shall make rules for regulating the practice and procedure in relation to appeals dealt with by a Board of Appeal, and a Board shall not be bound in its consideration of any question by any rules of evidence, but in forming its decision shall be guided by good conscience and the facts of the case.

(2.) The Justices of the High Court or a majority of them may make rules of Court for regulating the practice and procedure in relation to appeals to a Court against assessments.

(3.) All rules by Boards of Appeal or by the Justices of the High Court shall—

- (a) be notified in the *Gazette* ;
- (b) take effect from the date of notification, or from a later date specified in the rules ; and
- (c) be laid before both Houses of the Parliament within thirty days of the making thereof, or if the Parliament is not then sitting, within thirty days after the next meeting of the Parliament.

(4.) If either House of the Parliament passes a resolution of which notice has been given at any time within fifteen sitting days after the rules have been laid before that House, disallowing any rule, that rule shall thereupon cease to have effect.

PART VI.—COLLECTION AND RECOVERY OF TAX.

Date of
payment of tax.

54.—(1.) Income tax shall be due and payable thirty days after the service by post of a notice of assessment.

(2.) Where an assessment is amended in accordance with this Act and additional income tax is thereby payable by the taxpayer, the additional income tax shall be due and payable thirty days after the service by post of the notice of amended assessment upon the taxpayer:

(3.) When the Commissioner has reason to believe that a taxpayer may leave Australia before the tax on an assessment or the additional tax on an amended assessment becomes due and payable, the tax or additional tax shall be due and payable on such date as the Commissioner fixes and notifies to the taxpayer.

(4.) The Commissioner, Assistant Commissioner or Deputy Commissioner may issue to a taxpayer who is about to leave Australia a certificate signed by the Commissioner, Assistant Commissioner or Deputy Commissioner, certifying that all income tax payable by the taxpayer has been paid or that satisfactory arrangements have been made for payment, and unless the taxpayer produces the certificate to the person authorized to issue passports, that person shall not issue a passport to the taxpayer:

Provided

Provided that this sub-section shall not apply to—

- (a) the representatives of an association or club established in any country for the control of any outdoor athletic sport or game in that country visiting Australia for the purpose of engaging in contests in Australia ;
- (b) the representatives of any Government visiting Australia in an official capacity and their entourage ;
- (c) the representatives of any society or association established for educational, scientific, religious or philanthropic purposes visiting Australia for the purpose of attending international or Empire conferences or for the purpose of carrying on investigation or research for such society or association ;
- (d) the representatives of the press outside Australia visiting Australia for the purpose of reporting the proceedings relating to any of the matters referred to in the preceding paragraphs (a), (b) and (c) ; or
- (e) any person visiting Australia and deriving an income in respect of the occupation carried on by him while in Australia, whose visit, in the opinion of the Treasurer, is primarily or principally directed to assisting the Commonwealth Government or a State Government in the settlement or development of Australia.

(5.) Whenever the Commissioner has reason to believe that any taxpayer establishing or carrying on business in Australia intends to carry on that business for a short time only, he may at any time and from time to time require the taxpayer to give security by way of bond or deposit or otherwise to the satisfaction of the Commissioner for the due return of, and payment of income tax on, the income derived from the business.

55. The Commissioner may in such cases as he thinks fit—

- (a) extend the time for payment as he considers the circumstances warrant, or
- (b) permit the payment of tax to be made by instalments within such time as he considers the circumstances warrant.

Time to pay
extensions and
instalments.

56. If the income tax or additional income tax payable on an amended assessment is not paid before the expiration of the time specified in section fifty-four of this Act, or such further time as may be allowed by the Commissioner under section fifty-five of this Act, additional tax shall be payable at the rate of ten per centum per annum upon the amount of tax unpaid, to be computed from the expiration of the time specified in section fifty-four of this Act, or, where further time has been allowed by the Commissioner under section fifty-five of this Act, from the expiration of that further time.

Penal tax.
Amended by
No. 27, 1923,
s. 11.

Provided that the Commissioner may in any particular case, for reasons which in his discretion he thinks sufficient, remit the additional tax imposed or any part thereof.

Amended by
No. 27, 1923,
s. 11.

57.—(1.) Income

Recovery of
tax.

57.—(1.) Income tax shall be deemed when it becomes due and payable to be a debt due to the King on behalf of the Commonwealth and payable to the Commissioner in the manner and at the place prescribed.

(2.) Any income tax unpaid, including any additional tax, may be sued for and recovered in any court of competent jurisdiction by the Commissioner or a Deputy Commissioner suing in his official name.

Substituted
service.

58. If, in any proceedings against a taxpayer for the recovery of income tax or additional income tax, the defendant—

(a) is absent from Australia and has not to the knowledge of the Commissioner after reasonable inquiry in that behalf any attorney or agent in Australia on whom service of process can be effected; or

(b) cannot after reasonable inquiry be found,

service of any process in the proceedings may, without leave of the Court, be effected on him by posting the same or a sealed copy thereof in a letter addressed to him at his last known place of business or abode in Australia.

Liquidator to
give notice.

59.—(1.) Where a company is being wound up the liquidator of the company shall give notice to the Commissioner within fourteen days after the approval of the shareholders for the winding up has been given, or the order for the winding up has been made, and shall set aside such sum out of the assets of the company as appears to the Commissioner to be sufficient to provide for any income tax that becomes payable.

(2.) A liquidator who fails to give notice to the Commissioner or fails to provide for payment of the tax as required by this section shall be personally liable for any income tax that becomes payable in respect of the company.

Agent for
absentee
principal
winding up
business.

60.—(1.) Where an agent for an absentee principal has been required by his principal to wind up the business of his principal, he shall, before taking any steps to wind up the business, notify the Commissioner of his intention so to do, and shall set aside such sum out of the assets of the principal as appears to the Commissioner to be sufficient to provide for any income tax that becomes payable.

(2.) An agent who fails to give notice to the Commissioner or fails to provide for payment of the tax as required by this section shall be personally liable for any income tax that becomes payable in respect of the business of the principal.

When tax not
paid during
lifetime.

61. The following provisions shall apply in any case where, whether intentionally or not, a taxpayer escapes full taxation in his lifetime by reason of not having duly made full complete and accurate returns:—

(a) the Commissioner shall have the same powers and remedies against the executors and administrators of the taxpayer in respect of the taxable income of the taxpayer as he would have had against the taxpayer in his lifetime;

(b) the

- (b) the executors and administrators shall make such returns as the Commissioner requires for the purpose of an accurate assessment ;
- (c) the assessment shall be at the rates payable in respect of years for which the income tax ought to have been paid and the amount shall (where the taxpayer's default was intentional) be double the amount of the difference between the income tax so assessed and the amount actually paid by the taxpayer, and shall be a first charge on all the taxpayer's estate in the hands of the executors and administrators ;
- (d) no lapse of time shall prevent the operation of this section, and the Commissioner may take all such proceedings and exercise all such powers and remedies for the purpose of giving effect to this section and recovering the double tax as in the case of ordinary assessments and taxation

62.—(1.) Where at the time of a person's death, tax has not been assessed and paid on the whole of the income derived by that person up to the date of his death, the Commissioner shall have the same powers and remedies for the assessment and recovery of tax from the executors and administrators as he would have had against that person, if that person were alive.

Provision for payment of tax by executors or administrators.

(2.) The executors or administrators shall furnish a return of any income derived by the deceased person in respect of which no return has been lodged by him.

(3.) Where the executors or administrators are unable or fail to furnish a return, the Commissioner may estimate and make an assessment of the amount on which, in his judgment, tax ought to be charged.

(4.) This section shall not apply to the income derived by a person from—

- (a) the thirtieth day of June ; or
- (b) the end of the accounting period (where the returns lodged were for an accounting period)

immediately preceding his death to the date of his death, if his estate is liable to estate duty under the *Estate Duty Assessment Act 1914-1916*.

63. Every person who, under the provisions of this Act, pays any income tax for or on behalf of any other person shall be entitled to recover the same from that other person as a debt, together with the costs of recovery, or to retain or deduct same out of any money in his hands belonging or payable to that other person.

Recovery of tax paid on behalf of another person.

64. Where two or more persons are jointly liable to income tax they shall each be liable for the whole tax, but any of them who has paid the tax may recover contributions as follows :—

Contributions from joint taxpayers.

- (a) a person who has paid the tax in respect of any of the taxable income may recover by way of contribution from any other

other owner thereof a sum which bears the same proportion to the tax as the share of the taxable income of such other person bears to the whole of the taxable income ;

- (b) every person entitled to contribution in respect of income tax under this section may sue therefor in any court of competent jurisdiction as money paid to the use of the person liable to contribute at his request ; or may retain or deduct the amount of the contribution out of any moneys in his hands belonging or payable to the person liable to contribute.

Commissioner may collect tax from person owing money to taxpayer.

65.—(1.) The Commissioner may, by notice in writing (a copy of which shall be forwarded to the taxpayer to the last place of address known to the Commissioner), require—

- (a) any person by whom any money is due or accruing due to a taxpayer ;
 (b) any person who holds money for or on account of a taxpayer ;
 (c) any person who holds money on account of some other person for payment to a taxpayer ; or
 (d) any person having authority from some other person to pay money to a taxpayer,

to pay to him, forthwith, or within such further time as the Commissioner, Assistant Commissioner, or Deputy Commissioner allows, the money or so much thereof as is sufficient to pay the tax due by the taxpayer or the fines and costs (if any) imposed by a Court on him in respect of an offence against this Act.

(2.) Any person who fails to comply with any notice under this section shall be guilty of an offence.

Penalty : Fifty pounds.

(3.) Where the amount payable by the person to the taxpayer is less than the amount of tax due by the taxpayer, the person shall pay to the Commissioner in reduction of the amount of tax due the amount payable by that person to the taxpayer.

(4.) Any person making any payment in pursuance of this section shall be deemed to have been acting under the authority of the taxpayer and of all other persons concerned and is hereby indemnified in respect of such payment.

(5.) If the tax due by the taxpayer, or the fine and costs (if any) imposed by a court on him, are paid before any payment is made under a notice given in pursuance of this section, the Commissioner shall forthwith give notice to the person of the payment.

(6.) In this section—

“ Tax ” means income tax and includes additional tax imposed by this Act or by any Act incorporated with this Act, and any judgment debt and costs in respect of tax ;

“ Person ” includes company, partnership, Commonwealth or State Officer, and any public authority (corporate or unincorporate) of the Commonwealth or a State.

PART

PART VII.—PENAL PROVISIONS.

66.—(1.) Any person who—

Offence.

- (a) fails or neglects to duly furnish any return or information or give the security required by sub-section (5.) of section fifty-four of this Act or to comply with any requirement of the Commissioner as and when required by this Act or the regulations, or by the Commissioner ; or
- (b) without just cause shown by him refuses or neglects to duly attend and give evidence when required by the Commissioner or any officer duly authorized by him, or to truly and fully answer any questions put to him, or to produce any book or papers required of him by the Commissioner or any such officer ; or
- (c) makes or delivers a return which is false in any particular or makes any false answer whether verbally or in writing,

shall be guilty of an offence.

Penalty : Not less than Two pounds nor more than One hundred pounds.

(2.) A prosecution in respect of an offence against paragraph (a) or (c) of sub-section (1.) of this section may be commenced at any time.

(3.) Any person who, after conviction for an offence against this section, continues to fail to comply with the requirements of this Act, or of the regulations, or of the Commissioner, in respect of which he was convicted, shall be guilty of an offence and punishable as provided in section sixty-nine of this Act.

(4.) It shall be a defence to a prosecution for an offence against paragraph (c) of sub-section (1.) of this section if the defendant proves that the false particulars were given or the false statement was made through ignorance or inadvertence.

67.—(1.) Notwithstanding anything contained in the last preceding section, any person who—

Additional tax
in certain cases.
Amended by
No. 27, 1923,
s. 12.

- (a) fails or neglects to duly furnish any return or information as and when required by this Act or the regulations or by the Commissioner ; or
- (b) fails to include any assessable income in any return ; or
- (c) includes in any return as a deduction an amount which is in excess of that actually expended or incurred by him,

shall, if a taxpayer, be liable, except as provided by this section, to pay additional tax at the rate of ten per centum per annum upon the amount of tax assessable to him (to be paid from the expiration of the time specified in section fifty-four of this Act, or, where further time has been allowed by the Commissioner under section fifty-five of this Act, from the expiration of that further time), or the sum of One pound, whichever is the greater, in any case coming under paragraph (a) hereof, or, if the case comes under paragraph (b) or (c) hereof, shall be liable to pay by way of

of additional tax the amount of One pound or double the tax which would have been evaded if the assessment had been based on the return lodged, whichever is the greater, in addition to any additional tax which may become payable by him in accordance with section fifty-six of this Act:

Provided that the Commissioner may, in any particular case, for reasons which he thinks sufficient, remit the additional tax or any part thereof.

(2.) If the Commissioner considers that the circumstances of any case warrant action being taken to recover the penalty provided by the last preceding section or by the next succeeding section, such action may be taken by the Commissioner, and in that case the additional tax payable under this section shall not be charged.

Under-
statement of
income.

68. Any person who, with intention to defraud, in any return understates the amount of any income, shall be guilty of an offence.

Penalty: Not less than Fifty pounds, nor more than Five hundred pounds, and in addition an amount equal to treble the amount of income tax which would have been avoided if the income stated in the return had been accepted as the correct income.

Avoiding
taxation.

69. Any person who, by any wilful act, default or neglect, or by any fraud, art or contrivance whatever, avoids or attempts to avoid assessment or taxation, shall be guilty of an offence.

Penalty: Not less than Fifty pounds nor more than Five hundred pounds and in addition treble the amount of tax payment whereof he has avoided or attempted to avoid.

Time for
commencing
prosecutions.

70. A prosecution in respect of an offence against either of the two last preceding sections may be commenced at any time within three years after the commission of the offence.

Penalties not
to relieve from
tax.

71. Payment of penalties under this Act shall not relieve any person from liability to assessment and payment of any tax for which he would otherwise be liable.

Obstructing
officers.

72. Any person who obstructs or hinders any officer acting in the discharge of his duty under this Act, or the regulations, shall be guilty of an offence.

Penalty: Not less than One pound nor more than Fifty pounds.

PART VIII.—TAXATION PROSECUTIONS.

Taxation
prosecutions.

73. Proceedings by the Crown for the recovery of penalties under this Act are hereinafter referred to as "taxation prosecutions"

How instituted.

74. Taxation prosecutions may be instituted in the name of the Commissioner by action, information or other appropriate proceeding—

- (a) in the High Court of Australia; or
- (b) in the Supreme Court of any State,

and

and when the prosecution is for a pecuniary penalty not exceeding Five hundred pounds or the excess is abandoned, the taxation prosecution may be instituted in the name of the Deputy Commissioner—

(c) in a County Court, District Court, Local Court or Court of Summary Jurisdiction.

75.—(1.) Where any taxation prosecution has been instituted by an officer in the name of the Commissioner or Deputy Commissioner the prosecution shall, in the absence of evidence to the contrary be deemed to have been instituted by the authority of the Commissioner or the Deputy Commissioner, as the case may be.

Evidence of authority to institute proceedings.

(2.) The production of a telegram purporting to have been sent by the Commissioner or Deputy Commissioner and purporting to authorize an officer to institute any taxation prosecution or proceedings shall be admissible as evidence in the prosecution or proceedings, and shall be accepted as evidence of the authority of the officer to institute the prosecution or proceedings in the name of the Commissioner or Deputy Commissioner, as the case may be.

76. In any taxation prosecution where the penalty exceeds One hundred pounds and the excess is not abandoned, the defendant within seven days after service of process shall have the right in manner prescribed to elect to have the case tried in the option of the prosecutor either in the High Court of Australia or in the Supreme Court of the State in which the prosecution has been instituted and thereupon the proceedings shall stand removed accordingly and may be conducted as if originally instituted in the Court to which they are so removed.

Defendant to have right of trial in High or State Court.

77. Every taxation prosecution in the High Court of Australia or the Supreme Court of any State may be commenced prosecuted and proceeded with in accordance with any rules of practice established by the Court for Crown suits in revenue matters or in accordance with the usual practice and procedure of the Court in civil cases or in accordance with the directions of the Court or a Judge.

Prosecution in accordance with Practice Rules.

78. Subject to this Act the provisions of the law relating to summary proceedings before Justices in force in the State where the proceedings are instituted shall apply to all taxation prosecutions before a Court of Summary Jurisdiction in that State and an appeal shall lie from any conviction or order of dismissal to the Court, and in the manner, provided by the law of the State where such a conviction or order is made for appeals from convictions or orders of dismissal.

State Court practice.

79. All informations, summonses, convictions and warrants shall suffice if the offence is set forth as nearly as may be in the words of this Act.

Information, &c., to be valid if in words of Act.

80.—(1.) An objection shall not be taken or allowed to any information or summons for any alleged defect therein in substance or in form or for any variance between the information or summons and the

No objection for informality.

the evidence adduced at the hearing in support thereof, and the Court shall at all times make any amendment necessary to determine the real question in dispute or which may appear desirable.

(2.) If any such defect or variance appears to the Court to be such that the defendant has been thereby deceived or misled, it shall be lawful for the Court, upon such terms as it thinks just, to adjourn the hearing of the case to some future day.

Conviction not to be quashed.

81. A conviction, warrant of commitment or other proceeding, matter or thing done or transacted in relation to the execution or carrying out of any taxation act shall not be held void, quashed or set aside by reason of any defect therein or want of form, and no party shall be entitled to be discharged out of custody on account of such defect.

Protection to witnesses.

82. A witness on behalf of the Commissioner or Deputy Commissioner in any taxation prosecution shall not be compelled to disclose the fact that he received any information or the nature thereof or the name of the person who gave such information and an officer appearing as a witness shall not be compelled to produce any reports made or received by him confidentially in his official capacity or containing confidential information.

Averment of prosecution sufficient.

83. In every taxation prosecution the averment of the prosecutor or plaintiff contained in the information, declaration or claim shall be deemed to be proved in the absence of proof to the contrary, but so that when an intent to defraud the revenue is charged the averment shall not be deemed sufficient to prove the intent.

Minimum penalties.

84. No minimum penalty proposed by this Act shall be liable to reduction under any power of mitigation which would but for this section be possessed by the Court.

Treatment of convicted offenders.

85. Where any pecuniary penalty is adjudged to be paid by any convicted person the Court—

- (a) may commit the offender to gaol until the penalty is paid ; or
- (b) may release the offender upon his giving security for the payment of the penalty ; or
- (c) may exercise for the enforcement and recovery of the penalty any power of justice or execution possessed by the Court for the enforcement and recovery of penalties in any other case.

Release of offenders.

86. The gaoler of any gaol to which any person has been committed for non-payment of any penalty shall discharge such person—

- (a) on payment to him of the penalty adjudged ;
- (b) on a certificate by the Commissioner or the Deputy Commissioner that the penalty has been paid or released ;
- (c) if

(e) if the penalty adjudged to be paid is not paid or released according to the following table :—

Amount of Penalty.	Period after commencement of imprisonment on the expiration of which defendant is to be discharged.
£2 and under	7 days.
Over £2 and not more than £5	14 days.
Over £5 and not more than £20	1 month.
Over £20 and not more than £50	2 months.
Over £50 and not more than £100	3 months.
Over £100 and not more than £200	6 months.
Over £200	1 year.

87. In all taxation prosecutions the Court may award costs against any party and all provisions of this Act relating to the recovery of penalties except commitment to gaol shall extend to the recovery of any costs adjudged to be paid. Parties may recover costs.

PART IX.—MISCELLANEOUS.

88. Every company which carries on business in Australia shall at all times be represented by a person residing in Australia duly appointed by the company or by its duly authorized agent or attorney, and with respect to every such company and person the following provisions shall apply :— Public officer of company.

- (a) such person shall be called the public officer of the company for the purposes of this Act and shall, if not already appointed, be appointed within three months after the commencement of this paragraph or after the company commences to carry on business in Australia ;
- (b) the company shall keep the office of public officer constantly filled and no appointment of a public officer shall be deemed to be duly made until after notice thereof in writing, specifying the name of the officer and address for service, has been given to the Commissioner ;
- (c) if the company fails or neglects to duly appoint a public officer when and as often as such appointment becomes necessary, it shall be guilty of an offence.
Penalty : Fifty pounds for every day during which the failure or neglect continues ;
- (d) service of any document at the address for service or on the public officer of a company shall be sufficient service upon the company for all the purposes of this Act or the regulations, and if at any time there is no public officer then service upon any person acting or appearing to act in the business of the company shall be sufficient ;
- (e) the public officer shall be answerable for the doing of all such things as are required to be done by the company under this Act or the regulations by a taxpayer, and in case of default shall be liable to the same penalties :

(f) everything

- (f) everything done by the public officer which he is required to do in his representative capacity shall be deemed to have been done by the company. The absence or non-appointment of a public officer shall not exclude the company from the necessity of complying with any of the provisions of this Act or the regulations, or from the penalties of the section on the failure to comply therewith, but the company shall be liable to the provisions of this Act as if there were no requirement to appoint a public officer ;
- (g) in any proceedings under this Act taken against the public officer of the company the proceedings shall be deemed to have been taken against the company, and the company shall be liable for any penalty imposed upon the public officer.

89. With respect to every agent and with respect also to every trustee, the following provisions shall apply :—

- (a) he shall be answerable as taxpayer for the doing of all such things as are required to be done by virtue of this Act in respect of the income derived by him in his representative capacity or derived by the principal by virtue of his agency and the payment of income tax thereon ;
- (b) he shall in respect of such income make the returns and be assessed thereon, but in his representative capacity only, and each return and assessment shall, except as otherwise provided by this Act, be separate and distinct from any other ;
- (c) if he is an executor or administrator, the returns shall be the same as far as practicable as the deceased person, if living, would have been liable to make ;
- (d) where as agent or trustee he pays income tax, he is hereby authorized to recover the amount so paid from the person in whose behalf he paid it, or to deduct it from any money in his hands belonging to that person ;
- (e) he is hereby authorized and required to retain from time to time out of any money which comes to him in his representative capacity so much as is sufficient to pay the income tax which is or will become due in respect of the income ;
- (f) he is hereby made personally liable for the income tax payable in respect of the income if, after the Commissioner has required him to make a return, or while the tax remains unpaid, he disposes of or parts with any fund or money which comes to him from or out of which income tax could legally be paid, but he shall not be otherwise personally liable for the tax :

Provided that the Commissioner may, upon application by the agent, permit disposal of such fund or money or part thereof as he considers necessary ;

(g) h.

- (g) he is hereby indemnified for all payments which he makes in pursuance of this Act or by requirements of the Commissioner;
- (h) for the purpose of insuring the payment of income tax the Commissioner shall have the same remedies against attachable property of any kind vested in or under the control or management or in the possession of any agent or trustee, as he would have against the property of any other taxpayer in respect of income tax, and in as full and ample a manner.

90. With respect to every person who has the receipt control or disposal of money belonging to a person resident out of Australia, who derives income from a source in Australia or who is a shareholder, stock holder, debenture holder, or depositor in a company carrying on business in Australia, the following provisions shall, subject to this Act, apply:—

Person in receipt or control of money for absentee.

- (a) he shall when required by the Commissioner pay the income tax due and payable by the person on whose behalf he has the control receipt or disposal of money;
- (b) where he pays income tax in accordance with the preceding paragraph he is hereby authorized to recover the amount so paid from the person on whose behalf he paid it or to deduct it from any money in his hands belonging to that person;
- (c) he is hereby authorized and required to retain from time to time out of any money which comes to him on behalf of the person resident out of Australia so much as is sufficient to pay the income tax which is or will become due by that person;
- (d) he is hereby made personally liable for the income tax payable by him on behalf of the person resident out of Australia if after the Commissioner has required him to pay the tax he disposes of or parts with any fund or money then in his possession or which comes to him from or out of which the income tax could legally be paid, but he shall not be otherwise personally liable for the tax:

Provided that the Commissioner may upon application permit disposal of such fund or money or part thereof as he considers necessary;

- (e) he is hereby indemnified for all payments which he makes in pursuance of this Act or by requirements of the Commissioner.

91. In the case of prizes in lotteries, the Commissioner may, if he considers it necessary for the protection of the revenue so to do, appoint the person liable to pay a prize in a lottery as agent for the person entitled to receive the prize and may call upon the agent to pay income tax at such rate as is declared by the Parliament:

Payment of tax in respect of lotteries.

Provided

Provided that the agent shall not be entitled to any of the deductions allowed under this Act.

Payment of
absentee's tax
by banker.

92. Where any income of any person outside Australia is paid into the account of that person with a banker, the banker shall be deemed the person's agent in respect of the money so paid so long as he is indebted in respect thereof, and shall be subject to the provisions of section eighty-nine of this Act and entitled to the benefits conferred by that section.

Contracts to
evade tax void.

93. Every contract, agreement, or arrangement made or entered into, in writing or verbal, whether before or after the commencement of this Act, shall, so far as it has or purports to have the purpose or effect of in any way, directly or indirectly—

- (a) altering the incidence of any income tax ; or
- (b) relieving any person from liability to pay any income tax or make any return ; or
- (c) defeating, evading, or avoiding any duty or liability imposed on any person by this Act ; or
- (d) preventing the operation of this Act in any respect ;

be absolutely void, but without prejudice to its validity in any other respect or for any other purpose.

Covenant by
mortgagor
to pay tax.

94. A covenant or stipulation in a mortgage of land, which has or purports to have the purpose or effect of imposing on the mortgagor the obligation of paying income tax on the interest to be paid under the mortgage—

- (a) if the mortgage was entered into on or before the thirteenth day of September One thousand nine hundred and fifteen—shall not be valid to impose on the mortgagor the obligation of paying income tax to any greater amount than the amount (if any) which would have been payable by the mortgagor if his taxable income consisted solely of a sum equivalent to the amount of interest to be paid under the mortgage without taking into account any income tax payable on that interest ; and
- (b) if the mortgage was entered into after that date—shall be absolutely void.

Release of
taxpayers
in cases of
hardship.

95.—(1.) In any case where it is shown to the satisfaction of a Board consisting of the Commissioner, the Secretary to the Treasurer and the Comptroller-General of Customs—

- (a) that a taxpayer liable to pay income tax has become bankrupt or insolvent ; or
- (b) that a taxpayer has suffered such a loss or is in such circumstances, or, owing to the death of a person, who, if he had lived, would have paid tax, the dependants of that person

are in such circumstances, that the exaction of the full amount of tax will entail serious hardship,

the Board may release the taxpayer or the executor or administrator of the deceased person (as the case may be) wholly or in part from his liability, and the Commissioner may make such entries and alterations in the assessment as are necessary for that purpose.

(2.) The Commissioner shall be Chairman of the Board and the decision of the majority shall prevail.

96. The Commissioner, or any officer authorized by him in that behalf, shall at all times have full and free access to all buildings, places, books, documents and other papers for any of the purposes of this Act and for that purpose may make extracts from or copies of any such books, documents or papers.

Access to books, &c.

97.—(1.) The Commissioner may by notice in writing require any person, whether a taxpayer or not—

Department to obtain information and evidence.

- (a) to furnish him with such information as he may require; and
- (b) to attend and give evidence before him or before any officer authorized by him in that behalf concerning his or any other person's income or assessment, and may require him to produce all books, documents and other papers whatever in his custody or under his control relating thereto.

(2.) The Commissioner may require the information or evidence to be given on oath and either verbally or in writing and for that purpose he or the officer so authorized by him may administer an oath.

(3.) The regulations may prescribe scales of expenses to be allowed to persons required under this section to attend.

98. Notwithstanding anything contained in any Act repealed by this Act, a person who was on active service with or in any way attached to the Naval Forces of the Commonwealth during the war which commenced on the fourth day of August One thousand nine hundred and fourteen shall not, by reason of such service, be entitled to exemption in respect of income derived by him from personal exertion after the thirtieth day of June One thousand nine hundred and twenty-one.

Naval service.

99. Statutory Rules 1922, No. 150, shall have effect, and shall be deemed to have had effect, in relation to assessments for the financial year commencing on the first day of July One thousand nine hundred and twenty-one, as if they had been made on the first day of July One thousand nine hundred and twenty-one.

Validation of Statutory Rules 1922, No. 150.

100. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed or which are necessary or convenient to be prescribed for giving effect to this Act, and for prescribing penalties not less than One pound nor more than Twenty pounds for any breach of the regulations.

Regulations.

THE

THE SCHEDULE.

Income Tax Assessment Act 1915.
Income Tax Assessment Act (No. 2) 1915.
Income Tax Assessment Act 1916.
Income Tax Assessment Act (No. 2) 1916.
Income Tax Assessment Act 1918.
Income Tax Assessment Act 1921.
Income Tax Assessment Act (No. 2) 1921.

STATUTORY RULES.

1924. No. 23.

REGULATIONS UNDER THE INCOME TAX ASSESSMENT ACT 1922-1923.

THE GOVERNOR-GENERAL in and over the Commonwealth of Australia, acting with the advice of the Federal Executive Council, hereby make the following Regulations under the *Income Tax Assessment Act 1922-1923*, to come into operation as from the 21st November, 1923.

Dated this thirteenth day of February, 1924.

FORSTER,
Governor-General.

By His Excellency's Command,

LITTLETON E. GROOM,
for Treasurer.

AMENDMENT OF THE INCOME TAX REGULATIONS 1922.

(Statutory Rules 1923, No. 12, as amended to this date.)

Regulation 38E of the *Income Tax Regulations 1922* is amended by omitting sub-regulation (1) and inserting in its stead the following sub-regulation:—

“(1) A taxpayer who desires that his case shall be referred to a Board of Appeal shall forward to the Commissioner a written request to that effect within thirty days after service by post of notice of the decision of the Commissioner, or, in the case of determinations under section twenty-one of the Act, within thirty days after service by post of the demand for the additional tax, stating fully and in detail the grounds on which he relies.”

STATUTORY RULES.

1923. No. 197.

REGULATIONS UNDER THE INCOME TAX ASSESSMENT ACT 1922-1923.

I THE GOVERNOR-GENERAL in and over the Commonwealth of Australia, acting with the advice of the Federal Executive Council, hereby make the following Regulations under the *Income Tax Assessment Act 1922-1923*, to come into operation forthwith.

Dated this eleventh day of December, 1923.

FORSTER,
Governor-General.

By His Excellency's Command,
THOS. W. CRAWFORD,
for the Treasurer.

AMENDMENT OF THE INCOME TAX REGULATIONS 1922. (Statutory Rules 1923, No. 12.)

Table III. of the Schedule to the Income Tax Regulations 1922 is repealed and the following new table inserted in its stead:--

TABLE III.

The limits within which a taxpayer may select the cost price in relation to natural increase of live stock.

	Sheep.	Cattle.	Horses.	Pigs.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Minimum Value	0 2 6	0 10 0	0 15 0	0 5 0
Maximum Value	0 10 0	5 0 0	3 0 0	1 0 0

STATUTORY RULES.

1923. No. 177.

REGULATIONS UNDER THE INCOME TAX ASSESSMENT ACT 1922-1923.

[THE GOVERNOR-GENERAL in and over the Commonwealth of Australia, acting with the advice of the Federal Executive Council, hereby make the following Regulations under the *Income Tax Assessment Act* 1922-1923 to come into operation forthwith.

Dated this twenty-first day of November, 1923.

FORSTER,
Governor-General.

By His Excellency's Command,
THOS. W. CRAWFORD,
for Treasurer.

AMENDMENT OF THE INCOME TAX REGULATIONS 1922.

(Statutory Rules 1923, No. 12.)

1. Regulation 2 of the *Income Tax Regulations* 1922 is amended by inserting therein after the words "Part IVA.—Appeals to High Court under Section 51 of the Act" the words "Part IVB.—References to an Income Tax Board of Appeal."

2. Regulation 3 of the *Income Tax Regulations* 1922 is amended by inserting after the figures "1922" the sign and figures "-1923".

3. Regulation 6 of the *Income Tax Regulations* is amended—

(a) by omitting paragraph (b) and inserting the following new paragraph in its stead:—

"(b) A statement showing—

"(i) the names and addresses of all shareholders to whom dividends or profits were credited, paid or distributed during the twelve months preceding the financial year for which income tax is payable; and

"(ii) the amount (if any) of profits credited, paid or distributed to each shareholder during the twelve months preceding the financial year for which income tax is payable, whether or not the period covered by the company's return differs from such financial year;"

(b) by omitting sub-paragraph (i) of paragraph (c) thereof;

(c) by omitting from sub-paragraph (i) of paragraph (d) thereof the words "or dividends distributed" and inserting in their stead the words "paid or credited";

(d) by omitting from sub-paragraph (i) of paragraph (d) thereof the words "or share stock";

(e) by omitting from sub-paragraph (ii) of paragraph (d) thereof the words "or share stock";

(f) by omitting from sub-paragraph (ii) of paragraph (d) thereof the words "or dividend distributed" and inserting in their stead the words "paid or credited"; and

(g) by inserting in sub-paragraph (ii) of paragraph (d) thereof, before the word "return" the word "company's".

4. The *Income Tax Regulations* 1922 are amended by inserting therein after Part IVA. the following Part and Section :—

“ PART IVB.—REFERENCES TO AN INCOME TAX BOARD OF APPEAL.”

References. “ 38E. (1) A taxpayer who desires that his case shall be referred to a Board of Appeal shall forward to the Commissioner a written request to that effect within thirty days after service by post of notice of the decision of the Commissioner, or from the commencement of this Regulation (whichever last happens), stating fully and in detail the grounds on which he relies.

(2) The Commissioner shall, if a written request is received by him within the time fixed by the last preceding sub-regulation, refer the case to a Board of Appeal not later than sixty days after the receipt by him of the request.

(3) A taxpayer shall be limited on the hearing of his case by a Board of Appeal to the grounds stated in his written request to the Commissioner.”

5. Regulation 48 of the *Income Tax Regulations* 1922 is amended by omitting the word and figures “section 67” and inserting in their stead the word and figures “section 66”.

6. Regulation 50 of the *Income Tax Regulations* 1922 is repealed and the following Regulation inserted in its stead :—

Live stock. “ 50 (1) For the purpose of sub-paragraph (ii) of paragraph (a) of Section 16 of the Act, the limits within which a taxpayer may select the cost price in relation to the natural increase of the various species of live stock shall be as set forth in Table III. in the schedule.

(2) For the purpose of paragraph (aa) of Section 16 of the Act the notice of election shall be in the following form :—

Commonwealth of Australia.
Income Tax Assessment Act 1922-1923.

NOTICE OF ELECTION UNDER SECTION 16 (aa).

I, _____ of _____ in the State of _____ hereby elect to omit from the account required by paragraph (a) of Section 16 of the above Act, the value of all natural increase of the live stock owned by me and born during the year to which the account relates.

Dated this _____ day of _____ 192 .
Signature.

(3) The notice of election shall be delivered at the office of the Commissioner :—

(a) in the case of persons lodging returns during the year 1923, on or before the thirty-first day of December 1923 ;

(b) in the case of persons who have not lodged returns during the year 1923—

within three months of the date of the first lodging of a return after the thirty-first day of December, 1923.”

7. Regulation 52 of the *Income Tax Regulations* 1922 is amended by omitting the word and figures “Section 99” and inserting in their stead the word and figures “Section 97.”

8. The schedule to the *Income Tax Regulations* is amended :—

(a) By omitting the first form and inserting the following form in its stead :—

THE SCHEDULE.

First Form.

Taxation Office Stamp only.

Affix full postage and send this Return to the Deputy Federal Commissioner of Taxation, Box 789, G.P.O., Melbourne.

[Write Plainly.]

FEDERAL INCOME TAX.

File No.....

RETURN OF INCOME DERIVED FROM ALL SOURCES IN AUSTRALIA AND PAPUA DURING THE TWELVE MONTHS FROM 1ST JULY TO 30TH JUNE.

Name in full of Person (Mr., Mrs., or Miss). Partnership, or Trust, Estate, for whom Return is made	Surname.	Christian Names.
	

(Write plainly, and write name in block type—example : JONES, JOHN.)

Occupation.....Residing at.....
(State actual nature of business—Merchant, Manufacturer, &c., is not sufficient.) (Full residential address.)

Postal Address for service of Notices.....
(You are required to notify to the Deputy Commissioner any change of address for service of notices, &c.)

If Return is made by an Agent for a Principal or a Trustee for a Trust Estate state full name and address of Agent or Trustee—
.....

Last Return Lodged at Federal Taxation Office at*.....
(Here state Capital City.)

Last Reference No..... my postal address on that date being.....
(Here quote File No. on last Assessment Notice.) *If lodged in Melbourne, state whether furnished to P.O. Buildings, or Elisabeth House.

This return should be lodged before 31st August. -- Please read Instructions.

PART A.—INCOME FROM PERSONAL EXERTION (WHEN PART C OR D UNSUITABLE).		£	Office only. £
1.	Salary, wages, stipend, bonuses, and overtime as employee of.....		
2.	Value of quarters, board, travelling and sustenance allowances, &c., allowed to me by employer (attach list) ..		
3.	Rental value to me of premises provided by my employer and used by me for purposes of residence ..		
4.	Share in partnership of..... (Vide Partnership Return lodged with the Deputy Federal Commissioner of Taxation at.....)		
5.	Income as beneficiary under will, settlement, deed of gift, or instrument of trust of..... (if trust income is from personal exertion (vide Trust Return lodged with the Deputy Federal Commissioner of Taxation at.....)) ..		
6.	Fees, commissions (attach list). Professional income to be shown at Item 33, Part C ..		
7.	Pension (not being a War Pension), superannuation, or retiring allowance ..		
8.	Five per centum of retiring allowance or gratuity received in a lump sum. (Total amount received, £.....)		
9.	Profits from sales of land purchased for re-sale (attach full particulars) ..		
	Total Income	£	
<i>Deductions.</i>			
(Unless lists as specified hereunder are attached in support of claims for deductions such deductions may be disallowed, wholly or in part.)			
10.	Interest (other than interest on mortgage secured on my own home) actually paid on borrowed money to .......the principal sum being employed for the following purposes:—		
11.	Sums paid by way of commission for collecting Income paid to of		
12.	Any other deductions (attach list)		
	13. Amount actually paid for fidelity guarantee or bond or premiums or sums paid by me to Company on the insurance effected in Australia of my own life or that of my wife or children, or for deferred annuity or other similar provision. (Note.—Maximum amount allowable is £50) ..		
	14. Payments to a superannuation, sustentation, or widows' or orphans' fund, or any friendly society in Australia (contributions to a trade union not allowed by the law). (Name of Society.....). (Note.—Maximum amount allowable is £100) ..		
	15. Gifts exceeding £5 each to public charitable institutions in Australia. Deductions under this head will not be allowed unless verification in the nature of receipts, cheque butts, &c., is submitted. ..		
	16. Deduction of £50 for each child under 16 years of age at 1st July, .. wholly maintained by me. Give full particulars in Statement No. 6. A proportionate amount will be allowed in respect of a child born between 1/7/ and 30/6/ ..		
17.	State Income Tax paid in respect of personal exertion income		
	Total Deductions	£	

Deductible from Income from Personal Exertion or Property, whichever is greater.

PART B.—INCOME FROM PROPERTY.

18. Gross rents—including rent from subletting (attach list)		
19. Share in partnership of.....(where partnership income is from property) (Vide Partnership Return lodged with the Deputy Federal Commissioner of Taxation at.....)		
20. Dividends, interest, &c., received by or credited to me, as per Statements 7 and 8		
21. Annuities, royalties, bonuses in the nature of royalties, tributes, licences, &c., and premiums, fines, or foregifts received in connexion with leases (attach list)		
22. Income as beneficiary under will, settlement, deed of gift, or instrument of trust of..... (if the trust income is from property, vide Trust Return lodged with the Deputy Federal Commissioner of Taxation at.....)		
23. Profits from sales or assignments of leases (details to be attached)		
Total Income	£	

Deductions.

24. Rates and taxes, &c., not charged to a business, as per list attached (but not including Federal Income Tax) (State Income Tax paid in respect of personal exertion income and property income to be shown against Items 17 and 25 respectively)		
25. State Income Tax paid in respect of property income		
26. Repairs (not including alterations, additions, or improvements) to properties from which rent is received (attach list)		
27. Fire and burglary insurance premiums paid on income-producing property (attach list)		
28. Interest paid to.....of.....on borrowed money used to produce income from property		
29. Commission paid to.....of.....for collection of income from property		
30. Rent paid to.....of.....for property from which rent is received		
31. Calls paid out of income to Australian mining companies and mining syndicates mining for gold, silver, base metals, rare metals or oil, and companies carrying on afforestation as their principal business (attach list)		
32. Any other deductions (attach list)		
Total Deductions	£	
Net Income from Property	£	

If no previous Returns have been lodged, please give reasons.

Declaration.

I, the person making this Return, declare that the particulars shown therein, both in this and the succeeding pages, and also those stated in the Forms, Balance-sheets, Documents, and Lists herewith, are true and correct in every particular, and disclose without reservation or exception a true and complete statement of all Income liable to taxation derived from all sources in Australia and Papua byduring the year 1st July to 30th June.*

* If the accounts of the business have been made up for any other period, alter this declaration accordingly. Initial the alteration.

Dated this.....day of (Sign here.)
.....192 . Usual Signature.....

This Declaration should, if possible, be signed by all individual taxpayers personally.

PART C.—INCOME FROM A TRADE, BUSINESS, MANUFACTURE, OR CONCERN NOT SHOWN IN PARTS A OR B.

(Attach Balance-sheet and Trading and Profit and Loss Account.)

	£	Office only. £
33. Gross Income from Profession.....		
Nature of Business..... (Other than Professions)		
34. Gross Sales—cash and credit—for the year ended 30/6/ . If sales are cash only strike out "credit"		
35. Stock and materials on hand, 30/6/ (not including plant and fixtures), at cost or replacement price or market selling value. All amounts written off, cost of stock, and basis of values to be disclosed ..		
36. Value of goods (not included in sales) taken from stock and used :—		
(a) for maintenance of self, family, and employees		
(b) for other purposes, or used in carrying on the business		
(c) used as plant or for additions to buildings, &c.		
Total	£	
Deduct—		
37. Stock and materials (not including plant and fixtures) on hand, 30/6/ £.....		
38. Net purchases for business only of stock during year ended 30/6/ £.....		
Total of 37 and 38		
Net amount	£	
Add—		
39. Income from commissions, discounts, rebates, sundry credits and bad debts recovered		
40. Income from other business sources (attach list)		
41. Proportion of rent paid for that part of rented business premises used as a residence		
Total Income	£	

PART D.—INCOME OF FARMER, PASTORALIST, OR HORTICULTURIST NOT SHOWN IN PARTS A. OR B.

Nature of Business	£	Office only. £
42. Gross Sales—Cash and Credit—for Year ended 30/6/		
are cash only, strike out "credit"—		
(a) Wool £..... skins and hides £.....		
(b) Tallow, &c., £.....		
(c) Meat, poultry, &c.		
(d) Milk, cream, butter, cheese, eggs, &c.		
(e) { Wheat (Total from Statement No. 2)		
{ Other Grain, hay, fodder, potatoes, &c.		
(f) Timber, firewood, bark, &c.		
(g) Wine, fruit, vegetables, &c.		
(h) Cotton		
(i) Other receipts from farm, station, or orchard		
43. Total Value of Column B, Live Stock Schedule		
44. Value of stock and produce given in exchange for goods, provisions, &c.		
45. Value of milk, butter, eggs, and vegetables, &c., taken from the business for household use and sustenance of employees ..		
46. Value on hand at 30/6/ of—		
(a) Farm and orchard produce		
(b) Wool £....., skins, hides, &c., £.....		
47. Gross amount earned from contracts, cartage, or any other work ..		
48. Income from other business sources (attach list). This should include any produce given away, or milk, cream, &c., given to members of family or sold in their names		
49. Proportion of rent paid for that part of rented business premises used as a residence		
Total	£	
Less—		
50. (a) Value on hand at 1/7/ of—	£	
(1) Farm and orchard produce £.....		
(2) Wool £....., skins, hides, &c., £.....		
(b) Purchases during year ended 30/6/ for business pur- poses, of the following :—		
(1) Seed, plants, &c., for resale		
(2) Fodder		
(3) Fertilizers and sprays		
(c) Stock, &c., received in exchange for produce, &c. (attach list)		
51. Total Value of Column A, Live Stock Schedule		
Total Income	£	
	£	

Deductions.

(Unless lists as specified hereunder are attached in support of claims for deductions, such deductions may be disallowed either wholly or in part.)

	Deductions.		Office only
	For Part C. £	For Part D. £	£
52. Salaries and wages actually paid in the business (not including any sums drawn by me or paid as wages for domestic assistance, fencing, ringing, clearing, or similar improvements, or for alterations or new works). See also Statement No. 4, which must be filled in			
53. Amount expended for food for employees (including my own children over 16) employed exclusively in the business (State if claim is based on actual cost, or rate per person per week.....)			
54. Rent of business premises or land (including amount shown opposite Item 41 or Item 49 above, but not including Conditional Purchase payment for land to the Government) paid to.....of.....			
55. Rates and taxes paid in connexion with the business, but not including State Income Tax paid in respect of property income which should be claimed under Item 25 or any Federal Income Tax (attach list) ..			
56. Insurance on business premises and stock (attach list)			
57. Interest paid to.....of.....on money used in connexion with the business			
58. Depreciation by wear and tear of plant and machinery used in the business (not including buildings). (Attach list of plant, machines, &c., and respective values at 1st July, .., and percentages written off) ..			
59. Repairs (not including alterations, additions, or improvements) to property and machinery, implements, utensils, rolling-stock, and articles used in the production of income, but not including repairs to properties from which rent is received (attach list)			
60. Bad debts incurred in the trade and proved to be bad and actually written off for the first time during the year ended 30/6/ (attach list showing full names of debtors, nature of debts, dates when debts incurred and when written off, amount written off in each case, and reason for writing off)			
61. Exchange, commission, and discount			
62. Travelling expenses actually paid and incurred in the business only (attach list)			
63. Contributions to employees' benefit or provident fund (attach list)			
64. Gifts exceeding £5 each to public charitable institutions in Australia. Deductions under this head will not be allowed unless verification in the nature of receipts, cheque butts, &c., is submitted			
65. Printing, stationery, advertising, stamps, telegrams, for business purposes only			
66. Gas, electricity (light and power), telephone, &c. (for business only)			
67. Other business expenses (attach list)			
68. Calls paid out of income to Australian mining companies and mining syndicates mining for gold, silver, base metals, rare minerals or oil, and companies carrying on afforestation as their principal business (attach list)			
69. Premiums or sums paid by me in Australia to.....Company on insurance of my own life or that of my wife or children, or for deferred annuity or other similar provision. (NOTE—Maximum amount allowable is £50)			
70. Deduction of £50 for each child under 16 years of age at 1st July, .., wholly maintained by me. Give full particulars in Statement No. 6. (A proportionate amount will be allowed in respect of a child born between 1/7/ and 30/6/)			

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71. The annual sum necessary to recoup expenditure on improvements covenanted to be made (and in which I have no tenant rights) on leasehold land. (Divide cost of improvements by the number of years of the lease yet to run when the improvements were made.) (Supply full particulars of claim)			
72. Sinking fund to recoup fine, premium, or foregift, or consideration in the nature of such, paid in respect of a lease. See instructions under "Allowable Deductions." (Supply full particulars of claim)			
Total Deductions			£
Net Income			£

STATEMENT NO. 1. Column A. LIVE STOCK SCHEDULE. Column B. (See explanation on separate sheet.)

	Number.	Value.		Number.	Value.
Stock on hand at 1st July, as per closing values at 30th June, See instructions :-		£	Gross Sales, from 1.7. to 30.6. —		£
Sheep @			Sheep		
Cattle @			Cattle		
Horses @			Horses		
Pigs @			Pigs		
Purchases—at cost—from 1.7. to 30.6. —			Killed for rations, from 1.7. to 30.6. —		
Sheep			Sheep } Read carefully the		
Cattle			Cattle } instructions on sepa-		
Horses			Pigs } rate sheet.		
Pigs			Stock on hand at 30th June, —		
Total Value (carried to Item No. 51, Part D)			Sheep @ } Read carefully the		
Natural Increase—(numbers only)—marked or branded and taken into account from 1.7. to 30.6. —			Cattle @ } instructions on sepa-		
Sheep } Read carefully the			Horses @ } instructions on sepa-		
Cattle } instructions on sepa-			Pigs @ } rate sheet.		
Horses } instructions on sepa-			Total Value (carried to Item No. 43, Part D)		
Pigs } instructions on sepa-			Losses by death, &c., from 1.7. to 30.6. (numbers only)		
			.....Sheep.....Cattle.....Horses.....Pigs		

STATEMENT NO. 2.—WHEAT.

Number of Bushels placed in the "Pool."Bushels.

(a) Statement of Cash Received from Pool during year 1st July, to 30th June,		(c) Statement of Wheat Scrip Sold during year 1st July,, to 30th June,			
Wheat—	£	Date Sold.	No. of Bushels Sold.	Which Year's Scrip.	Cash Received.
Advances from 1915-16 Pool					£
" " 1916-17					
" " 1917-18					
" " 1918-19					
" " 1919-20					
" " 1920-21					
" " 1921-22					
" " 1922-23					
(b) Wheat sales other than through "Pools"		Total of Sales ..			£.....
Total (a) and (b)	£.....	Total of (a), (b), and (c) carried to Item 42 (c)			£.....

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STATEMENT NO. 3.—SHARE FARMING.

(To be furnished by the person responsible for the distribution.)

Net Profit (as per details attached) .. £.....

Distribution.

Name in full of each Person participating.	Address.	Total net Value of Share.	Actual Cash Received.	Value of Distri- bution in Kind.	Value of Produce on hand 30/6/ .
		£	£	£	£

STATEMENT NO. 4.—STATEMENT OF SALARIES AND WAGES PAID AND ALLOWANCES TO EMPLOYERS.

This statement should show the actual amount paid during the period 1/7/..... to 30/6/....., even though the return is made up for a different period.

If the space is not sufficient to contain all the names, special sheets may be obtained from the Department of Taxation.

Payments to any one person at a rate less than £200 per annum need not be shown.

See Special Instruction Sheet *re* payments from husband to wife and wife to husband, and wages not actually paid.

Employee's Christian Name in full and Surname.	In what Capacity employed.	Place of Residence.	If not employed for whole period, state period employed.	Rate of Pay.	Total Amount of Salary or Wages paid to each in year ended 30/6/...	Value of Board, Residence, or other Allowance to each in year ended 30/6/...	
						Quarters. £	Board. £
					£		

STATEMENT NO. 5.—STATEMENT BY TRUSTEE OR PARTNERSHIP.

This portion of the return is for the information of the Taxation Department only. Trustees are not taxable except on income to which no one is presently entitled, or on income held on account of a person who is under a legal disability. The partnership return is not taxable. Partners are taxable on their full share of the profits including any disallowance or additions made by the Department.

Name in full of each Partner or Beneficiary.	Residence.	Proportionate share of Income to which each Partner is entitled, or which is distributable to each Beneficiary.	Amount of each share.	Is the Beneficiary under any legal disability (Yes or No).
		£	£	

STATEMENT NO. 6.—DEDUCTIONS CLAIMED IN RESPECT OF CHILDREN UNDER 16 YEARS OF AGE AT 1ST JULY, (OR BORN SINCE THAT DATE), WHOLLY MAINTAINED BY TAXPAYER.

Name of Child.	Date of Birth.	If not maintained during the whole of the year ended 30.6..., state for what period.	If not wholly dependent, state in what other way partly maintained.

No deduction is allowable in respect of any child who earned income during the year. Where a child under 16 is maintained for part of the year only a proportionate deduction is allowable.

STATEMENT NO. 7.—DIVIDENDS FROM COMPANIES IN ALL STATES, INCLUDING SHARES DISTRIBUTED AS BONUS SHARES OUT OF CURRENT PROFITS.

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20

Name of Company.	Address.	*Amount.	Office use only. Net amount after allowing rebate.	Name of Company.	Address.	*Amount.	Office use only. Net amount after allowing rebate.
		\$	\$			\$	\$

* The gross amount of dividends must be shown. Any rebates allowable on account of income having been earned by the Company outside Australia will be calculated and deducted by the Department. Carry total amount from this Statement to Item 20.

STATEMENT NO. 8.—PARTICULARS OF TAXABLE INTEREST RECEIVED.

Taxable Interest :

Is Interest from—
 Mortgages, Deposits of all kinds, Savings Bank Deposits,
 Bonds, Stocks, or Debentures issued by Companies or
 public bodies other than a State Government.
 Commonwealth Loans carrying more than 4½ per cent.
 interest.

Exempt interest (not to be returned) :

Is interest from—
 Bonds, Stocks, or Debentures issued by a State Government.
 " " " " " " " " Savings Bank.
 Commonwealth 4½ per cent. War Loans.

Name of Bank, Company, Firm, or Person to whom Money is lent. (If War Loan, insert "Commonwealth Government.")	Address.	Principal Amount.	Rate of Interest.	State whether Mortgage, Deposit, Bonds, Debentures, or otherwise, or War Loan Bonds or Stock.	Amount of Interest received during year ended 30.6. . . .
		£		•	£

Carry total amount of taxable interest shown above to Item 20.

FEDERAL INCOME TAX.

INSTRUCTIONS TO PERSONS MAKING RETURNS.

Omission of any Income from a Return or Claims for Deductions in excess of amounts expended will render the Taxpayer liable to a penalty of £1 or Double the Tax Evaded by the Omission or Excessive Deduction.

[If this is your first Return, send accompanying letter explaining why returns have not been furnished previously.]

RETURNS.

(i) *The following persons are liable to render an Income Tax Return for the 12 months ended 30th June, —*

- (a) *All Persons, resident in Australia, in receipt of a gross income exceeding £200.*
- (b) *Companies and Absentees having an income of £1 or upwards.*

(ii) *It is necessary to complete the Return, sign the declaration, and deliver or forward the Return to the Deputy Federal Commissioner of Taxation, Box 769, G.P.O., Melbourne. (There is a special Form of Return for Companies.)*

(iii) *Full postage must be prepaid on all returns, &c., posted by taxpayers.*

(iv) *Partners' Returns.*—The senior resident partner should make a return for the partnership. Each partner must also make a separate return of his income from all sources, including his interest in the partnership profits. Tributary, woodcutting and mining parties are treated as partnerships.

(v) *Returned Soldiers* are not liable to taxation in respect of war pensions and gratuity bonds.

You are required to notify to the Deputy Commissioner any change of address for service of Notices, &c.

The amount of salary or wages received should be ascertained from the employer(s) and in all cases the name of the employer(s) must be stated in the Form of Return.

TRUSTEES AND BENEFICIARIES IN TRUST ESTATES.

(vi) *The senior or active trustee should make the Return and Statement. Each beneficiary must also make a separate individual Return which if he has no other source of income should be attached to, and lodged with, the trustee's return wherever possible.*

INCOME.

(vii) *Any benefits in addition to or as part of salary, wages, &c., such as board or board and lodging, or any bonus or commission, are income, and their value must be stated.*

(viii) *Value of Portion of Trade Premises used for Domestic Purposes.*—Where rent is paid, generally, the proportion of the rent paid which is attributable to domestic purposes cannot be deducted. The proportions attributable to domestic purposes are usually—(a) for storekeepers, grocers, and other similar trades, one-half; (b) hotelkeepers and lodginghouse-keepers, one fourth; and (c) doctors, chemists, &c., two thirds. Where these proportions seem to the taxpayer too high, state what amount you consider a fair proportion, and the grounds upon which you arrive at such amount.

(ix) *Dividends, Interest, and Bonuses.*—These must be included in the Return of the person receiving them (Item 20).

(x) *War Loans.*—Interest received from all War Loans paying more than 4½ per cent. interest must be included in the Return of the person receiving it (Statement 8).

FARMERS AND GRAZERS.

(xi) *Income earned in Pastoral and Agricultural Industries, such as farming, grazing, dairying, vine-growing, fruit growing, or market gardening, should be returned in Part D of the Form of Return.*

Bawra Shares and Certificates were treated as income at date of receipt at their then market value. There is thus no occasion for original holders to show anything in the Return form in respect of moneys received in retirement of Certificates and Shares. Persons dealing in Shares or Certificates must show the transactions fully.

LAND TRANSACTIONS (ITEM 9).

(xii) Under decisions of the Courts, a partnership, syndicate, company, or individual that purchases land for resale is deemed to carry on a business in the purchase and sale of land, and must include as income profit made on such transactions—which is taxable at personal exertion rates. Conversely, if a loss is made, the amount thereof is allowable as a deduction.

LIVE STOCK ON HAND AT BEGINNING AND END OF YEAR.

Values to be included in Return.

(a) As at 1st July.

The values for live stock on hand at 1st July, . . . , should be the values shown in the Income Tax Assessment for last year as the values of the stock on hand at 30th June, . . .

(b) Stock on hand at 30th June.

• Taxpayers have two choices, and must in all future years adhere to the choice they elect to make:—

1. They may omit, until sold or otherwise disposed of, all the natural increase of their stock which was born between 1st July, . . . , and 30th June, . . . , or during a business trading year which the taxpayer may have arranged with the Department in lieu of the year ending 30th June, The remainder of the live stock on hand at the end of the year must be shown:—

(a) for stock purchased during the year—at cost price or market value, whichever the taxpayer prefers.

(b) for stock carried forward in the accounts from the previous year—average price per head at which they were so carried forward, or the market selling price, whichever the taxpayer prefers.

2. Where the natural increase is included each year.

The stock should be dealt with as in 1 (a) and (b) above in regard to the old stock and stock purchased during the year. The natural increase should be brought to account at cost or market value, whichever is the lesser.

"Cost" for natural increase is the price selected by the owner within the prescribed limits stated below. It should not be less than the minimum or more than the maximum price shown.

When the cost is once selected it must be adhered to for all future years. Compare the selected cost with the market selling value, and use whichever value is preferred as the value of the natural increase on hand at the end of the year.

Prescribed Limits for Cost Price:—

	Minimum.		Maximum.	
	s.	d.	s.	d.
Sheep	2	6	10	0
Cattle	10	0	100	0
Horses	15	0	60	0
Pigs	5	0	20	0

3. "Killed for Rations."

If the live-stock owner has elected to exclude his natural increase until it is sold, he must include in the value of stock killed for rations, any natural increase so killed and used.

The value at which stock killed and used for rations should be returned is the value at which the particular stock was included in either the stock on hand at 1st July, . . . , or if purchased after that date, the purchase price of the particular stock in question.

Where natural increase of the year has been killed and used for rations, the value to be returned for it is the cost price or market value, whichever the taxpayer prefers.

"Cost price" is as stated above under the heading "Prescribed limits for Cost Price."

4. The Taxpayer must indicate on the detachable portion of this form of "Instructions" the method he wishes to adopt in regard to the taxation of natural increase, and the cost price he selects if he desires to include the natural increase as stock on hand.

The detachable portion of the form should be filled in, detached, and forwarded with the Return form to the Commissioner of Taxation.

NORTHERN TERRITORY.

Income derived from primary production in the Territory by persons resident there is exempt from taxation until 1927.

" Primary production " in this regard means production arising directly from cultivation, maintenance of animals or poultry, mining, or fisheries, and

" Income derived from primary production " means income which is directly derived in the first place from primary production.

VALUES OF OTHER TRADING STOCK.

(xiii) The value of all trading stock not disposed of at the beginning and end of the period covered by the return must be included. Section 16 (a) (ii) provides that the assessable income of any person shall include profits derived from any trade or business and converted into stock in trade, or added to the capital of, or in any way invested in, the trade or business :

Provided that, for the purpose of computing such profits, the value of trading stock (not being live stock) not disposed of at the beginning and end of the period in which the income was derived shall be taken into account.

Value for this purpose means, in the case of trading stock (not being live stock) the actual cost price or market selling value of each article of trading stock, or the price at which each article of trading stock can be replaced at the option of the taxpayer in respect of each article.

GENERAL.

(xiv) *Professional Income*.—This should be stated in Part C, and may also be shown in detail by a separate statement. Doctors, barristers, solicitors, &c., may show the actual receipts and allowable disbursements in year ended 30/6/. The details of disbursements must be supplied.

RELIEF FROM TAX.

(xv) Section 96 of the *Income Tax Assessment Act 1922-1923* reads :—

1. " In any case where it is shown to the satisfaction of a Board consisting of the Commissioner, the Secretary to the Treasury, and the Comptroller-General of Customs—

- (a) that a taxpayer liable to pay income tax has become bankrupt or insolvent ;
- or
- (b) that a taxpayer has suffered such a loss, or is in such circumstances or owing to the death of a person who, if he had lived, would have paid tax, the dependants of that person are in such circumstances that the exaction of the full amount of tax will entail serious hardship,

the Board may release the taxpayer or the executor or administrator of the deceased person (as the case may be) wholly or in part from his liability, and the Commissioner may make such entries and alterations in the assessment as are necessary for that purpose.

2. The Commissioner shall be Chairman of the Board, and the decision of the majority shall prevail.

All applications for relief from tax under this section should be submitted to the office from which the Notice of Assessment issued.

(xvi) Officers of the Department will not be permitted to fill up Returns. This responsibility rests entirely upon taxpayers. All necessary information will be given on application at the office of the Commissioner or Deputy Commissioner.

(xvii) *Income earned in a Trade or Business*.—Trade income should be returned for the year ended 30th June. Where permission has been obtained to lodge a Return covering a period not ending on 30th June, the necessary alterations should be made in the Form of Return to indicate clearly the period for which the return is made.

(xviii) *Benefits or Advantages*.—Hotelkeepers, lodginghouse-keepers, boarding school proprietors, storekeepers, tradesmen, and others whose household expenses (including board of themselves and families and the maintenance of their domestic establishments) are not kept distinct from their trade or business expenditure should insert as income an amount equal to the cost of the goods taken from stock for private use.

(xix) The taxpayer must include his income from all sources in one Return.

(xx) The particulars of income should be fully stated. If there is not sufficient room in the Form of Return, a list or statement should be attached.

ALLOWABLE DEDUCTIONS.

(xxi) The allowable deductions are shown in the Return in Parts A, B, C, and D.

(xxii) A deduction allowable of a sinking fund to recoup a fine, premium, or foregift, or a consideration in the nature of a fine, premium, or foregift paid in connexion with a lease or the transfer of a lease is calculated by dividing the amount paid by the number of years of the unexpired period of the lease at the date when the payment was made.

(xxiii) In case of any doubt the facts should be laid before the Commissioner or Deputy Commissioner, and a decision as to the allowance of the items should be asked for.

(xxiv) Section 23 (2) provides that any deduction allowed under the Act shall be deducted from the class of income to which it relates. The following are exceptions to this rule, and are deductible from personal exertion or property income, whichever is the greater, viz. :—

- (1) Premiums for life insurance, deferred annuity, fidelity guarantee, or bond.
- (2) Payments to superannuation, sustentation, widows' or orphans' fund, or any friendly society in the Commonwealth.
- (3) Gifts to charitable institutions.
- (4) Deductions on account of children.

EXPENSES NOT ALLOWED AS DEDUCTIONS.

(xxv)

- (a) Additions or alterations to trade or other income-earning premises.
- (b) Additions to plant and machinery (except in mining businesses under certain conditions).
- (c) Any domestic expenditure, or the cost of living of members of taxpayer's family not exclusively engaged in the business or who are engaged in domestic duties.
- (d) Cost of sewerage connexions.
- (e) Cost of travelling between the taxpayer's private residence and place of business.
- (f) Depreciation of buildings, leaseholds, or land and improvements (except of covenanted improvements on leasehold land in which improvements the lessee has no tenant rights) or any depreciation of a kind that may be made good by repairs.
- (g) Depreciation of goodwill.
- (h) Doubtful debts.
- (i) Expenditure incurred to protect income.
- (j) Federal Income Tax.
- (k) Insurance (fire or burglary) on household furniture or personal effects.
- (l) Interest not actually paid in year ended 30/6/ .
- (m) Interest paid on money which is not used to produce income.
- (n) Losses by fire, accident, robbery, or embezzlement.
- (o) Losses incurred in any previous year.
- (p) Losses not connected with or arising out of the taxpayer's trade or business.
- (q) Purchase Money paid except for trading stock.
- (r) Payments from husband to wife or from wife to husband, unless the Commissioner is satisfied that the payments have been made *bona fide* in the course of business and for services rendered.
- (s) Premiums on insurances effected outside Australia.
- (t) Rent of private residence.
- (u) Rent on trade premises not actually paid in year ended 30/6/ .
- (v) Repayment of moneys borrowed, including amounts of principal included in annual payments on loans.
- (w) Wages not actually paid.
- (x) Wages to persons not employed in the trade or business.

GENERAL DIRECTIONS.

(xxvi) A copy of the Return, as well as all books, accounts, memoranda, and all data from which the Return is made up, should be preserved for future reference in the event of further information being required by the Commissioner or the Deputy Commissioner. The Department will not supply taxpayers with a copy of their Returns except in special circumstances.

Special Instructions.

(xxvii) Wherever deductions are claimed on account of any item in respect of which the form calls for a detailed list, such list must be attached to the Return. Compliance with this direction will save the taxpayer much correspondence and irritation.

Separate lists are required of—

- 1. Charitable contributions. Verification thereof, such as receipts, cheque butts, &c., must also be attached.
- 2. Calls in mining companies.
- 3. Fire and burglary insurance premiums.
- 4. Children. (Statement 6 of Return.)
- 5. Rates and taxes.
- 6. Repairs.
- 7. Depreciation (items, values, and rates of depreciation).
- 8. Bad debts (written off). Dates incurred and amounts.
 "Date Incurred" means—
 (a) In the case of a single transaction—the date of the last payment on account, or if there is no payment, the date of the transaction.
- 9. Contributions to benefit funds.
- 10. Wages paid to employees. This list must be compiled in accordance with the heading set out in Statement 4 of the Form of Return.
- 11. Other business expenses.

- (b) Where the balance due is the result of a series of transactions,—as in (a), but may be extended to the date of the last purchase subsequent to the last payment on account.
- (c) Where the Commissioner is satisfied that by some catastrophe a debt previously good has been made bad, the date of the catastrophe.
- (d) In the case of dishonoured bills, the date when dishonoured.

Returns must be lodged on or before—

Commissioner of Taxation.

[Detachable Portion.]

No.....

FEDERAL INCOME TAX.

METHOD OF VALUING NATURAL INCREASE, LIVE STOCK.

This portion of the form must be filled in by all owners of live stock who desire to omit from their Returns all natural increase until it has been sold or otherwise disposed of.

Commonwealth of Australia.

Income Tax Assessment Act 1922-1923.

NOTICE OF ELECTION UNDER SECTION 16 (aa).

I,
of.....in the State of.....
hereby elect to omit from the account required by paragraph (a) of Section 16 of the above Act the value of all natural increase of the live stock owned by me and born during the year to which the account relates.

DATED this.....day of192.....

Signature.

"(a) The notice of election shall be delivered at the office of the Commissioner—
(a) in the case of persons lodging Returns during the year 1923, on or before the thirty-first day of December, 1923 ;
(b) in the case of persons who have not lodged Returns during the year 1923—
within three months of the date of the first lodging of a Return after the thirty-first day of December, 1923."

Live stock owners who do not wish to omit the natural increase need not use the upper part of this form, but should state below the cost price selected by him for the natural increase of each species of live stock (for example, lambs, calves, &c.) owned by him :—

LAMBS	..	..	(Cost price to be not less
CALVES	..	..	than minimum or greater
FOALS	..	..	than maximum prices shown
SUCKERS	..	..	in the instructions.)

(b) By omitting the second form and inserting the following form in its stead:—

PAY BY POSTAGE. *Second Form.* **Taxation Office Stamp Only.**
Send this Return to the Deputy Federal Commissioner of Taxation, Box 769, G.P.O., Melbourne. **FEDERAL INCOME TAX** File No.
Commonwealth of Australia.

COMPANIES DERIVING INCOME IN AUSTRALIA AND PAPUA.

RETURN OF INCOME derived from all sources in Australia and Papua during the period 1st July,, to 30th June,,* or to

* If approval has been obtained to submit return for any other period, specify the period.

Name of Company
Name in full of Public Officer

Every Company must appoint a Public Officer, and notify the Deputy Commissioner accordingly, specifying the name of the Officer and address for service. Penalty, £50 for every day during which failure or neglect continues (*vide* Sec. 88).

Nature of Business
Postal Address for service of Notices

Gross Profit—as per attached audited Profit and Loss Account . .	£
Deductions—as per attached audited Profit and Loss Account . .	£
Net Profit for the year	£

Reconciliation Statement.

Net Profit—as per Profit and Loss Account	£
Add items not allowable as Deductions:—	
Federal Income Tax	
.	
.	
.	£
Net assessable Income	£
Less amount distributed to Shareholders out of the profits of the period covered by this return	£

Date of declaration of Dividend
Date of payment of Dividend
Net Taxable Income £

The Gross Profit includes:—
(a) Taxable War Loan Interest £
(b) Exempt 4½ per cent. War Loan Interest and Interest on War Gratuity Bonds £
(c) Other Exempt Income (as per List) £

Return must be accompanied by audited Trading Account, Profit and Loss Account, Appropriation Account, Balance-sheet, and Lists in support of the following deductions:—

Subscriptions, donations, bad debts (showing names of debtors, dates incurred, nature of debts, amounts and dates written off, and reason for writing off), depreciation (giving basis on which depreciation is claimed), and any deductions covered by general headings (unless lists are attached in support of claims for deductions, such deductions will be disallowed); also—

- a list of resident shareholders, showing names and addresses and amounts paid to each during twelve months ended 30th June, ;
- the total dividends paid or credited to absentee members, shareholders, or stockholders out of the profits of the period covered by this Return ;
- a list of names and addresses of any individual absentees who received or were credited with dividends and interest exceeding a total of £722 during twelve months ended 30/6/ ;

- (d) the total interest paid or credited to absentee depositors and debenture holders during the period covered by this Return ;
- (e) the total interest paid or credited to residents of Australia in respect of bearer debentures or share stock payable to bearer out of the profits covered by this Return ;
- (f) list of names and addresses of persons to whom interest in excess of £50 has been paid or credited during twelve months ended 30/6/..... ;
- (g) a list of salaries and wages and allowances (inclusive of value of quarters and board supplied) paid to employees whose total remuneration as stated amounted to £200 or over for the twelve months ending 30th June,

Declaration.

I, being the duly appointed Officer of the above Company, declare that the particulars shown therein, and also those stated in the Forms, Balance-sheets, Documents, and Lists herewith, are true in every particular, and disclose without reservation or exception a true statement of all Income liable to taxation derived from all sources in Australia and Papua by.....during the year ended.....

Dated this.....day of....., 192...

Usual Signature of Public Officer.....

- (c) By inserting in the third form after the words and figures "*Income Tax Assessment Act 1922*" the sign and figures "-1923".
- (d) By omitting the word and figures "sec. 19" in the third form and inserting in their stead the word and figures "Section 24."

STATUTORY RULES.

1923. No. 176.

RULE UNDER THE INCOME TAX ASSESSMENT ACT 1922-1923.

1 THE GOVERNOR-GENERAL in and over the Commonwealth of Australia, acting with the advice of the Federal Executive Council, hereby make the following Rule under the *Income Tax Assessment Act 1922-1923* to come into operation forthwith.

Dated this twenty-first day of November, 1923.

• FORSTER,
Governor-General.

By His Excellency's Command,
THOS. W. CRAWFORD,
for Treasurer.

AMENDMENT OF INCOME TAX APPEAL BOARD RULES.

(Statutory Rules 1922 No. 200 as amended to this date.)

Rule 4 of the *Income Tax Appeal Board Rules* is amended by omitting from sub-rule (1) the words "In forwarding to a Board, as required by section fifty of the Act, objections which are treated as appeals to a Board, the Commissioner shall furnish with the objection" and inserting in their stead the following words "In forwarding or referring a case to a Board, in accordance with the provisions of the Act, the Commissioner shall furnish to the Board".

STATUTORY RULES.

1923. No. 130.

REGULATIONS UNDER THE INCOME TAX ASSESSMENT ACT 1922-1923.

I THE DEPUTY OF THE GOVERNOR-GENERAL in and over the Commonwealth of Australia, acting with the advice of the Federal Executive Council, hereby make the following Regulations under the *Income Tax Assessment Act* 1922-1923, to come into operation forthwith.

Dated this twentieth day of September, 1923.

W. H. IRVINE,

Deputy of the Governor-General.

By His Excellency's Command,

LITTLETON E. GROOM,

for the Treasurer.

AMENDMENT OF THE INCOME TAX REGULATIONS 1922.

1. Regulation 2 of the Income Tax Regulations 1922 is amended by inserting therein after the words "Part IV—Objections," the words—

"Part IVA—Appeals to High Court under section 51 of the Act."

2. The Income Tax Regulations 1922 are amended by inserting therein after Part IV, the following part and sections:—

"Part IVA—Appeals to High Court under section 51 of the Act."

"38A. An appeal to the High Court in its appellate jurisdiction under sub-section (8) of section 51 of the *Income Tax Assessment Act* 1922-1923 shall be instituted by notice of motion which shall specify the Registry of the High Court in which the appeal is to be brought, and shall state fully the grounds of the appeal, and shall be served on the opposite party, and a copy thereof shall be filed in the proper Registry of the Court." Notice of appeal.

"38B. The notice of motion shall be filed in the Registry of the Court within thirty days after the date of the decision appealed against, or from the commencement of these Regulations, or such further time as a Justice of the High Court may allow, and a copy thereof shall be served on the opposite party." Filing of notice.

"38C. A copy of the notice of motion shall be served on the Chairman of the Board of Appeal, and he shall cause a transcript of the evidence and proceedings before the Board and of the reasons (if any) for the decision to be forwarded to the Registrar of the High Court at the Registry at which the appeal is instituted." Service of notice on Chairman, Board of Appeal.

"38D. Any Justice of the High Court, on the application of either party, may make such directions as to the appeal and the hearing thereof as he may think fit, but, in the absence of any such directions, the appellant shall set the appeal down for hearing at the sitting of the High Court to be held next after the transcript and proceedings have been lodged at the Registry at which the appeal was instituted." Justice may make directions as to appeal.

Printed and Published for the GOVERNMENT of the COMMONWEALTH of AUSTRALIA by
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C.14419.—PRICE 3D.

STATUTORY RULES.

1923. No. 77.

RULE UNDER THE INCOME TAX ASSESSMENT ACT 1922.

I, THE GOVERNOR-GENERAL in and over the Commonwealth of Australia, acting with the advice of the Federal Executive Council hereby make the following Rule under the *Income Tax Assessment Act 1922*, to come into operation forthwith.

Dated this seventh day of June, 1923.

FORSTER,
Governor-General.

By His Excellency's Command,

THOS. W. CRAWFORD,
for Treasurer.

AMENDMENT OF INCOME TAX APPEAL BOARD RULES 1922.

(Statutory Rules 1922, No. 200.)

The Income Tax Appeal Board Rules 1922 are amended by adding after rule 20 thereof the following rule:—

“21. Any sum awarded by the Board as costs of an appeal may be recovered in any Federal or State Court of competent jurisdiction as a debt due by the person against whom the award is made to the person in whose favour the award is made.”

(c) A statement showing—

- (i) how much of the assessable income derived by the company, during the period covered by the return, has been distributed (either during or after that period) to members or shareholders who are absentees; and
- (ii) the amount paid or credited as interest to persons who are absentees in respect of debentures of the company used in Australia or on money lodged at interest in Australia with the company; and

(d) A statement showing—

- (i) the total amount of the interest or dividends distributed by the company in respect of debentures or share stock payable to bearer, the names and addresses of the holders of which are not supplied to the Commissioner by the company;
- (ii) the names and addresses of all holders of debentures or share stock payable to bearer which the company is in a position to furnish (whether absentees or residents in Australia), together with the amount of interest or dividend distributed to each of such persons during the twelve months preceding the financial year for which Income Tax is payable whether or not the period covered by the return differs from such financial year.

(e) (If the return is the first return furnished by the company) notice of the appointment of the Public Officer of the company.

Returns by partnerships.

7. Every partnership whose total income from all sources in Australia in any year exceeds £200 (Two hundred pounds) shall, when called upon by the Commissioner by notice published in the *Gazette*, furnish to the Commissioner a partnership return setting forth a full and complete statement of the income derived by the partnership during the year in respect of which the return is required.

Return to be made by senior active partner in Australia. Separate returns to be furnished for partners.

8. Every partnership return shall be made and furnished by the Senior Active Partner resident in Australia.

9. (1) Every partner in a partnership shall furnish a separate return of his total individual income (including income from the partnership and from other sources) in every case in which he would be required to furnish a return if the same total income had been derived by him from sources other than the partnership.

(2) The return shall state the income derived respectively from—

- (a) the partnership, and
- (b) from other sources.

Agent to furnish separate returns for each principal.

10. Every person liable to furnish a return as agent for another person shall furnish a separate return for each person for whom he is agent in addition to his own individual return.

Partnership return by agent.

11. Every agent for a partnership shall furnish a partnership return and shall also if so required by the Commissioner furnish a separate return for each partner.

12. If an agent is not the sole agent in Australia for a person re- Where agent
quired to furnish a return, he shall furnish a separate return stating not sole agent.
all his transactions as agent for that person.

13. (1) Every return in respect of a trust estate shall be made and Trustees.
furnished by the Senior Active Trustee resident in Australia.

(2) When there is no trustee resident in Australia the return shall
be made and furnished by the agent in Australia for the trustees.

14. (1) Every employer of labour shall, when called upon by the Statement to
Commissioner either by general notice published in the *Gazette* or by be furnished by
direct notice to the employer, furnish to the Commissioner a statement employers.
showing:—

- (a) the names and addresses of all persons employed by him
during the period mentioned in the notice;
- (b) the capacity in which each person was employed;
- (c) the total amount paid to each person during that period; and
- (d) the value of board residence or other allowance made to each
person during that period.

(2) Each statement shall be furnished to the Commissioner at the
place where under the Regulations the return of the employer is to be
furnished, unless the Commissioner otherwise directs.

15. Returns required by the Commissioner otherwise than by notice Special
published in the *Gazette* pursuant to section 32 of the Act shall be returns.
made and furnished in the form specified in the requirements.

16. The Commissioner may at any time accept a return in a form Substantially
substantially similar to a prescribed form. similar returns.

17. A copy of every balance-sheet and profit and loss account relat- Balance-sheets
ing to the income included in any return shall be furnished with that to be furnished.
return.

18. (1) Returns of income derived from sources wholly within one Lodging of
State shall be furnished to the Commissioner at the office of the Deputy returns.
Commissioner in that State.

(2) Returns of income derived from sources in Australia not wholly
within any one State shall be furnished to the Commissioner at the head
office of the Commissioner at Melbourne.

19. Income consisting of dividends on shares in a company shall be Source of
deemed to have been derived from a source within the State in which dividends.
the head office of the company in Australia is situated.

20. When part of an income consists of dividends on shares in com- Lodging of
panies and the remainder of the income has been derived from sources returns when
wholly within one State the return may be furnished to the Commis- income partly
sioner at the office of the Deputy Commissioner in that State notwith- of dividends.
standing that the dividends may have been derived from sources within
other States.

21. (1) Income consisting of interest received under a mortgage shall Source of
be deemed to have been derived from a source within the State in which mortgage
the mortgaged property is situated. interest.

(2) If the mortgaged property is situated in more than one State the
income shall be deemed to have been derived from sources within more
than one State.

Territories.

22. For all purposes of these Regulations—

- (a) the territory of the Seat of Government shall be deemed to be in the State of New South Wales;
- (b) the territory of Papua shall be deemed to be in the State of Queensland; and
- (c) the Northern Territory of Australia shall be deemed to be a separate State.

When return deemed to be furnished.

23. A return shall not be deemed to have been duly furnished to the Commissioner unless and until:—

- (a) the proper form in accordance with these Regulations signed by the person making the return and containing a full true and complete statement of all matters and things required by the Act and Regulations, the Commissioner, and the form itself to be stated therein; and
- (b) all balance-sheets, profit and loss accounts, statements, notices, and other documents which by the Act the Regulations or the Commissioner are required to accompany the return—

have at the place where under these Regulations the return is to be furnished, been received by an officer authorized by the Commissioner to receive returns.

Persons to take necessary steps for due lodging of return.

24. Whenever a person is required by the Act, the Regulations, or the Commissioner to furnish a return to the Commissioner, it shall be the duty of that person to make the required return and to take all steps necessary to insure that the return is received by the Commissioner at the place where under these Regulations the return is to be furnished.

Address for service.

25. Every person who furnished a return shall in the return give an address in Australia for service.

Notice of change of address.

26. Every person who has given an address for service and who subsequently changes his address shall, within one month after the change, give to the Commissioner at the place where he furnished his return notice in writing of his new address in Australia for service.

Address deemed to be last known place of business or abode.

27. The address for service last given to the Commissioner by any person shall for all purposes under the Act and Regulations be deemed the last known place of business or abode of that person in Australia, but where no address for service has been given to the Commissioner or Deputy Commissioner, the address of the person as described in any record in the custody of the Commissioner or Deputy Commissioner shall be deemed to be the last known place of business or abode of that person in Australia.

Failure to notify change of address.

28. Any person who changes his address and fails to give to the Commissioner notice of his new address in Australia for service shall not be permitted to plead such change of address as a defence in any proceedings (whether civil or criminal) instituted against him under the Act or Regulations.

Annotations on returns.

29. (1) The Commissioner may cause or permit his officers to make on any return such marks, figures and annotations as the Commissioner thinks fit.

(2) The marks, figures and annotations shall be made in different coloured ink from the ink used in the return and shall be initialed by the officer making them.

PART III.—PAYMENT OF INCOME TAX.

30. A taxpayer may pay income tax in any of the following ways:— How tax may be paid.
- (a) by delivery of cash, bank notes, or cheques at the office of the Commissioner or of any Deputy Commissioner;
 - (b) by remitting the tax to the Commissioner or any Deputy Commissioner by bank draft, or cheque, or postal money order or postal note payable in the city to which the remittance is sent; or
 - (c) by depositing the net amount of the tax to the credit of the Commissioner or a Deputy Commissioner at any branch of the Commonwealth Bank of Australia.
31. When a remittance is posted by a taxpayer addressed to the Commissioner or a Deputy Commissioner the Post Office shall be deemed to be the agent of the remitter and payment shall not be deemed to have been made until the remittance has been received by the addressee. Post office to be agent of remitter.
32. When a cheque has been delivered or remitted to the Commissioner or a Deputy Commissioner in payment of income tax, the tax shall (notwithstanding any receipt given therefor) not be deemed to have been paid until the amount for which the cheque is drawn has been collected. Payment by cheque.
33. Receipts for income tax shall be issued by such persons as the Commissioner or a Deputy Commissioner may authorize. Receipts to be issued.
34. Except with the express consent of the Commissioner or a Deputy Commissioner, no money shall be accepted on account or in part payment of income tax. Part payment of tax not to be accepted.
35. The postage on every return, statement, communication, remittance, or other matter sent by post addressed to the Commissioner the Assistant Commissioner or a Deputy Commissioner shall be fully prepaid by the sender. Postage to be prepaid.
36. When any sum is received as payment of income tax the Commissioner or Deputy Commissioner, as the case may be, shall first deduct therefrom the amount of postage and surcharge (if any) paid upon any unstamped or insufficiently stamped matter received through the post from the taxpayer and shall credit in payment of tax only the net amount then remaining. Deficient postage.

PART IV.—OBJECTIONS AND APPEALS.

37. (1) An objection under section 50 of the Act to an assessment may be made in the Third Form in the Schedule. Form of objection.
- (2) The objection shall be lodged with the Commissioner at the address from which notice of the assessment objected to was issued.
38. In any case in which a taxpayer objects to the inclusion of certain income in, or the exclusion of a deduction from, the calculation of his taxable income, and the objection has been disallowed by the Commissioner wholly or in part, and the taxpayer requests the Commissioner in writing to treat the objection as an appeal to the Board of Appeal, the amount of deposit which shall accompany the written request of the taxpayer shall be— Amount of deposit to accompany appeals.
- (a) one per centum of the amount of the income which, in accordance with the Commissioner's decision on the objection, is finally included in the calculation of the taxable income, where the subject in dispute is the inclusion of income in the assessment; or

(b) one per centum of the amount of the deduction which, in accordance with the Commissioner's decision, is finally excluded from the calculation of the taxable income, where the subject in dispute is the exclusion of a deduction from the assessment; or

(c) one per centum of the sum of the amounts of the income and the deduction which, in accordance with the Commissioner's decision, are finally included in or excluded from the calculation of the taxable income, as the case requires, where the subject in dispute is the inclusion of income in and the exclusion of a deduction from the assessment:

Provided that in any case the maximum amount of deposit shall not exceed Fifty pounds, and the minimum amount of deposit shall be not less than One pound.

PART V.—MISCELLANEOUS.

Signatures. 39. Any notice to be given by the Commissioner may be given by any officer of the Commissioner duly authorized in that behalf; and any notice purporting to be signed by the authority of the Commissioner shall be as valid and effectual for all purposes as if signed by the Commissioner in person.

Signature deemed to be duly signed. 40. (1) Any certificate, notice, or other document bearing the written stamped or printed signature of the Commissioner the Assistant Commissioner or a Deputy Commissioner shall until the contrary is proved be deemed to have been duly signed by the person by whom it purports to have been signed.

(2) Judicial notice shall be taken of every such signature and of the fact that the person whose signature it purports to be holds or has held the office of Commissioner, Assistant Commissioner or Deputy Commissioner, as the case may be.

Appointment public officer. 41. Whenever the position of Public Officer of a company becomes vacant, and it is necessary for a new Public Officer to be appointed, the notice of appointment by the company of a new Public Officer shall be given to the Commissioner at the place where, under these Regulations, the return of the company is to be furnished.

Onus of proof. 42. In any proceedings against a person for failing or neglecting to duly furnish a return, a certificate in writing signed by—

- (a) the Commissioner;
- (b) the Assistant Commissioner; or
- (c) the Deputy Commissioner at whose office the return should have been furnished;

certifying that no return has been received from that person by any officer authorized by the Commissioner to receive returns at the place where under the Regulations the return should have been furnished, shall be *primâ facie* evidence that the defendant has failed or neglected to duly furnish a return.

Certificate by Commissioner as to service of notice of assessment, &c. 43. In any action against a person for the recovery of income tax a certificate in writing signed by the Commissioner, the Assistant Commissioner, or the Deputy Commissioner, certifying that—

- (a) the person named in the certificate is a taxpayer;

- (b) an assessment of income tax was duly made against him in respect of the year mentioned in the certificate;
- (c) the particulars of the assessment are as stated in the certificate;
- (d) notice of the assessment was duly served upon him by post;
- (e) the sum named in the certificate was at the date of the certificate due by him to the King on behalf of the Commonwealth in respect of income tax;

shall be *prima facie* evidence of the facts stated in the certificate.

44. In any action for the recovery of income tax evidence may be given by affidavit, and the Court may require the deponent to attend for the purpose of being cross-examined.

45. Any officer authorized in writing by the Commissioner or a Deputy Commissioner, whether generally or in respect of any special proceeding, may appear on behalf of the Commissioner or a Deputy Commissioner before any County Court, District Court, Local Court or Court of Summary Jurisdiction in any suit instituted in the name of the Commissioner or a Deputy Commissioner for the recovery of any income tax unpaid, including any additional tax, and any officer so appearing shall be deemed to represent the Commissioner or a Deputy Commissioner, as the case may be, and shall be entitled to conduct the proceedings on his behalf and to give evidence.

Officer may appear for Commissioner.

46. A writing certified by the Commissioner, the Assistant Commissioner or any Deputy Commissioner to be a true copy of or a true extract from any assessment, return, list, declaration, statement, book, document, or writing of any nature whatsoever in the custody of the Commissioner or of any officer of the Commissioner shall for all purposes be *prima facie* evidence of the original of which it purports to be a copy or extract and shall be receivable in evidence to the same extent as the original.

Copies or extracts certified by Commissioner to be received in evidence.

47. Any notice or other communication by or on behalf of the Commissioner may be served upon any person by posting it, by prepaid letter post addressed to the person at his last known place of business or abode in Australia and service thereof shall be deemed to have been effected at the time when it would in the ordinary course of post have arrived at the place to which it was addressed or at the post town or post office nearest to that place whether or not it has in fact been received by the addressee.

Service of notices, &c.

48. A prosecution under section 67 of the Act for any of the following offences, namely:—

Where prosecution may be instituted.

- (a) failing or neglecting to duly furnish a return; or
- (b) making or delivering a return which is false in any particular or making any false answer whether verbally or in writing—

may at the option of the prosecutor be instituted either—

- (a) in a Court of Summary Jurisdiction having jurisdiction at the place where under these Regulations the return is to be furnished; or

(b) in a Court of Summary Jurisdiction having jurisdiction at or nearest to the usual or last known place of business or abode of the defendant.

Calculation of sinking fund.

49. (1) When it is necessary for purposes of an assessment to ascertain the sinking fund required to replace a sum of money at the end of a number of years, Table I. in the Schedule shall be applied.

(2) When it is necessary for purposes of an assessment to ascertain at any given date the value of a sinking fund accumulated at compound interest to replace a sum of money at the end of a number of years, Table II. in the Schedule shall be applied.

Value of live stock.

50. (1) For the purpose of paragraph (a) of section 16 of the Act the value of live stock on hand at the beginning and end of the year in which the income was derived shall be calculated on the basis of the cost price of the stock.

(2) The cost price of natural increase borne during the year ended 30th June, 1922, and in each subsequent year ending on the 30th June, or during the business accounting period accepted by the Commissioner in lieu of the year ended 30th June under the provisions of section 32 (3) of the Act, shall be the fair average value selected by the owner, not being less than the minimum or greater than the maximum average cost value for the particular species as set forth in Table III. in the Schedule.

(3) The cost price of live stock on hand on 1st July, 1921, or at the commencing date of the business accounting period accepted by the Commissioner in lieu of the year commencing on 1st July, 1921, under the provisions of section 32 (3) of the Act, shall be the values accepted and adopted by the Commissioner for purposes of the assessment of income tax for the financial year ended on the 30th day of June, 1922.

(4) Where live stock is purchased during the year and is kept separate and apart from any other stock owned by the taxpayer it shall be valued at purchase price at the beginning and end of each trading year during which it is retained.

(5) Where live stock, which has been purchased, is merged into and becomes part of the general flock or herd of live stock owned by the taxpayer, the stock remaining on hand at the end of the trading year in which the purchases were made shall be valued at the average cost per head ascertained by taking the stock on hand at the beginning of the year at the actual cost, if obtainable, or, if not obtainable, at the average cost per head arrived at under the War-time Profits Tax Regulations at the beginning of the accounting period upon the income of which income tax for 1917-18 is payable, and in each succeeding year at the average cost arrived at under this sub-regulation for the last preceding year, together with the natural increase at the fair average value as set forth in Table III. in the Schedule and the stock purchased during the year at the purchase price of that stock.

(6) All live stock which have died or have been killed for food during the trading year shall be valued at an average cost for the stock on hand at the end of the trading year arrived at under sub-regulation (5) of this regulation.

51. The Declaration to be made by officers pursuant to section 12 ^{Declaration by officers.} of the Act shall be in the following form:—

COMMONWEALTH OF AUSTRALIA.

INCOME TAX ASSESSMENT ACT 1922.

Officer's Declaration of Secrecy.

I of , in the State of , in the Commonwealth of Australia do solemnly and sincerely declare that except in the performance of any duty under the *Income Tax Assessment Act 1922* or any amendment thereof or any Act substituted therefor I will not directly or indirectly divulge or communicate to any person any information relating to the affairs of any person.

Declared before me at in the State of this day of , 19 .

.....
Justice of the Peace for the State of
Commissioner for taking affidavits.
Commissioner for Declarations.

52. The expenses to be allowed to any person required under section 99 of the Act to attend and give evidence shall be the sum (not exceeding in any case one pound per diem) actually and necessarily lost by such person by reason of his attendance and in addition (if such person resides more than 4 miles from the place of hearing) such sum for travelling expenses (not exceeding the sum actually paid) as the person conducting the inquiry thinks reasonable. ^{Expenses of witnesses.}

53. Any contravention of these Regulations for which no other ^{Penalties.} penalty is provided shall be punishable on conviction by a fine not exceeding Twenty pounds.

54. The penalty set out at the foot of any regulation or sub-regulation indicates that any person who commits— ^{Amount of penalty.}

- (a) the offence created by that regulation or sub-regulation; or
- (b) a breach of that regulation or sub-regulation whether by act or omission—

shall be punishable upon conviction by a penalty not exceeding the penalty set out and not being less in any case than one-tenth of the penalty set out.

Before filling up this Return read carefully the Instructions on last page. Special Note.—Be careful to fill up Schedules 3 and 4 if they apply

THE SCHEDULE.

FIRST FORM.

FEDERAL INCOME TAX.

File No.

Attach full postage and send this Return to the Deputy Federal Commissioner of Taxation, The Rialto, Melbourne (or Deputy Federal Commissioner of Taxation in the Capital (City of the State).)

COMMONWEALTH OF AUSTRALIA.



Income Tax Assessment Act 1922.

RETURN OF INCOME DERIVED FROM ALL SOURCES IN TWELVE MONTHS FROM 1st JULY, TO 30th JUNE, DURING THE

Name in full of Person for whom Return is made (Mr., Mrs., or Miss)
(Write plainly, and underline the surname.)

Occupation

Whether Married or Single on 30th June,

Postal Address for service of Notices

(Taxpayers are required to notify to the Deputy Commissioner any change of address for service of notices, &c.)

Last return lodged at Federal Taxation Office

If Return is made in the capacity of—

Trustee, name the Estate*

Agent, name the Principal* who resides at

* "Single" means bachelor, spinster, widow, widower, or divorced person.

* Fill in whichever is applicable.

PART A.

Income from Personal Exertion (when Parts C or D are unsuitable).

	£	Office only. £
1. Stipend, salary, wages, and overtime as employee of ..		
2. Profession; or share in partnership of ..		
3. Income as beneficiary under will, settlement, deed of gift, or instrument of trust of .. If trust income is from personal exertion ..		
4. Fees, commissions, or bonuses other than life insurance bonuses (attach list) ..		
5. Pension, superannuation, or retiring allowance ..		
6. Five per centum of retiring allowance or gratuity paid in a lump sum in .. (Total amount paid to me £ ..)		
7. Value of quarters, board, &c., allowed to me by employer ..		
Total Income ..	£	

FIRST FORM—continued.

<i>Deductions.</i>		£	Office only.
8.	Amount actually paid for fidelity guarantee or bond or premiums or sums paid by me to _____ Company on the insurance effected in Australia of my own life or that of my wife or children, or for deferred annuity, or other similar provision. (Note.—Maximum amount allowable is £50)		£
9.	Payments to a superannuation, sustentation, or widows' or orphans' fund, or any friendly society in Australia. (Name of Society _____) (Note.—Maximum amount allowable is £50)		
10.	Interest (other than interest on mortgage secured on my own home) actually paid on borrowed money to _____ the principal sum being employed for the following purposes:—		
11.	Gifts exceeding £20 each in cash to public charitable institutions in Australia, and contributions in cash exceeding £5 in the aggregate in respect of each object of contribution made during the continuance of the present war to any public fund established in the British Empire or an allied country, for any purpose connected with the present war. (Detailed list should be attached.) Deductions under this head will not be allowed unless verification in the nature of receipts, cheques, butts, &c., is submitted, and accompanies this Return		
12.	Sums paid by way of commission for collecting income		
13.	Deduction of £25 for each child under 16 years of age at 1st July, or born between then and 1st July, wholly maintained by me. Give full particulars in Statement No. 3		
14.	Calls paid by me to Australian mining companies and 5 per cent. of calls paid to other Australian companies (attach list)		
15.	Fire and burglary insurance premiums paid on income producing property (attach list)		
16.	Any other deductions (attach list)		
	Total Deductions	£	
	Net Income	£	

PART B:

Income from Property.

17.	Gross rents—including rent from subletting (attach list)		
18.	Share of partnership of		
19.	Dividends, interest, &c., received by or credited to me as per Statements 6 and 7		
20.	Cash prize in lottery		
21.	Annuitios, royalties, tributes, licences, &c., and premiums, fines, or forfeits received in connexion with leases (attach list)		
22.	Income as beneficiary under will, settlement, deed of gift, or instrument of trust of		
23.	Five per cent. of capital value at 30/6/ of my residence owned by me or of property used by me rent free for purposes of residence or enjoyment. Capital value of such property being £ _____ Five per cent. thereof = £ _____		
	Total Income		

Deductions.

24.	Rates and taxes, &c., as per list (but not including Federal Income Tax)		
25.	Repairs (not including alterations, additions, or improvements) to properties from which rent is received (attach list)		
26.	Interest paid to _____ on borrowed money used to produce income from property		
27.	Commission paid to _____ for collection of income from property		
28.	Rent paid to _____ for property from which rent is received		
29.	Interest paid to _____ on a mortgage of land and residence owned and occupied, and in respect of which 5 per cent. of capital value is returned as income under item 23		
30.	Any other deductions (attach list)		
	Total Deductions	£	
	Net Income.	£	

DECLARATION.

I, the person making this Return, declare that the particulars shown therein, and also those stated in the Forms, Balance-sheets, Documents, and Lists herewith, are true and correct in every particular, and disclose without reservation or exception a true and complete statement of all income liable to taxation derived from all sources in _____ during the year 1st July, _____ to 30th June, _____

Usual Signature _____

Dated this _____ day of _____

FIRST FORM—continued.

PART C.		PART D.	
Income from a Trade, Business, Manufacture, or Concern not shown in Parts A or B.		Income of Farmer, Pastoralist, or Horticulturalist as shown in Parts A or B.	
(Attach Balance-sheet and Trading and Profit and Loss Account.)			
Nature of Business	£	Nature of Business	£ Office only.
31. Sales—cash and credit—for the year ended 30/6/ ..		38. Gross sales—cash and credit—for year ended 30/6/ ..	
32. Stock and materials on hand, 30/6/ (not including plant and fixtures) ..		(a) Wool £ skins and hides £ ..	
33. Value of goods (not included in sales) taken from stock and used—		(b) Meat, poultry, &c. ..	
(a) for maintenance of self, family, and employees ..		(c) Milk, cream, butter, cheese, eggs, &c. ..	
(b) for other purposes, or used in carrying on the business ..		(d) Grain, hay, fodder, potatoes, &c. ..	
(c) used as plant or for additions to buildings, &c. ..		(e) Timber, firewood, bark, &c. ..	
Total £		(f) Wine, fruit, vegetables, &c. ..	
		(g) Other receipts from farm, station, or orchard ..	
Deduct—		(h) Profit as per Statement No. 1 ..	
34. Stock and materials (not including plant and fixtures) on hand, 30/6/ .. £		39. Value of stock and produce given in exchange for goods, provisions, &c. ..	
35. Net Purchases for business only of stock during year ended 30/6/ .. £		40. Value of milk, butter, eggs, and vegetables, &c., taken from the business for household use and sustenance of employees ..	
Net amount £		41. Value on hand at 30/6/ of—	
		(a) Farm and orchard produce ..	
Add—		(b) Wool, skins, hides, &c. ..	
36. Income from commissions, discounts, rebates, and sundry credits ..		42. Income from other business sources (attach list) ..	
37. Income from other business sources (attach list) ..		43. Five per cent. of capital value at 30/6/ of house owned and used, or used rent free, as residence	
Total income £		Capital value £ .. £ per cent. thereof £ ..	
		Total £	
		Less—	
		44. (a) Value of farm and orchard produce, wool, &c., held on 1st July. ..	
		(b) Purchases during year for business purposes—	
		(1) Seed, plants, &c., for resale ..	
		(2) Fodder ..	
		(3) Fertilizers and manures ..	
		(4) Stock, &c., received in exchange for produce, &c. ..	
		(c) Loss as per Statement No. 1 ..	
		Total £	

FIRST FORM—continued.
PARTS C AND D—continued.

Deductions.		£	Office only. £
45. Salaries and wages actually paid in the business (not including any sums drawn by me or paid as wages for fencing, ringing, clearing, or similar improvements, or for alterations or new works)			
46. Amount expended for food for employees (including my own children over 15) employed exclusively in the business			
47. Rent of business premises or land (not including C.P. payment for land to the Government) paid to			
48. Rates and taxes, not including Federal Income Tax (attach list). If any income is shown in Part B, this deduction must be shown in Part B only			
49. Insurance on business premises and stock (attach list)			
50. Interest paid to on money used in connexion with the business			
51. Depreciation by wear and tear of plant and machinery used in the business (not including buildings). (Attach list of plant, machines, &c., and respective values at 1st July, and percentages written off)			
52. Repairs (not including alterations, additions, or improvements) to property and machinery, implements, utensils, rolling-stock, and articles used in the production of income, but not including repairs to properties from which rent is received			
53. Bad debts incurred in period 1/7/ to 30/6/ in the trade and proved to be bad and actually written off for the first time during the year ended 30/6/ (attach list)			
54. Exchange, commission, and discount			
55. Travelling expenses incurred in the business only			
56. Contributions to employees' benefit or provident fund (attach list)			
57. Gifts exceeding £20 each in cash to public charitable institutions in Australia and contributions in cash exceeding £5 in the aggregate in respect of each object of contribution made during the continuance of the present war to a public fund established in British Empire or allied country for any purpose connected with the present war. (Detailed list and verification should be attached as per Item 11)			
58. Printing, stationery, advertising, stamps, telegrams, for business purposes only			
59. Gas, electricity (light and power), telephone, &c. (for business only)			
60. Other business expenses (attach list)			
61. Calls paid to Australian mining companies, and 5 per cent. of calls paid to other Australian companies (attach list)			
62. Premiums or sums paid by me in Australia to Company on the insurance of my own life or that of my wife or children, or for deferred annuity, or other similar provision. (Note.—Maximum amount allowable is £50)			
63. Deduction of £20 for each child under 16 years of age at 1st July, or born between then and 1st July, wholly maintained by me. Give full particulars in Statement No. 3			
Total Deductions		£	
Taxable Income		£	

STATEMENT NO. 1.—LIVE-STOCK SCHEDULE.

—		Number.	Value.	—		Number.	Value.
			£	Sales 1/7/ to 30/6/			£
Stock on hand at 1st July, at standard values—				Sheep	..		
Sheep @				Cattle	..		
Cattle @				Horses	..		
Horses @				Pigs	..		
Pigs @				Killed for rations—			
Purchases at cost—				Sheep	..		
Sheep				Cattle	..		
Cattle				Pigs	..		
Horses				Stock on hand at 30th June, (including natural increase), at standard values—			
Pigs				Sheep @			
Balance, Profit, carried to item No. 38 (b)				Cattle @			
				Horses @			
				Pigs @			
				Balance, Less, carried to item No. 44 (c)			

Underline Surname and sign the Return. Penalty for late lodgment, 10 per cent. of Tax or Prosecution. If your income, other than Dividends in Companies, is derived from more than one State do not use this form. Get a suitable form from the Commissioner at The Rialto, Collins-street, Melbourne.

STATEMENT NO. 2.—STATEMENT OF DISTRIBUTION BY TRUSTEES OR PARTNERSHIPS.

Name in full of each Partner or Beneficiary.	Residence.	Net Amount credited or paid to each Partner or Beneficiary.	Balance Undistributed.
		£	£ .

NOTE.—If any of the beneficiaries in an estate is a minor, state amount held in trust for such minor &

STATEMENT NO. 3.—DEDUCTIONS CLAIMED IN RESPECT OF CHILDREN UNDER 16 YEARS OF AGE AT 1ST JULY, . WHOLLY MAINTAINED BY TAXPAYER.

Name of Child.	Date of Birth.	If not wholly maintained during year ended 30/6/ state for what period.	If not wholly dependent state in what other way partly maintained.

STATEMENT NO. 4.—CONTRIBUTIONS TO DEPENDANTS BY BACHELORS, SPINSTERS, WIDOWS, WIDOWERS, OR DIVORCED PERSONS.

Name of Dependant.	Relationship to Taxpayer.	Amount contributed by Taxpayer during the period 1/7/ to 30/6/ .	Remarks.

STATEMENT NO. 5.—STATEMENT OF SALARIES AND WAGES PAID AND ALLOWANCES TO EMPLOYEES.

Employee's Christian Name and Surname.	In what Capacity employed.	Place of Residence and Postal Address.	If not employed for whole period, state period employed.	Rate of Pay.	Total Amount of Salary or Wages paid to each in year ended 30/6/ .	Value of Board, Residence, or other Allowance to each in year ended 30/6/ .	
						Quarters.	Board.
					£	£	£

If the space is not sufficient to contain all the names, special sheets may be obtained from the Department of Taxation. Payments to any one person at a rate less than £100 per annum need not be shown.

STATEMENT No. 6.—DIVIDENDS FROM COMPANIES.

Name of Company.	Address.	* Amount.			Name of Company.	Address.	* Amount.		
		£	s.	d.			£	s.	d.

* The gross amount of dividends must be shown. Any rebates allowable on account of income having been earned by the Company outside Australia will be calculated and deducted by the Department. Carry total amount from this Statement to Item 19.

STATEMENT No. 7.—PARTICULARS OF MONEY LENT BY ME ON MORTGAGE, BANK DEPOSIT, BONDS DEBENTURES, OR OTHERWISE, EXCEPT ON GOVERNMENT SECURITIES.

Name of Bank, Company, Firm, or Person to whom Money is lent.	Address.	Principal Amount.	State whether Deposit, Bonds, Debentures, or otherwise.	Amount of Interest received during year ended 30/6/		
				£	s.	d.

Carry total amount of interest shown above to Item 19.

INSTRUCTIONS TO TAXPAYERS.

Omission of any income from a Return will render the taxpayer liable to a penalty of 10 per cent. of the whole tax assessable.

Returns.

The following persons are liable to render an Income Tax Return for the 12 months ending 30th June, —

(a) Persons resident in in receipt of a gross income exceeding £150, who are married or have dependants.

(b) Persons, resident in in receipt of a gross income of £100 and upwards, who are not married and have no dependants.

* Dependant means a relative of a taxpayer by blood, marriage, or adoption, towards whose maintenance the taxpayer has contributed at least Twenty-six pounds during the year in which his taxable income was derived.

(c) Absentees having an income of £1 or upwards.

He must complete the return and sign the declaration, and deliver the return to the Federal Commissioner of Taxation, Melbourne, if the income is derived from sources in more than one State, or if the income, other than dividends in Public Companies, is derived from

sources in one State only, to the Deputy Federal Commissioner of Taxation in the Capital City of that State.

Full postage must be prepaid on all returns, &c., sent by taxpayers.

Partners' Individual Returns.—The senior resident partner should make the partnership return. Each partner must make a separate return of his income from all sources, including his share of the partnership profits.

Trustees and Beneficiaries in Trust Estates.

The senior or active trustee should make this return and statement. The return of each beneficiary who has no other source of income should be attached to, and lodged with, the trustee's return wherever possible.

Income.

Every married person or person with dependants who received wages at the rate of 10s. a day or over in continuous employment, or whose total income amounted to £156 or over, during the

INSTRUCTIONS TO TAXPAYERS—continued.

year ended 30/6/ , must make a return. Every unmarried person without dependants, who received 6s. a day or over continuously during the year ended 30/6/ , or whose total income amounted to £100 or over during such period, must make a return. Any benefits in addition to or as part of salary, wages, &c., such as board or board and lodging, or any bonus or commission, are income, and their value to the recipient must be stated by him. If he lives in his own house, or occupies a house rent free, he must include 5 per cent. of the capital value of it as income. He may deduct the amount he spent in repairs, rates, insurance, &c., and interest on mortgage of the property.

Value of Portion of Trade Premises used for Domestic Purposes.—All persons using their own land and houses for residence or for residential and business purposes combined must ascertain the actual capital value of such portion as is not used for business; and must return under Item 23 as income 5 per cent. on the capital value of the portion used for residence. Generally, the proportion of the rent paid which should be included as income under this head is—(a) for storekeepers, grocers, and other similar trades, one-half; (b) hotelkeepers and lodginghouse-keepers, one-fourth; and (c) doctors, chemists, &c., two-thirds.

Where these proportions seem to the taxpayer too high, he should state what amount he considers a fair proportion, and the grounds upon which he arrives at such amount.

Farmers and Graziers.

Income earned in Pastoral and Agricultural Industries, such as farming, grazing, dairying, vine-growing, fruit-growing, or market gardening, should be returned in Part D.

General.

Professional Income.—This should be stated in "Income from Personal Exertion," Part A, and should also be shown in detail by a separate statement. Doctors, barristers, solicitors, &c., may show the actual receipts and allowable disbursements in year ended 30/6/ .

Income earned in a Trade or Business.—Trade income should be returned as nearly as possible for the year ended 30th June. Where accounts are not balanced on 30th June, the return must be based on the annual balance-sheet and trading and profit and loss accounts, made up to the balancing date nearest thereto.

Benefits or Advantages.—Hotelkeepers, lodginghouse-keepers, boarding-school proprietors, storekeepers, tradesmen, and others whose household expenses (including board of themselves and families and the maintenance of their domestic establishments) are not kept distinct from their trade or business expenditure should insert as income an amount equal to what the cost of their domestic establishment would be if maintained separately.

The taxpayer must not use more than one schedule, which is drawn up so as to comprise all classes of income.

The particulars of income should be fully stated. If there is not sufficient room in the Schedule, a list or statement should be attached.

Allowable Deductions.

The allowable deductions are shown under the headings A, B, C, and D. Those expenses which the Act disallows as deductions are set out hereunder.

In case of any doubt the facts should be laid before the Deputy Commissioner and a decision as to the allowance of the items should be asked for.

Expenses not allowed as Deductions.

Additions or alterations to trade or other income-earning premises.

Additions to plant and machinery.

Any domestic expenditure, or the cost of living of members of his family not exclusively engaged in the business or who are engaged in domestic duties.

Cost of sewerage connections.

Depreciation of buildings, leaseholds, or land and improvements.

Depreciation of good-will.

Doubtful debts.

Expenditure incurred to protect income.

Federal Income Tax.

Insurance on furniture or personal effects.

Interest not actually paid in year ended 30/6/ .

Interest paid on money which is not used to produce income.

Losses by fire, accident, robbery, or embezzlement.

Losses incurred in any previous year.

Losses not connected with or arising out of the taxpayer's trade or business.

Money paid to the Crown on selections.

Payments from husband to wife or from wife to husband.

Premiums on insurances effected outside Australia.

Purchase of good-will.

Rent of private residence.

Rent of trade premises not actually paid in year ended 30/6/ .

Repayment of moneys borrowed, including amounts of principal included in annual payments on loans.

The cost of maintenance of a taxpayer, his wife, or his domestic establishment.

The cost of travelling between the taxpayer's private residence and place of business.

Wages not actually paid.

Wages to persons not employed in the trade or business.

General Directions.

Name of person to be assessed is the name of the person particulars of whose income is given in the Return, and the occupation should be descriptive of his own occupation or of his representative occupation, as the case may be. For example, if the income be that of a "trust estate," the trustee must insert his own as "the name of the person to be assessed," and give as his occupation "trustee of the estate of A.B., &c.," or if agent for an absentee, he must insert his own name and state his occupation as "agent for A.B., of London, &c." If the return is a return of the income of a partnership, the occupation should be given as "senior partner in the firm, &c."

A copy of the return, as well as all books, accounts, memoranda, and all data from which the return is made up, should be preserved for future reference in the event of further information being subsequently required by the Deputy Commissioner.

Special Instructions.

Whenever deductions are claimed on account of any item in respect of which the form calls for a detailed list, such list should be attached to the return.

Separate lists are required of—

1. Charitable contributions and gifts to war funds, and verification thereof, such as receipts, cheque butts, &c., must also be attached.
2. Calls in companies.
3. Fire and burglary insurance premiums.
4. Children. (Statement 3, page .)
5. Rates and taxes.
6. Repairs.
7. Depreciation (items, values, and rates.)
8. Bad debts. Dates incurred and amounts.
9. Contributions to benefit funds.
10. Other business expenses.

Returns should be lodged not later than 31/8/

SECOND FORM.

PREPAY POSTAGE.

Send this Return to the Federal Commissioner of Taxation, Melbourne (or Deputy Federal Commissioner of Taxation in the Capital (City of the State)).

FEDERAL INCOME TAX.

File No.

COMMONWEALTH OF AUSTRALIA.

*Income Tax Assessment Act 1922.*

COMPANIES DERIVING INCOME IN

RETURN OF INCOME derived from all sources in during the period 1st July
to 30th June, * or to

* If approval has been obtained to submit return for any other period specify the period.

Name of Company or Principal
Name in full of Public Officer or Agent
Nature of Business
Postal Address for service of Notices

Gross income—as per attached audited Profit and Loss Account	£
Deductions	£
Net profit for the year	£

Reconciliation Statement.

Net Profit—as per Profit and Loss Account £
Add items not allowable as deductions	
Taxable Income	£
Less amount distributed to shareholders	£
Net taxable Income	£

Return must be accompanied by audited Trading Account, Profit and Loss Account, Appropriation Account, Balance-sheet, and Lists in support of the following deductions:—

Salaries and wages, rent, interest, insurances, donations, bad debts (showing dates incurred and dates written off), depreciation (giving basis on which depreciation is claimed), and any deductions covered by general headings.

A list of resident shareholders showing names and addresses and amounts paid to each during the period 1st July, , to 30th June, , must also be furnished, together with a statement showing the total dividends paid to absentee shareholders, and interest paid or credited to absentee depositors and debenture-holders out of the income shown in this return.

Declaration.

I, the person making this Return, declare that the particulars shown therein and also those stated in the Forms, Balance-sheets, Documents, and Lists herewith, are true in every particular, and disclose without reservation or exception a true statement of all income liable to taxation derived from all sources in by during the year ended

Dated this day of .

Usual Signature

THIRD FORM.

COMMONWEALTH OF AUSTRALIA.

File No.

Income Tax Assessment Act 1922.

Assessment No.

NOTICE OF OBJECTION TO ASSESSMENT.

I hereby object to the assessment in respect of Income Tax for the financial year made by the Commissioner or Deputy Commissioner of Taxation, and issued to me by notice of assessment dated , and claim that the assessment of my taxable income should be based on the following amounts:—

Income from personal exertion	...	...	...	...	£
Income from property	...	...	...	...	£
					£
Less allowable deductions	...	...	£
Less deductions under Sec. 19	...	...	£		£
Taxable Income	...	..	£

My reasons for claiming that the assessment should be on the figures stated above are—

(Signature)—

(Address)—

(Date)—

TABLE I.

ANNUAL SUM WHICH ACCUMULATED AT COMPOUND INTEREST WILL AMOUNT TO £1 AT THE END OF ANY NUMBER OF YEARS FROM 1 TO 100.

(Annual Investment Assumed to be Spread Uniformly over Year.)

Years.	5 per cent.	Years.	5 per cent.	Years.	5 per cent.
	£		£		£
1	·97580	36	·01018	71	·00158
2	·47600	37	·00960	72	·00150
3	·30953	38	·00906	73	·00143
4	·22640	39	·00855	74	·00136
5	·17660	40	·00808	75	·00129
6	·14346	41	·00763	76	·00123
7	·11985	42	·00722	77	·00117
8	·10219	43	·00682	78	·00111
9	·08850	44	·00646	79	·00106
10	·07758	45	·00611	80	·00100
11	·06860	46	·00578	81	·00096
12	·06130	47	·00548	82	·00091
13	·05509	48	·00519	83	·00087
14	·04979	49	·00492	84	·00082
15	·04522	50	·00466	85	·00078
16	·04125	51	·00442	86	·00075
17	·03776	52	·00419	87	·00071
18	·03469	53	·00397	88	·00068
19	·03195	54	·00377	89	·00064
20	·02951	55	·00358	90	·00061
21	·02732	56	·00340	91	·00058
22	·02534	57	·00322	92	·00055
23	·02355	58	·00306	93	·00053
24	·02193	59	·00291	94	·00050
25	·02045	60	·00276	95	·00048
26	·01909	61	·00262	96	·00046
27	·01785	62	·00249	97	·00043
28	·01671	63	·00237	98	·00041
29	·01566	64	·00225	99	·00039
30	·01469	65	·00214	100	·00037
31	·01379	66	·00203		
32	·01296	67	·00193		
33	·01219	68	·00183		
34	·01147	69	·00174		
35	·01080	70	·00166		

TABLE II.

AMOUNT OF £1 PER ANNUM.

(i.e., the sum to which an annual payment of £1 accumulated at compound interest will amount at the end of any number of years from 1 to 50.)

Years.	5 per cent.	Years.	5 per cent.	Years.	5 per cent.
	£		£		£
1 ..	1	18 ..	28·13238467	35 ..	90·32930735
2 ..	2·05	19 ..	30·53900391	36 ..	95·83032272
3 ..	3·1525	20 ..	33·06595410	37 ..	101·62813888
4 ..	4·310125	21 ..	35·71925181	38 ..	107·70954580
5 ..	5·52563125	22 ..	38·50521440	39 ..	114·09502309
6 ..	6·80191281	23 ..	41·43047512	40 ..	120·79977424
7 ..	8·14200845	24 ..	44·50199887	41 ..	127·83976295
8 ..	9·54910888	25 ..	47·72709882	42 ..	135·23175110
9 ..	11·02656432	26 ..	51·11345376	43 ..	142·99333886
10 ..	12·57789254	27 ..	54·66912645	44 ..	151·14300559
11 ..	14·20678716	28 ..	58·40258277	45 ..	159·70015587
12 ..	15·91712652	29 ..	62·32271191	46 ..	168·68516386
13 ..	17·71298285	30 ..	66·43884750	47 ..	178·11942185
14 ..	19·59863199	31 ..	70·76078988	48 ..	188·02539294
15 ..	21·57856359	32 ..	75·29882937	49 ..	198·42600259
16 ..	23·65749177	33 ..	80·06377084	50 ..	209·34799572
17 ..	25·84036636	34 ..	85·06695938		

TABLE III.

FAIR AVERAGE VALUE OF LIVE STOCK (OTHER THAN STUD STOCK).

	Sheep.	Cattle.	Horses.	Pigs.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Minimum Value	0 2 6	6 10 0	0 15 0	0 2 6
Maximum Value	0 10 0	0 40 0	0 60 0	0 10 0

THE COMMONWEALTH OF AUSTRALIA.

ENTERTAINMENTS TAX ASSESSMENT.

No. 36 of 1916.

An Act relating to the Imposition, Assessment and Collection of a Tax upon Payments for Admission to Entertainments.

[Assented to 21st December, 1916.]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

PART I.—PRELIMINARY.

1. This Act may be cited as the *Entertainments Tax Assessment Act 1916.* Short title.

2. In this Act, unless the contrary intention appears—

Definitions.

“Admission” means admission as a spectator or one of an audience and includes admission for the purpose of participating in any exercise in which the payment for admission entitles him to participate;

“Admission to an entertainment” includes admission to any place in which the entertainment is held;

“Die” means a die made or used for the making of a stamp or stamped ticket and includes the whole or any part of any plate, type, tool or implement whatever made or used for that purpose;

“Entertainment” includes any exhibition, performance, lecture, amusement, game or sport for admission to which payment is made;

C.3707.

“Entertainments

“Entertainments tax” means the entertainments tax imposed as such by any Act as assessed under this Act;

“Forge” and “forged” include counterfeit and counterfeited;

“Payment for admission” includes any payment made by a person as a booking fee for admission, or by a person who, having been admitted to one part of a place of entertainment, is subsequently admitted to another part thereof for admission to which a payment involving tax or more tax is required;

“Proprietor” in relation to any entertainment includes any person responsible for the management thereof;

“Stamp” or “stamped ticket” means any stamp or stamped ticket made or authorized by the Treasurer for the purpose of the payment of entertainments tax, and means as well a stamp impressed by means of a die, as an adhesive stamp;

“The Commissioner” means the Commissioner of Taxation.

Parts.

3. This Act is divided into Parts, as follows:—

Part I.—Preliminary.

Part II.—Imposition of Tax.

Part III.—Offences.

Part IV.—Miscellaneous.

Administration by the Commissioner.

4. The Commissioner shall have the general administration of this Act.

Delegation by the Commissioner.

5.—(1.) The Commissioner may by writing under his hand, delegate to the Assistant Commissioner of Taxation all or any of his powers or functions under this Act (except this power of delegation) so that the delegated powers and functions may be exercised as fully and effectually by the Assistant Commissioner as by the Commissioner, and may, in relation to any particular matters or class of matters, or to any particular State or part of the Commonwealth, by writing under his hand, delegate to any other person all or any of his powers or functions under this Act (except this power of delegation) so that the delegated powers or functions may be exercised by such person with respect to the matters or class of matters or the State or part of the Commonwealth specified in the instrument of delegation.

(2.) Every delegation under this section shall be revocable at will, and no delegation shall prevent the exercise of any power or function by the Commissioner.

Report by the Commissioner.

6.—(1.) The Commissioner shall furnish to the Treasurer annually, for presentation to the Parliament, a report on the working of this Act.

(2.) In the report the Commissioner shall draw attention to any breaches or evasions of this Act, which have come under his notice.

PART

PART II.—IMPOSITION OF TAX.

7. There shall, as from a day to be fixed by proclamation, be levied and paid on all payments for admission to any entertainment an entertainments tax at such rates as are declared by the Parliament.

Tax on payments for admission to entertainments.

8.—(1.) On and after the day fixed by proclamation in pursuance of the last preceding section, no person shall be admitted for payment to any entertainment where the payment is subject to entertainments tax except—

Admission to entertainments.

(a) with a ticket stamped with a stamp (not before used) denoting that the proper entertainments tax has been paid; or

(b) in special cases, with the approval of the Commissioner, through a barrier which, or by means of a mechanical contrivance which, automatically registers the number of persons admitted,

unless the proprietor of the entertainment has made arrangements, approved by the Commissioner, for furnishing returns of the payments for admission to the entertainment and has given security up to an amount and in a manner approved by the Commissioner for the payment of tax.

(2.) In all cases in which entertainments tax is collected by the proprietor of the entertainment or his agent, the tax so collected shall, until payment to the Commonwealth, be held by the proprietor of the entertainment or his agent as property of the Commonwealth.

9. Entertainments tax shall be charged in respect of each person admitted for payment, and, in the case of admission by stamped ticket, shall be paid by means of the stamp on the ticket, and, in the case of admission otherwise than by stamped ticket, shall be calculated and paid on the number of admissions.

Entertainments tax—how charged and paid.

10. Entertainments tax, in the case of admission otherwise than by stamped ticket, shall be recoverable from the proprietor, and may, if the amount of tax is less than Fifty pounds, without prejudice to any other means of recovery, be recovered by the Commissioner summarily as a civil debt.

Recovery of entertainments tax.

11. Where the payment for admission to an entertainment is made by means of a lump sum paid as a subscription or contribution to any club, association, or society, or for a season ticket, or for the right of admission to a series of entertainments or to any entertainment during a certain period of time, the entertainments tax shall be paid on the amount of the lump sum, but where the Commissioner is of opinion that the payment of a lump sum or any payment for a ticket represents payment for other privileges, rights or purposes in addition to the admission to an entertainment, or covers admission to an entertainment during any period for which the tax has not been in operation, the tax shall be charged on such an amount as appears to the Commissioner to represent the right of admission to entertainments in respect of which entertainments tax is payable.

Method of charging tax in certain cases.

12. Entertainments

Entertainments
exempt from
tax.

12. Entertainments tax shall not be charged on payments for admission to any entertainment where the Commissioner is satisfied—

- (a) that the whole of the takings thereof are devoted to philanthropic religious or charitable purposes without any charge on the takings for any expenses of the entertainment; or
- (b) that the entertainment is of a wholly educational character (any question on that point to be determined, in case of difference, by the Commissioner); or
- (c) that the entertainment is intended only for the amusement of children, and that the charge is not more than Sixpence for each person; or
- (d) that the entertainment is provided for partly educational or partly scientific purposes by a society, institution, or committee not conducted or established for profit.

Refund of tax in
certain cases.

13. Where the Commissioner is satisfied that the whole of the net proceeds of an entertainment are devoted to philanthropic religious or charitable purposes, and that the whole of the expenses of the entertainment do not exceed fifty per centum of the receipts, he shall repay to the proprietor the amount of the entertainments tax paid in respect of the entertainment.

Provided that when the Commissioner is satisfied that owing to adverse climatic conditions the expenses of an entertainment for philanthropic religious or charitable purposes in respect of which payments for admission have been made exceed fifty per centum of the receipts the Commissioner shall repay to the proprietor the amount of the entertainments tax paid in respect of the entertainment.

PART III.—OFFENCES.

Power to officer
to enter place of
entertainment.

14.—(1.) Any officer of the Commissioner authorized by him for the purpose may enter any place of entertainment while the entertainment is proceeding, and any place ordinarily used as a place of entertainment at any reasonable times, with a view to seeing whether the provisions of this Act or any regulations made thereunder as to entertainments tax are being complied with.

(2.) Any person who prevents or obstructs the entry of any officer so authorized shall be guilty of an offence.

Penalty: Twenty pounds.

Admission to
entertainment
in contravention
of Act.

15.—(1.) If any person is admitted for payment to any place of entertainment in contravention of this Act the person admitted and the proprietor of the entertainment shall each be guilty of an offence: Penalty, in the case of the person admitted, Five pounds; and in the case of the proprietor, Fifty pounds.

(2.) In addition the proprietor shall be liable to pay any tax which should have been paid.

Forging, &c., die
or stamp.

16. Every person who—

- (a) forges a die or stamp;
- (b) prints or makes an impression upon any material with a forged die;

(c) fraudulently

- (c) fraudulently prints or makes an impression upon any material from a genuine die ;
- (d) fraudulently cuts, tears, or in any way removes from any material any stamp, with the intent that any use should be made of the stamp or of any part thereof ;
- (e) fraudulently mutilates any stamp, with the intent that any use should be made of any part of the stamp ;
- (f) fraudulently fixes or places upon any material or upon any stamp, any stamp or part of a stamp which, whether fraudulently or not, has been cut, torn, or in any way removed from any other material, or out of or from any other stamp ;
- (g) fraudulently erases or otherwise removes from, or obliterates on, any stamped material any name, sum, date, or other matter or thing whatsoever thereon written, with the intent that any use should be made of the stamp upon that material ;
- (h) knowingly sells or exposes for sale or utters or uses any forged stamp or any stamp which has been fraudulently printed or impressed from a genuine die ;
- (i) knowingly, and without lawful excuse (proof whereof shall lie upon him) has in his possession any forged die or stamp or any stamp which has been fraudulently printed or impressed from a genuine die or any stamp, or part of a stamp, which has been fraudulently cut, torn, or otherwise fraudulently mutilated, or any stamped material from or on which any name, sum, date, or other matter or thing has been fraudulently erased, removed or obliterated ; or
- (j) fraudulently gums, sticks, or by any process whatever attaches to each other the pieces of a stamp or stamped ticket which has been divided or cut

shall be guilty of an indictable offence.

Penalty: Imprisonment for fourteen years.

17. Every person who, without lawful authority or excuse (proof whereof shall lie upon him)—

- (a) makes or causes or procures to be made, or aids or assists in making, or knowingly has in his custody or possession, any paper in the substance of which appear any words, letters, figures, marks, lines, threads, or other devices peculiar to and appearing in the substance of any paper provided or used for stamps or stamped tickets under this Act, or any part of such words, letters, figures, marks, lines, threads, or other devices, and intended to imitate or pass for the same ; or

Making paper in imitation of stamp paper.

- (b) causes

THE COMMONWEALTH OF AUSTRALIA.

THE WAR-TIME PROFITS TAX ASSESSMENT
ACT 1917-1918,

BEING

THE WAR-TIME PROFITS TAX ASSESSMENT ACT 1917 (No. 33 OF 1917),

AS AMENDED BY

THE WAR-TIME PROFITS TAX ASSESSMENT ACT 1918 (No. 40 OF 1918).^(a)

An Act relating to the Imposition Assessment and
Collection of a Tax upon Profits.

[Assented to 22nd September, 1917.]^(b)

BE it enacted by the King's Most Excellent Majesty, the Senate,
and the House of Representatives of the Commonwealth of
Australia, as follows :—

PART I.—INTRODUCTORY.

1. This Act may be cited as the *War-time Profits Tax Assessment Act 1917-1918*.^(c)

2. This Act shall apply to the profits of any business arising up
to the thirtieth day of June One thousand nine hundred and
nineteen.

3. This Act shall be divided into Parts, as follows :—

- Part I.—Introductory.
- Part II.—Administration.
- Part III.—War-time Profits Tax.
- Part IV.—Computation of Profits.
- Part V.—Pre-war Standard.
- Part VI.—Capital.
- Part VII.—Returns and Assessments.
- Part VIII.—Objections and Appeals.
- Part IX.—Collection and Recovery of Tax.
- Part X.—Miscellaneous.

Short title.
Short title
amended.
No. 32 of 1918,
s. 2.
Duration.
Amended by
No. 40 of 1918,
s. 2.
Parts.

(a) Assented to 25th December, 1918. Section 13 of the *War-time Profits Tax Assessment Act 1918* reads as follows :—

13.—(1.) The amendments made to the Principal Act by paragraphs (d) and (e) of section nine of this Act shall be deemed to have come into operation on the twenty-second day of September One thousand nine hundred and seventeen.

(2.) All amendments to the Principal Act made by this Act, other than the amendments referred to in sub-section (1.) of this section, shall, subject to this Act, apply to assessments made for the financial year commencing on the first day of July One thousand nine hundred and sixteen and all subsequent years.

(b) This is the date of assent to the *War-time Profits Tax Assessment Act 1917*.

(c) The *War-time Profits Tax Assessment Act 1917*, as amended by the *War-time Profits Tax Assessment Act 1918*, may be cited as the *War-time Profits Tax Assessment Act 1917-1918*. See Act No. 40 of 1918, s. 1 (8).

C.13141.

Definitions.Cf. 1915, No. 34,
s. 8.Amended by
No. 40, 1918, s. 3.**4.** In this Act, unless the contrary intention appears—

“Agent” includes every person who in Australia, for or on behalf of any person out of Australia (in this section called “the principal”), carries on any business belonging to the principal, and every person declared by the Commissioner to be an agent or the sole agent for any person for the purposes of this Act.

“Australia” includes the Territory of Papua.

“Business” includes any profession or trade and any transaction not in the course of a person’s business for the sale and purchase of any commodity.

“Capital” means the capital of a business employed in Australia.

“The Commissioner” means the Commissioner administering this Act.

“Company” includes all bodies or associations corporate or unincorporate.

Added by No. 40,
1918, s. 3.

“Established business” means a business other than a new business.

Added by No. 40,
1918, s. 3.

“New business” means a business which, in the opinion of the Commissioner, was not commenced until on or after the fourth day of August One thousand nine hundred and twelve and was not reasonably established until on or after the fourth day of August One thousand nine hundred and fourteen.

“Partnership” includes beneficiaries under a will, settlement, or other deed of trust who are carrying on business jointly.

“Person” includes a company.

“Taxpayer” means any person chargeable with war-time profits tax.

“Trustee” in addition to every person appointed or constituted trustee by act of parties, by order, or declaration of a Court, or by operation of law, includes an executor or administrator, guardian, committee, receiver, or liquidator.

“Wasting asset” means mines (other than coal mines), quarries, timber rights, and any similar asset which, through gradual removal of the substance of the asset, becomes exhausted.

Act to extend to
Papua.**5.** This Act shall extend to the Territory of Papua.

PART II.—ADMINISTRATION.

Commissioner.
ib. s. 5.**6.—(1.)** The Commissioner of Taxation shall have the general administration of this Act.

(2.) The Commissioner may, in relation to any particular matters or class of matters, or to any particular State or part of the Commonwealth, by writing under his hand, delegate to the Assistant Commissioner of Taxation or to a Deputy Commissioner of Taxation or other person all or any of his powers or functions under this Act (except this power of delegation), so that the delegated powers or functions may be exercised by the Assistant Commissioner or Deputy Commissioner or person with respect to the matters or class of matters or the State or part of the Commonwealth specified in the instrument of delegation.

Delegation
by the
Commissioner.

(3.) Every delegation under this section shall be revocable at will but any delegation shall not prevent the exercise of any power or function by the Commissioner.

(4.) The Commissioner shall furnish to the Treasurer annually for presentation to the Parliament a report on the working of this Act.

Report by the
Commissioner.

(5.) In the report the Commissioner shall draw attention to any breaches or evasions of this Act, which have come under his notice.

(6.) Every officer executing any power or duty conferred or imposed on any officer under this Act or the regulations shall, before entering upon his duties or exercising any power under this Act, make, before a Justice of the Peace or a Commissioner for taking affidavits or a Commissioner for Declarations, a declaration in the form prescribed.

Officers to
observe secrecy.

(7.) Any officer who acts in the execution of his office before he has made the prescribed declaration, or who, after making the declaration, divulges any information relating to the affairs of a taxpayer except in the performance of his duty, shall be guilty of an offence.

Penalty : Two hundred and fifty pounds.

PART III.—WAR-TIME PROFITS TAX.

7.—(1.) There shall be levied and paid on all war-time profits from any business to which this Act applies arising after the thirtieth day of June One thousand nine hundred and fifteen a tax (hereinafter referred to as "war-time profits tax") at such rate as is declared by the Parliament.

War-time
profits tax.

(2.) The war-time profits arising in a financial year shall be calculated as follows :—

(a) by ascertaining the monthly average of the profit or loss arising in the accounting period ending in the financial year and separately the monthly average of the profit or loss arising in the accounting period beginning in the financial year ;

(b) by multiplying the respective monthly averages of profit or loss (as the case may be) by the number of months of the respective accounting periods falling within the financial year ;

War-time Profits Tax Assessment 1917-1918.

(c) by adding together the amounts of the profit or deducting the amount of the loss from the amount of the profit (as the case may be) and deducting from the sum so obtained the pre-war standard of profits as defined for the purposes of this Act; and

(d) by deducting from the sum remaining in paragraph (c) hereof the deduction (if any) allowed by the next succeeding sub-section.

(3.) From the sum remaining under paragraph (c) of the last preceding sub-section—

(a) in the case of a business in which the pre-war standard of profits does not exceed Five hundred pounds, there shall be deducted the sum of Two hundred pounds;

(b) in all other cases, where the sum remaining under paragraph (c) of the last preceding sub-section—

(i) does not exceed Two hundred pounds, the total sum shall be deducted;

(ii) exceeds Two hundred pounds, there shall be deducted the sum of Two hundred pounds less—

(i) in the financial year ending on the thirtieth day of June One thousand nine hundred and sixteen, One pound for every Two pounds by which the excess exceeds Two hundred pounds;

(ii) in all succeeding financial years, One pound for every Four pounds by which the excess exceeds Two hundred pounds.

Accounting period.

(4.) For the purposes of this Act the accounting period shall be taken to be the period of twelve months for which the accounts of the business have been made up for the purposes of the *Income Tax Assessment Act 1915-1916*, and where the accounts of any business have not been made up for any definite period, or for the period for which they have been usually made up, or a year or more has elapsed without accounts being made up, shall be taken to be such period not being less than six months or more than a year as the Commissioner determines ending on such a date as the Commissioner determines.

(5.) Where a business has not been in existence during the whole of the financial year or a business has changed ownership in a financial year this section shall have effect as if there were substituted for Two hundred pounds a proportionately reduced amount.

Businesses to which tax applies.
Ch. 5 & 6 Geo. 5
c. 89, s. 39.
Exemptions.
Amended by
No. 40, 1918,
s. 4.

8.—(1.) The businesses to which this Act applies are all businesses (whether continuously carried on or not) of any description deriving profits from sources within Australia, excepting—

(a) businesses carried on by a municipal corporation or other local governing body or by a public authority; or by a society registered under a Friendly Societies Act of the Commonwealth or a State or Territory and not carried on for pecuniary profit; or by or for the

exclusive benefit of a religious, charitable, or public educational institution; or any company carrying on the business of life insurance so far as regards its life insurance business but not excluding so much of the profits of that business as is available for distribution to the shareholders; and

- (b) agriculture, fruitgrowing, the maintenance of dairy herds for the supply of dairy products, pig and poultry raising, and the business of co-operative companies engaged for the main part in the manufacture, preparation, or wholesale distribution of foodstuffs, the produce of Australia so far as regards the manufacture, preparation, or wholesale distribution of foodstuffs, the produce of Australia; and
- (c) offices or employments; and
- (d) any profession the profits of which depend mainly on the personal qualifications of the person by whom it is carried on, and in which comparatively little or no capital expenditure is required; and
- (e) businesses where the principal business consists of mining for gold; and
- (f) businesses commenced since the fourth day of August, One thousand nine hundred and fourteen which in the opinion of the Commissioner derive the whole of their profits from the recovery from waste manufactured products of any materials which are used for the production of munitions of war; and
- (g) businesses commenced since the fourth day of August One thousand nine hundred and fourteen for the purposes of mining for wolfram, molybdenite, tungsten, scheelite, or any other rare metal used in the manufacture of munitions of war, if the output of the mine is disposed of to the Imperial Government; and
- (h) shipbuilding so far as regards contracts made with the Commonwealth Government since the fourth day of August One thousand nine hundred and fourteen and before the declaration of peace; and
- (i) such mining businesses or such classes of mining businesses (not including any coal mining business) as are specified by proclamation, as from the date, to the extent and on the conditions, set forth in the proclamation. The proclamation shall be laid before both Houses of the Parliament within seven days of the making thereof, or, if the Parliament is not then sitting, within seven days after the next meeting of the Parliament, but if either House of the Parliament passes a resolution of which notice has been given at any time within fifteen sitting days after the proclamation has been laid before such House disallowing the proclamation, the proclamation shall cease to have effect as from the making thereof; and

Added by No. 40,
1918, s. 4 (a).

Added by No. 40,
1918, s. 4 (a).

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Added by No. 40,
1918, s. 4 (b).

(j) any agency (in which little or no capital expenditure is required) to the extent to which the Commissioner is satisfied that the profits arise from commissions in respect of purchases, sales, leases, loans, insurances or collections of money made on behalf of any other person, including commercial travellers and agents whose remuneration consists wholly of a fixed and definite sum not dependent on the amount of the business done or any other contingency; and

Added by No. 40,
1918, s. 4 (c).

(k) businesses deriving profits from the raising and sale of stud live-stock bred by the owner of the business to the extent of the profits so derived where the profits so derived do not exceed Two thousand pounds.

Added by No. 40
1918, s. 4 (d).

(1A.) For the purposes of this section "Co-operative Company" means a company in which not less than two-thirds of the shares are held by members who are *bond fide* primary producers or suppliers to the Company.

(2.) With respect to a business which, under this section, is exempt from the provisions of this Act, the exemption shall be limited to that business and shall not extend to any business which supplies to or purchases from that business any commodities.

Amended by No.
40, 1918,
s. 4 (e) (f).

(3.) When any resident of Australia, who is on active service outside Australia with the naval or military forces of any of the Allied Powers in connexion with the present war, is the owner of, or is a partner in a business to which this Act applies, or is a shareholder of a company the number of shareholders of which does not exceed twenty, and which carries on a business to which this Act applies, and who before he went on active service devoted the whole or the greater part of his time in connexion with the management of the business, or, in the case of a company as aforesaid, was wholly employed in the service of the company, and whose military or naval duties require him to be in any part of the field of operations in connexion with the war where there is danger to life as a result of the operations of enemy forces, such person shall—

(a) when the sole owner of a business be exempt from liability to pay the war-time profits tax;

(b) when a partner in a business be entitled to a refund from the Commissioner of the part of the tax payable by the partnership which bears the same proportion to the tax payable by the partnership as his interest in the profits of the partnership bears to the total profits; and

Added by No. 40,
1918, s. 4 (g).

(c) when a shareholder in a company as aforesaid be entitled to a refund of the part of the tax payable by the company which bears the same proportion to the tax payable by the company as the dividends received by him bear to the total dividends distributed by the company.

9. In any case where war-time profits are chargeable with war-time profits tax under this Act, and are also chargeable in Great Britain with excess-profits duty under any Act of the Imperial Parliament imposing an excess-profits duty, the Treasurer may agree with the Chancellor of the Imperial Exchequer, or other authorized person, for the apportionment between the Imperial and the Commonwealth Governments towards the supplies necessary for the services of His Majesty of the war-time profits tax derived pursuant to this Act or the excess-profits duty derived pursuant to the Imperial Act (whichever provides the greater amount), and may further agree that in any such case the tax or duty (as the case may be) chargeable pursuant to the other of these Acts shall not be collected.

Treasurer may agree for apportionment between Imperial and Commonwealth Governments of tax.

10.—(1.) The profits arising from any business shall be separately determined for the purposes of this Act, but shall be so determined on the same principles as the profits and gains of the business are or would be determined for the purpose of Commonwealth income tax, subject to the modifications set out in Part IV. and to any other provisions of this Act :

Determination of profits and pre-war standard. Cf. 5 & 6 Geo. 5 c. 89, s. 40 (1).

Provided that where a person carries on more businesses than one, and this Act applies to some or all of such businesses, he may deduct proportionately from the profits of each business on which, apart from this proviso, war-time profits tax would be payable by him—

(a) the loss (if any) on any of such businesses to which this Act applies ; and

(b) the excess (if any) of the losses over the profits of all of such businesses (if any) to which this Act does not apply,

if either of these losses have been recouped out of the profits of a business to which this Act applies :

Provided further that the profits or losses in any business to which this Act does not apply shall be calculated in the same manner as the profits or losses in any business to which this Act applies.

(2.) The war-time profits tax payable on the profits derived by a business carried on by partners shall be payable by the partnership, but, for the purposes of this section, the tax shall be deemed to have been paid by each partner in proportion to his interest in the profits.

(3.) A person who carries on more than one business in partnership shall be deemed to be carrying on separate businesses for the purposes of this section, and shall, if the loss on any business carried on by him either alone or in partnership is recouped by him out of the profits of any partnership business which pays tax, be entitled to a refund from his share of the tax paid by the partnership business of the difference between his share of that tax and the amount that would have been payable by him in respect of his share of the profits if the loss made by him had

been deducted from his share of the profits of the partnership business paying tax in calculating the amount of tax payable by that partnership.

Modifications.
Ch. 5 & 6
Geo. 5, c. 30,
s. 40 (3).

11.—(1.) Where it appears to the Commissioner, on the application of a taxpayer in any particular case, that any provisions of Parts IV., V., and VI. of this Act should be modified in his case, owing to—

- (a) a change in the constitution of a partnership; or
- (b) the postponement or suspension, as a consequence of the present war, of renewals or repairs; or
- (c) exceptional depreciation or obsolescence of assets employed in the business due to the war; or
- (d) the necessity in connexion with the war of providing plant which will not be wanted for the purposes of the business after the war; or
- (e) liabilities incurred in a business at the instance of the Commonwealth Government in pursuance of the war-time policy of the Government; or
- (f) the fact that the business has only commenced to be remunerative since the fourth day of August One thousand nine hundred and fourteen;

Amended by No.
40, 1918, s. 5 (a).

(g) any other special circumstances specified in the regulations, the Commissioner shall have power—

- (i) to allow as deductions such sums (which apart from this section would not be deductible) as he thinks necessary in order to meet the particular case;
- (ii) to vary the pre-war standard of profits to such an extent as he thinks necessary in order to meet the particular case; and
- (iii) to calculate the amount of the capital employed in the business in such manner as he thinks necessary in order to meet the particular case.

Proviso omitted
by No. 40, 1918
s. 5 (b).

Added by No. 40,
1918, s. 5 (c).

* * * * *

(1A.) In the case of a new business, carrying on the same class of business as established businesses, the Commissioner may, on the application of the owner of the business, allow as the pre-war standard of profits of the new business such percentage on the average amount of capital employed during the accounting period as the Commissioner determines by reference to the pre-war standard of profits of the established businesses (carrying on the same class of business), which are taxable under this Act.

Added by No. 40,
1918, s. 5 (e).

(1B.) In the case of a new business, not carrying on the same class of business as established businesses, the Commissioner may, on the application of the taxpayer, allow as the pre-war standard of profits such sum as the Commissioner thinks necessary in order to meet the particular case.

(2.) A taxpayer who is dissatisfied with the decision of the Commissioner under this section may require the Commissioner to refer his case to the Board of Referees constituted under this Act and the Commissioner shall refer the case accordingly.

12.—(1.) Where during the accounting period increased capital has been employed in a business, a deduction shall be made from the profits of the accounting period of the greater of the following sums :—

Special provisions as to pre-war standard. Increase of capital. Cf. 5 & 6 Geo. 5 c. 50, s. 41.

- (a) the statutory percentage per annum on the amount by which the capital has been increased ; or
- (b) the percentage per annum (on the amount by which the capital has been increased) of the profits standard on the average capital and borrowed money (if any) used in the pre-war trade years by reference to which the profits standard has been arrived at :

Provided that paragraph (b) of this sub-section shall not apply to assessments made for the financial year beginning on the first day of July One thousand nine hundred and eighteen and any subsequent year.

Added by No. 40 1918, s. 6 (a).

(2.) The deduction specified in the last preceding sub-section shall be proportionate to the part of the accounting period during which the additional capital has been employed.

(3.) Where during the accounting period decreased capital has been employed in a business owing to withdrawal of capital, an addition shall be made to the profits of the accounting period of the greater of the following sums :—

Decrease of capital.

- (a) the statutory percentage per annum on the amount by which the capital has been decreased ; or
- (b) the percentage per annum (on the amount by which the capital has been decreased) of the profits standard on the average capital and borrowed money (if any) used in the pre-war trade years by reference to which the profits standard has been arrived at :

Provided that where the capital has been decreased during the accounting period through compulsory dispossession, the profits of the accounting period shall not be increased as provided by this section :

Provided further that paragraph (b) of this sub-section shall not apply to assessments made for the financial year beginning on the first day of July One thousand nine hundred and eighteen and any subsequent year.

Added by No. 40 1918, s. 6 (b).

(4.) The addition specified in the last preceding sub-section shall be proportionate to the part of the accounting period during which the capital was reduced.

(5.) For the purposes of this section, capital shall be taken to be increased or decreased, as the case may be—

Where pre-war standard is a profits standard

- (a) where the pre-war standard of profits is a profits standard—if the capital employed in the business exceeds or is less than the average amount of capital

War-time Profits Tax Assessment 1917-1918.

employed during the pre-war trade years or year by reference to which the profits standard has been arrived at, and

- (b) where the pre-war standard of profits is a percentage standard—if the capital exceeds or is less than the capital on which the percentage standard has been calculated.

Capital employed for first time.

(6.) Where any capital employed in a business, which was so employed for the first time within three years before the fifth day of August One thousand nine hundred and fourteen, has only commenced to be remunerative or fully remunerative in the accounting period, there shall be added to the profits standard an amount equal to the statutory percentage on that capital, or where interest has been earned on the capital, but at a rate less than the statutory percentage, an amount which would bring the interest earned on the capital up to the statutory percentage, as the case may be.

Reference to the Commissioner of questions as to increase of percentages. Cf. 5 & 6 Geo. 5, c. 89, s. 42. Amended by No. 40, 1918, ss. 7 and 8.

13.—(1.) Where an application is made to the Commissioner—

- (a) for an increase of the statutory percentage as respects any class of business, or for a calculation of the percentage standard in the case of any class of business, in which the amount of capital actually employed in the business is, owing to the nature of the business, small compared with the capital necessarily at stake for that business, by reference to some factor other than the capital of the business or to some additional factor or for a calculation of the percentage standard in the case of a pastoral business carried on in a district which is proved to the Commissioner to be liable to severe drought and in which the capital is liable to be decreased or wholly lost through drought ; or
- (b) for an alteration of the pre-war standard of profits as respects capital employed for the purpose of the manufacture of war materials or for munitions work and which could not be expected to be remunerative or wholly remunerative, except in time of war, in a business which has been wholly or mainly carried on for those purposes ;

the Commissioner shall decide the application, and may, if he thinks fit, increase the statutory percentage or alter the percentage standard for that class of business, or alter the pre-war standard of profits, as the case requires.

(2.) A taxpayer who is dissatisfied with the decision of the Commissioner under this section may require the Commissioner to refer his case to the Board of Referees constituted under this Act and the Commissioner shall refer the case accordingly.

Assessment of tax. Cf. 1b. s. 45.

14.—(1.) The war-time profits tax shall be assessed by the Commissioner.

(2.) The tax may be assessed on any person for the time being owning or carrying on the business or acting as agent for another person in carrying on the business, or, where a business has ceased, on the person who owned or carried on the business or acted as agent in carrying on the business immediately before it ceased, and where there has been a change of ownership of the business, the Commissioner may, if he thinks fit, take the accounting period as the period ending on the date on which the ownership has so changed and assess the tax on the person who owned or carried on the business or acted as agent for the person carrying on the business at that date.

(3.) Where a company is being wound up after the commencement of this Act, the liquidator of the company shall give notice to the Commissioner within fourteen days after the approval of the shareholders to the winding up has been obtained or the order for the winding up has been made, and shall set aside such sum out of the assets of the company as appears to the Commissioner to be sufficient to provide for any such war-time profits tax as may become chargeable.

(4.) In the case of any business which by reason of its being unable to pay its debenture-holders or creditors is being carried on by a liquidator, receiver, or trustee under the Court, no war-time profits tax shall be levied or paid until provision has been made for the payment of the unpaid debenture-holders or creditors.

(5.) In any case in which a business is transferred to another person after the commencement of this Act, the person to whom the business is transferred shall be personally liable to pay any war-time profits tax which may subsequently be assessed as payable by the former owner if he fails to secure the payment of that tax to the Commissioner.

PART IV.—COMPUTATION OF PROFITS.

15.—(1.) Subject to this Act, the profits shall be taken to be the actual profits arising in the accounting period from sources within Australia :

Computation of profits.
Cf. 5 & 6 Geo. 5, c. 89, Sched. 4, Part I.

Provided that the profits accruing to a person not resident in Australia from the sale by an agent in Australia of the goods of that person shall not be deemed to be profits for the purposes of this Act, unless the principal has a branch and carries stock in Australia or consigns his goods to an agent for sale in Australia.

(2.) Deductions for wear and tear or for any expenditure of a capital nature for renewals, or for the development of the business or otherwise in respect of the business, shall not be allowed except such as may be allowed for the purposes of the Commonwealth Income Tax :

Provided that where in the opinion of the Commissioner any deduction claimed for advertising in the accounting period is excessive, having regard to the expenditure on advertising for the business during the last three pre-war trade years, he may reduce the deduction to such sum as he thinks reasonable and just.

Added by No. 40, 1918, s. 9 (a).

(3.) Deductions shall be allowed for—

Substituted by
No. 40, 1918,
s. 9 (b).

(a) all losses by fire, flood, accident, robbery or embezzlement which are proved to have occurred and to be irrecoverable either directly or by way of insurance ;

(b) such alterations to plant, machinery and premises used for the purposes of the business which have been charged to revenue account as are in the opinion of the Commissioner not additions ;

(c) all bad debts proved to have been written off in the accounting period ;

Added by
No. 40, 1918,
s. 9 (c).

(d) payments made or gifts purchased and forthwith presented during the continuance of the present war to any patriotic fund established in any part of the King's Dominions or in any country in alliance with Great Britain for any purpose connected with the present war, if the making of the payments or the purchase and presentation of the gifts is verified to the satisfaction of the Commissioner ; and

Added by No. 40,
1918, s. 9 (c).

(e) contributions made to the Department of Repatriation or to any public authority for the purpose of being handed over to the Department of Repatriation :

Provided that the value of the contribution if in kind shall be verified to the satisfaction of the Commissioner.

(4.) Deductions shall not be allowed on account of the liability to pay, or the payment of, war-time profits tax, but a deduction shall be allowed for any sum which has been paid in respect of the profits on account of any war-time profits tax or similar tax imposed in any country outside the Commonwealth :

Provided that a deduction shall be allowed from the profits of an accounting period of—

(a) Commonwealth and State land taxes paid in that accounting period, less any refunds of those taxes received in that accounting period ; and

(b) Commonwealth and State income taxes paid in respect of the profits, less any refunds of Commonwealth and State income taxes received in the accounting period ; and

(c) all rates and other taxes paid in Australia in the accounting period.

Amended by
No. 40, 1918,
s. 9 (d).

(5.) For the purposes of this section "income tax paid in respect of the profits" shall be—

(a) in the case of an individual the amount of tax that would have been payable if the profits had been the only income derived by him from sources within Australia ;

(b) in the case of a partnership the aggregate of the amounts of tax that would have been payable by each partner if the share of the profits coming to him had been the only income derived by him from sources within Australia ; and

- (c) in the case of a company, the amount of the tax (if any) paid by the company, together with the aggregate of the amounts of tax that would have been payable by each shareholder if the share of the profits credited or paid to him had been the only income derived by him from sources within Australia :

Provided that in calculating the income tax under this sub-section no deduction shall be made from the profits on account of the war-time profits tax payable in respect of those profits. Added by No. 68
1918, s. 8 (c).

(6.) Where a deduction of war-time profits tax is allowable in any income tax assessment, but has not been made owing to the date at which the war-time profits tax is ascertained, the Commissioner may reduce the war-time profits tax payable, by the amount by which the income tax would have been reduced if the deduction had been made at the time of the making of the income tax assessment.

(7.) Where the profits of a business arise wholly or partly from the use of a wasting asset the following provisions shall apply :—

- (a) A deduction shall be made in ascertaining the excess profits under this Act, of the sinking fund (calculated according to the prescribed tables, for the number of years estimated to be required to exhaust the asset from the time it was first used by the owner as a wasting asset), which will recoup the amount expended by the owner in the purchase of the asset or (where the asset has been acquired otherwise than by purchase) the value of the asset, at the date when it was first used as a wasting asset for the purposes of the business, as known at that date. The estimated number of years required to exhaust the asset shall be ascertained as at the end of the accounting period upon the profits of which the current assessment under this Act is being made; and

- (b) In the case of a mining business, other than mining for coal, there shall be deducted, in addition to any other deductions allowed by this Act, so much of the profits of the accounting period as is expended in the accounting period for development or is appropriated for development (the cost of which is not otherwise deductible) and for new plant :

Substituted by
No. 40, 1918,
s. 8 (f).

Provided that so much of the profits so appropriated as would, if they had not been appropriated, have been war-time profits, and which have not by the end of the accounting period next succeeding that in which the profits were derived been expended for the purpose for which they were appropriated shall be liable to tax, in the financial year in which the end of the latter accounting period falls, at the rate which was applicable at the time of appropriation :

Provided further that no deduction for depreciation shall be allowed on any new plant to which the paragraph applies.

Substituted by
No. 44, 1918,
s. 9 (2).

(8.) In the case of a business which uses leasehold property or the owner of which has acquired a licence to construct works, buildings or other improvements for the purpose of gain on any land—

- (a) for which a definite sum of money has been paid other than the rent reserved ; or
- (b) for which a consideration in the form of material assets has been given by the lessee or licensee ; or
- (c) upon which the lessee has covenanted with the lessor to expend money on works, buildings or other improvements which will revert to the lessor upon the termination of the lease ; or
- (d) upon the condition that the works, buildings or other improvements will pass to the licensor at the termination of the licence,

a deduction shall be allowed of the amount obtained by dividing the sum so paid or to be expended or the value of the consideration so given by the number of years of the unexpired period of the lease or licence at the date the amount was so paid or the consideration was so given, or (in the case of money to be expended upon the works, buildings or other improvements) at the date of his entry into possession of the lease or licence.

(9.) Any deduction allowed for the remuneration of directors, managers, and persons concerned in the management of the business shall not exceed the sums allowed for those purposes in the last pre-war trade year or a proportionate part thereof as the case requires, unless the Commissioner, owing to any special circumstances or to the fact that the remuneration of any managers or managing directors depends on the profits of the business, otherwise directs:

Provided that in the case of a business owned by a company in which, owing to its recent commencement there has not been one pre-war trade year, the total deduction allowed for the remuneration of directors, for their services in every capacity, shall not, unless the Commissioner otherwise directs, exceed the sum of One thousand pounds per annum :

Provided further that in the case of a business (other than a business in which the pre-war standard of profits has been computed under paragraph (b) of sub-section (6.) of section sixteen of this Act)—

- (a) if the business is owned by an individual—a deduction of Three hundred pounds or such greater sum as the Commissioner directs in the case of a business in which the pre-war standard of profits does not exceed Five hundred pounds, or, in the case of a business in which the pre-war standard of profits exceeds Five hundred pounds but is less than One thousand pounds, such sum as represents the difference between One thousand pounds and the pre-war standard of profits, shall be allowed, if the owner devotes the whole of his time to the business ;

- (b) if the business is owned by a partnership—in the case of a business in which the pre-war standard of profits does not exceed One thousand pounds, a deduction of Three hundred pounds, or such greater sum as the Commissioner directs, shall be allowed in respect of each partner who devotes the whole of his time to the business, or a part of that amount proportionate to the time devoted to the business where part only of his time is so devoted, but the total sum to be deducted shall in no case be less than the sum which represents the difference between One thousand pounds and the pre-war standard of profits.

Provided also that in the case of a business in which the pre-war standard of profits has been computed under paragraph (b) of sub-section (6.) of section sixteen of this Act—

- (a) if the business is owned by an individual—a deduction of Three hundred pounds, or such greater sum as the Commissioner directs, shall be allowed, if the owner devotes the whole of his time to the business, together with, in the case of a business in which the pre-war standard of profits exceeds Five hundred pounds but is less than Seven hundred pounds, an additional deduction equal to the difference between Seven hundred pounds and the pre-war standard of profits ;
- (b) if the business is owned by a partnership—a deduction of Three hundred pounds, or such greater sum as the Commissioner directs, shall be allowed in respect of each partner who devotes the whole of his time to the business, or a part of that amount proportionate to the time devoted to the business where part only of his time is so devoted.

(10.) No deduction shall be allowed in respect of any transaction or operation of any nature, where it appears, or to the extent to which it appears, that the transaction or operation has artificially reduced the amount to be taken as the amount of the profits of the business for the purposes of this Act.

(11.) A deduction shall be allowed of all profits which are set aside for the purpose of any profit-sharing scheme between employer and employee, so far as such profits have been distributed among the employees, within six months after the close of the accounting period, or such further time as the Commissioner may allow :

Provided that for the purposes of this sub-section a director shall not be deemed to be an employee.

(12.) Where a company, either in its own name or in that of a nominee, owns the whole of the ordinary capital of another company carrying on the same class of business, or so much of that capital as under the general law a single shareholder may legally own, the provisions of this Act as to war-time profits tax and the pre-war standard of profits shall apply as if that other company were a branch of the first-named company, and the profits of the two companies shall not be separately assessed.

War-time Profits Tax Assessment 1917-1918.

(13.) Where in the case of a pastoral business—

(a) any part of the profits arising during the last three pre-war trade years have been invested in the business and have, in subsequent years, been wholly or partly lost owing to drought, adverse seasons or other adverse conditions ; and

(b) any part of the profits of the current accounting period has been applied in extinction of that loss,

then in estimating the profits a deduction shall be allowed equal to the amount of profits applied in extinction of that loss and any other loss which the Commissioner is of opinion has been recouped out of the profits of the current accounting period.

Substituted by
No. 46, 1918,
s. 9 (b).

(14.) Where, in the case of any business except a pastoral business—

(a) the net result of the business—

(i) in the case of a business with less than three pre-war trade years—since its commencement ; or

(ii) in the case of a person adopting a profits standard—
from the beginning of the first three selected pre-war trade years ; or

(iii) in the case of a person adopting the percentage standard
—from the beginning of the first one of the last three pre-war trade years ;

and up to the end of the accounting period immediately preceding that upon which the current assessment is being made, has shown a loss ; and

(b) any part of the profits of the current accounting period has been applied in extinction of that loss,

then in estimating the profits a deduction shall be allowed equal to the amount of the profits so applied.

Substituted by
No. 46, 1918,
s. 9 (b).

(15.) Where it is shown to the satisfaction of the Commissioner that borrowed money has been used in the creation or acquisition of any of the assets employed for the purpose of gaining profits which are liable to tax under this Act, a deduction shall be made from the profits of the difference between the interest paid or accrued due in the accounting period on the borrowed money and ten per centum on the average amount of borrowed money used in the accounting period ; and

(16.) In estimating the profits, no account shall be taken of income received from investments, except in the case of businesses where the principal business consists of the making of investments. Where account is taken of any such income—

(a) interest derived from the bonds, debentures, stock, or other securities of the Commonwealth issued for the purposes of Commonwealth War Loans shall not form part of the war-time profits ; and

- (b) the income has been derived from profits in respect of which any payment or repayment of war-time profits tax has been made under this Act, such deduction or addition shall be made in computing the profits as will make proper allowance for that payment or repayment of tax.

(17.) In the case of any contract extending beyond one accounting period from the date of its commencement to the completion thereof, and only partially performed in any accounting period, there shall (unless the Commissioner, owing to any special circumstances, otherwise directs) be attributed to each of the accounting periods in which the contract was partially performed, such proportion of the entire profits or loss or estimated profits or loss in respect of the complete performance of the contract as is properly attributable to such accounting periods respectively, having regard to the extent to which the contract was performed in such periods.

(18.) In calculating the profits of a co-operative company or society there shall be deducted so much of the profits as arises from business carried on with members of the company or society.

Added by No. 40,
1918, s. 9 (j).

PART V.—PRE-WAR STANDARD.

16.—(1.) The profits of any pre-war trade year shall be computed on the same principles and subject to the same provisions as the profits of the accounting period.

Pre-war years.
Cl. 5 & 6
Geo. 5, c. 89,
Sched. 4,
Part II.

(2.) Where the profits on which the war-time profits tax is to be assessed are for a period less than a year, the amount of the pre-war standard of profits shall be proportionately reduced but shall not be reduced below the sum of Five hundred pounds.

(3.) The pre-war standard of profits shall, subject to the provisions of this Act, be taken to be the amount of the profits arising from the business on the average of any two of the last three pre-war trade years, to be selected by the taxpayer (in this Act referred to as "the profits standard"), but shall not in any case be less than the sum of Five hundred pounds :

Pre-war
standard.

Provided that where there have been less than three pre-war trade years the profits standard shall be—

- (a) where there have been two pre-war trade years—the greater of the profits of those two years, or, if there has been a loss in one year and a profit in the other, the profits of the year in which a profit was made ;
and
(b) where there has been only one pre-war trade year—the profits of that year.

(4.) Where it is shown in the case of any business that the last three pre-war trade years have been years of abnormal depression, any two of the three preceding pre-war trade years may be substituted for the purposes of the pre-war standard of profits for any two of the last three pre-war trade years.

The last three pre-war trade years shall not be considered as years of abnormal depression unless the average profits of those years have been at least twenty-five per centum lower than the average profits of the preceding three years.

(5.) Where in the case of any business the pre-war standard of profits calculated otherwise than under this sub-section does not exceed Five hundred pounds, the taxpayer may adopt as the pre-war standard of profits of that business a profits standard computed under paragraph (b) of sub-section (6.) of this section.

Recent
commencement
of business.

(6.) Where owing to the recent commencement of a business there has not been one pre-war trade year the pre-war standard of profits shall be taken to be the statutory percentage on the average amount of capital employed in the business during the accounting period, or at the option of the taxpayer the greater of the following amounts :—

- (a) an amount proportionate for the period of twelve months to the actual profits during the pre-war period during which the business was carried on : or
- (b) a profits standard computed by reference to the income arising from any trade, business, office, employment or profession of any sort, whether liable to war-time profits tax or not, carried on by the taxpayer before his new business commenced as if it were the same business but only to the extent to which the income from the former trade, business, office, employment or profession has been diminished.

(7.) The provisions of the last preceding sub-section shall apply to any company which has been formed by any person or persons who had formerly been in receipt of an income from any of the sources mentioned in paragraph (b) of the last preceding sub-section and who prove that they relinquished that former income on the establishment of the company and that they own individually or between them the majority of the shares of the company, and that they are devoting the whole of their time to the business of the company.

(8.) Notwithstanding anything contained in this section if the profits standard is less than the percentage standard as hereinafter defined the percentage standard shall be taken to be the pre-war standard of profits.

Percentage
standard.

(9.) The percentage standard shall be taken to be an amount equal to the statutory percentage on the capital of the business as existing at the end of the last pre-war trade year, subject, however, to the provisions of this Act as to any alteration in the manner of calculating the percentage standard in special cases.

Statutory
percentage.

(10.) For the purposes of this Act the statutory percentage shall be ten per centum, subject, however, to the provisions of this Act as to the increase in that percentage in certain cases.

Ascertainment
of capital.

(11.) The provisions contained in Part IV. of this Act shall have effect with respect to the computation of the profits of a pre-war trade year, and the provisions contained in Part VI. shall have effect with respect to the ascertainment of capital.

(12.) "The last pre-war trade year" means the year ending at the end of the last accounting period before the fifth day of August One thousand nine hundred and fourteen, and "the last three pre-war trade years" means the three years ending at the three corresponding times. Pre-war years.

(13.) Where since the commencement of the last three pre-war trade years a business has changed ownership, the provisions of this Act shall apply as if a new business had been commenced on the change of ownership, except in cases when the taxpayer makes an application that the provisions of this Act should apply as if the business had not changed ownership, but in that case such modifications (if any) shall be made as may be necessary to make the basis on which the profits standard is computed the same as that on which the profits of the accounting period are computed.

(14.) For the purposes of this section a change of ownership of a business shall include a change of ownership of a particular asset the separate management of which when transferred constitutes a business within the meaning of this Act.

(15.) Where any business is confined to the management of any particular assets, but power exists to substitute other assets for them or any of them, such a substitution shall not be deemed, for the purposes of this Act, to constitute a change of ownership of the business. Assets.

PART VI.—CAPITAL.

17.—(1.) The amount of the capital of a business shall be taken to be the amount of its capital paid up by the owner in money or in kind, together with all accumulated trading profits invested in the business, with the addition or subtraction of balances brought forward from previous years to the credit or debit respectively of profit and loss account. Capital:
How defined.
Cf. 5 & 6
Geo. 5, c. 89,
Sched. 4,
Pt. III.

(2.) Any capital the income on which is not taken into account for the purposes of this Act shall be excluded in computing the amount of capital for the purposes of this Act.

(3.) Where any money paid into or credited to a business is not being drawn upon for the purposes of that business it shall be excluded from the capital of the business for the purposes of this Act.

(4.) Where any asset has been paid for otherwise than in cash or created or acquired without purchase its value for the purposes of this section shall be taken to be its value at the time the asset was created or acquired, but where a business has been converted into a company or transferred to a company, and the shares in the company are wholly or mainly held by the person who was owner of the business, no value shall be attached to those shares, so far as they are represented by goodwill or otherwise than by material assets of the company, unless the Commissioner in special circumstances otherwise directs. Patents and secret processes shall be deemed to be material assets.

(5.) Where a company is reconstructed and the capital is increased, so much of the additional capital as has not been paid up in money or is not represented by new material assets shall not be deemed to be capital for the purposes of this Act.

The last three pre-war trade years shall not be considered as years of abnormal depression unless the average profits of those years have been at least twenty-five per centum lower than the average profits of the preceding three years.

(5.) Where in the case of any business the pre-war standard of profits calculated otherwise than under this sub-section does not exceed Five hundred pounds, the taxpayer may adopt as the pre-war standard of profits of that business a profits standard computed under paragraph (b) of sub-section (6.) of this section.

Recent commencement of business.

(6.) Where owing to the recent commencement of a business there has not been one pre-war trade year the pre-war standard of profits shall be taken to be the statutory percentage on the average amount of capital employed in the business during the accounting period, or at the option of the taxpayer the greater of the following amounts :—

- (a) an amount proportionate for the period of twelve months to the actual profits during the pre-war period during which the business was carried on ; or
- (b) a profits standard computed by reference to the income arising from any trade, business, office, employment or profession of any sort, whether liable to war-time profits tax or not, carried on by the taxpayer before his new business commenced as if it were the same business but only to the extent to which the income from the former trade, business, office, employment or profession has been diminished.

(7.) The provisions of the last preceding sub-section shall apply to any company which has been formed by any person or persons who had formerly been in receipt of an income from any of the sources mentioned in paragraph (b) of the last preceding sub-section and who prove that they relinquished that former income on the establishment of the company and that they own individually or between them the majority of the shares of the company, and that they are devoting the whole of their time to the business of the company.

(8.) Notwithstanding anything contained in this section if the profits standard is less than the percentage standard as hereinafter defined the percentage standard shall be taken to be the pre-war standard of profits.

Percentage standard.

(9.) The percentage standard shall be taken to be an amount equal to the statutory percentage on the capital of the business as existing at the end of the last pre-war trade year, subject, however, to the provisions of this Act as to any alteration in the manner of calculating the percentage standard in special cases.

Statutory percentage.

(10.) For the purposes of this Act the statutory percentage shall be ten per centum, subject, however, to the provisions of this Act as to the increase in that percentage in certain cases.

Ascertainment of capital.

(11.) The provisions contained in Part IV. of this Act shall have effect with respect to the computation of the profits of a pre-war trade year, and the provisions contained in Part VI. shall have effect with respect to the ascertainment of capital.

(12.) "The last pre-war trade year" means the year ending at the end of the last accounting period before the fifth day of August One thousand nine hundred and fourteen, and "the last three pre-war trade years" means the three years ending at the three corresponding times. Pre-war years.

(13.) Where since the commencement of the last three pre-war trade years a business has changed ownership, the provisions of this Act shall apply as if a new business had been commenced on the change of ownership, except in cases when the taxpayer makes an application that the provisions of this Act should apply as if the business had not changed ownership, but in that case such modifications (if any) shall be made as may be necessary to make the basis on which the profits standard is computed the same as that on which the profits of the accounting period are computed.

(14.) For the purposes of this section a change of ownership of a business shall include a change of ownership of a particular asset the separate management of which when transferred constitutes a business within the meaning of this Act.

(15.) Where any business is confined to the management of any particular assets, but power exists to substitute other assets for them or any of them, such a substitution shall not be deemed, for the purposes of this Act, to constitute a change of ownership of the business. Assets.

PART VI.—CAPITAL.

17.—(1.) The amount of the capital of a business shall be taken to be the amount of its capital paid up by the owner in money or in kind, together with all accumulated trading profits invested in the business, with the addition or subtraction of balances brought forward from previous years to the credit or debit respectively of profit and loss account. Capital:
How defined.
Cf. 5 & 6
Geo. 5, c. 89,
Sched. 4,
Pt. III.

(2.) Any capital the income on which is not taken into account for the purposes of this Act shall be excluded in computing the amount of capital for the purposes of this Act.

(3.) Where any money paid into or credited to a business is not being drawn upon for the purposes of that business it shall be excluded from the capital of the business for the purposes of this Act.

(4.) Where any asset has been paid for otherwise than in cash or created or acquired without purchase its value for the purposes of this section shall be taken to be its value at the time the asset was created or acquired, but where a business has been converted into a company or transferred to a company, and the shares in the company are wholly or mainly held by the person who was owner of the business, no value shall be attached to those shares, so far as they are represented by goodwill or otherwise than by material assets of the company, unless the Commissioner in special circumstances otherwise directs. Patents and secret processes shall be deemed to be material assets.

(5.) Where a company is reconstructed and the capital is increased, so much of the additional capital as has not been paid up in money or is not represented by new material assets shall not be deemed to be capital for the purposes of this Act.

Added by No. 46,
1912, s. 1A.

(6.) Notwithstanding anything contained in this Act, the capital of a partnership which, for the purpose of its business to which this Act applies, uses, rent free, land purchased or in process of purchase by a member of the partnership, or in which a member of the partnership has an estate for life or a leasehold estate, shall include—

- (a) where the land was purchased or is being purchased by the member—the amount of purchase money paid by him ;
or
- (b) where the land was acquired by the member otherwise than by purchase—its value at the date when it was acquired ; or
- (c) where the member has a leasehold estate—the value of the leasehold estate when it was acquired by the member, calculated in accordance with the provisions of the *Land Tax Assessment Act 1910-1914* relating to leasehold estates :

Provided that where a member has borrowed money for the purpose of acquiring his estate in the land or has borrowed money on the security of his estate in the land for the purpose of using it in the business of the partnership, the average amount of the borrowed money outstanding during the accounting period of the partnership shall be deducted from the amount that would otherwise be included in the capital of the partnership business and shall be deemed to be borrowed money used by that business within the meaning of sub-section (15.) of section fifteen of this Act.

PART VII.—RETURNS AND ASSESSMENTS.

Persons to
furnish returns.
Cl. 1915,
No. 24, s. 23.

18.—(1.) For the purpose of assessment and levy of war-time profits tax every person liable to be taxed shall, when called upon by the Commissioner either in writing or by notice published in the *Gazette*, furnish to the Commissioner in the prescribed manner a return setting forth a full and complete statement of the net profits of his business.

Year of income.

(2.) The first assessment of war-time profits tax shall be as for the financial year commencing on the first day of July One thousand nine hundred and fifteen, and shall be in respect of all accounting periods ending and beginning in that financial year, and there shall be a subsequent assessment as for each succeeding financial year, which shall be in respect of all accounting periods ending and beginning in that financial year :

Provided that nothing in this sub-section shall prevent the Commissioner requiring returns to be furnished to him before the commencement of any financial year for which war-time profits tax is to be assessed.

New or further
and fuller
returns.
Cl. Ib. s. 29.

19. In addition to the returns specified in the preceding section, every person, whether a taxpayer or not, shall, as and when required by the Commissioner, make such return or further or other returns as the Commissioner requires for the purposes of this Act.

20. Any return purporting to be made or signed by or on behalf of any taxpayer or person shall be deemed to have been duly made and signed by him until the contrary is proved.

Returns deemed to be duly made.
Cf. 1918, No. 34, s. 20.

21. From the returns and from any other information in his possession, or from any one or more of these sources, the Commissioner shall cause assessments to be made for the purpose of ascertaining the profits upon which war-time profits tax shall be levied.

Assessments to be made.
Cf. ib. s. 31.

22. If—

- (a) any person makes default in furnishing any return ; or
- (b) the Commissioner is not satisfied with the return made by any person ; or
- (c) the Commissioner has reason to believe that any person (though he may not have furnished any return) is a taxpayer,

Assessment in case of default or unsatisfactory return
Cf. ib. s. 32.

The Commissioner may make an assessment of the amount upon which, in his judgment, war-time profits tax ought to be levied, and the person assessed shall be liable to war-time profits tax thereon, excepting so far as he establishes on objection that the assessment is excessive.

23.—(1.) The Commissioner may at any time make all such alterations in or additions to any assessment as he thinks necessary in order to insure its completeness and accuracy, notwithstanding that war-time profits tax may have been paid in respect of profits included in the assessment:

Alterations in assessment.
Cf. ib. s. 33.

Provided that every alteration or addition which has the effect of imposing any fresh liability, or increasing any existing liability, shall be notified to the taxpayer affected, and, unless made with his consent, shall be subject to objection.

(2.) When any alteration in an assessment has the effect of reducing the taxpayer's liability, the Commissioner shall refund the taxpayer any tax overpaid.

24. The validity of any assessment shall not be affected by reason that any of the provisions of this Act have not been complied with.

Validity of assessment.
Cf. ib. s. 34.

25.—(1.) The production of any notice of assessment or of any document under the hand of the Commissioner, Assistant Commissioner or a Deputy Commissioner purporting to be a copy of a notice of assessment shall—

Copies as evidence.
Cf. ib. s. 35.

- (a) be conclusive evidence of the due making of the assessment, and
- (b) be conclusive evidence that the amount and all the particulars of the assessment are correct ; except in proceedings on appeal against the assessment, when it shall be *prima facie* evidence only.

(2.) The production of any document under the hand of the Commissioner, Assistant Commissioner or a Deputy Commissioner, purporting to be a copy of or extract from any return or notice of assessment, shall for all purposes be sufficient evidence of the matter therein set forth, without producing the original.

Notice of
assessment.
Cl. 1915, No. 24
s. 26.

26.—(1.) As soon as conveniently may be after an assessment is made, the Commissioner shall cause notice in writing of the assessment to be given to the person liable to pay the war-time profits tax

(2.) The omission to give any such notice shall not invalidate the assessment.

(3.) Where a taxpayer is liable to pay the war-time profits tax in respect of more than one business, the Commissioner may, in his discretion, issue to that taxpayer one notice of assessment showing the tax payable in respect of each of the businesses in respect of which the taxpayer is liable to pay tax.

PART VIII.—OBJECTIONS AND APPEALS.

Board of
Referees.

27.—(1.) There shall be a Board or Boards of Referees to be appointed by the Governor-General.

(2.) The Board of Referees shall consider such cases as are referred to it by the Commissioner and as are prescribed.

(3.) The Board of Referees shall have power to allow such modifications of any provisions of Parts IV., V., and VI. of this Act as it thinks necessary and such other powers as are prescribed.

Proviso omitted
by No. 46, 1918,
s. 11.

(4.) The costs of and incidental to any proceedings before the Board of Referees shall be in the discretion of the Board, which may order by whom and to whom they are to be paid and by whom they are to be taxed.

(5.) The Board of Referees may make rules for regulating the practice and procedure in relation to proceedings before the Board.

(6.) All such rules shall—

(a) be notified in the *Gazette* ;

(b) take effect from the date of notification, or from a later date specified in the rules ; and

(c) be laid before both Houses of the Parliament within thirty days of the making thereof, or, if the Parliament is not then sitting, within thirty days after the next meeting of the Parliament.

(7.) If either House of the Parliament passes a resolution, of which notice has been given at any time within fifteen sitting days after the rules have been laid before that House, disallowing any rule, that rule shall thereupon cease to have effect.

Objection.
Cl. 1b. s. 37.

28.—(1.) A taxpayer who is dissatisfied with the assessment made by the Commissioner under this Act may, within thirty days after service by post of the notice of assessment, lodge an objection in writing with the Commissioner against the assessment, stating fully the reason for the objection.

(2.) The Commissioner shall consider the objection, and may either disallow it, or allow it, either wholly or in part.

(3.) The Commissioner shall give to the objector written notice of his decision on the objection.

(4.) A taxpayer who is dissatisfied with the decision of the Commissioner may, within thirty days after the service by post of notice of the decision of the Commissioner, ask the Commissioner to treat his objection as an appeal, and forward it either to the

High Court, the Supreme Court, or a County or District Court of a State, or such other Court as is specified in that behalf by proclamation, as required by the taxpayer.

(5.) When the appeal is to the High Court or a Supreme Court, it shall be heard by a single Justice of the Court.

(6.) An inferior Court of a State shall not have jurisdiction under this section unless it is constituted or presided over by a Judge authorized in that behalf by the Governor-General.

(7.) If the assessment has been reduced by the Commissioner after considering the objection, the reduced assessment shall be the assessment appealed from.

(8.) A taxpayer shall be limited in his appeal to the reasons for objection set out in his objection.

29.—(1.) On the hearing of the appeal, the Court may make such order as it thinks fit, and may either reduce or increase the assessment, and its order shall be final and conclusive on all parties except as provided in this section.

Power of Court on hearing of appeal.
Cf. 1915, No. 24 s. 38.

(2.) The costs of the appeal shall be in the discretion of the Court.

(3.) On the hearing of the appeal, the Court may, if it thinks fit, state a case in writing for the opinion of the High Court upon any question arising in the appeal which in the opinion of the Court is a question of law.

(4.) The High Court shall hear and determine the question, and remit the case with its opinion to the Court below, and may make such order as to costs of the case stated as it thinks fit.

(5.) An appeal shall lie to the High Court, in its appellate jurisdiction, from any order made under sub-section (1.) of this section.

30.—(1.) The fact that an appeal is pending shall not in the meantime interfere with or affect the assessment appealed from; and war-time profits tax may be levied and recovered on the assessment as if no appeal were pending.

Pending appeal not to delay payment of tax.
Cf. ib. s. 29.

(2.) If the assessment is altered on appeal a due adjustment shall be made, for which purpose amounts paid in excess shall be refunded, and amounts short paid shall be recoverable as arrears.

31.—(1.) The Justices of the High Court or a majority of them may make Rules of Court for regulating the practice and procedure in relation to appeals against assessments.

Rules of Court.
Cf. ib. s. 40.

(2.) All such rules shall—

(a) be notified in the *Gazette*;

(b) take effect from the date of notification, or from a later date specified in the rules; and

(c) be laid before both Houses of the Parliament within thirty days of the making thereof, or if the Parliament is not then sitting, within thirty days after the next meeting of the Parliament.

(3.) If either House of the Parliament passes a resolution, of which notice has been given at any time within fifteen sitting days after the rules have been laid before that House, disallowing any rule, that rule shall thereupon cease to have effect.

PART IX.—COLLECTION AND RECOVERY OF TAX.

Date of
payment of tax.
Cl. 1915, No. 34,
s. 41.

32.—(1.) War-time profits tax shall be due and payable thirty days after the service by post of a notice of assessment.

(2.) Where an assessment is amended in accordance with this Act and additional war-time profits tax is thereby payable by the taxpayer, the additional war-time profits tax shall be due and payable thirty days after the service by post of the notice of amended assessment upon the taxpayer.

Time to pay
extensions and
instalments.
Cl. lb. s. 42.

33. The Commissioner may in such cases as he thinks fit—

(a) extend the time for payment as he considers the circumstances warrant, or

(b) permit the payment of tax to be made by instalments within such time as he considers the circumstances warrant.

Penal tax.
Cl. lb. s. 43.

34. If the war-time profits tax or additional war-time profits tax payable on an amended assessment is not paid before the expiration of thirty days after the time specified in section thirty-two of this Act or such further time as may be allowed by the Commissioner under section thirty-three of this Act, additional tax amounting to ten per centum of the tax unpaid shall be payable in addition by way of penalty :

Provided that the Commissioner may, in any particular case, for reasons which in his discretion he thinks sufficient, remit the additional tax imposed by way of penalty or any part thereof. The Commissioner shall furnish to the Treasurer from time to time, for presentation to Parliament, a report of all such remissions with a statement of the reasons therefor.

Recovery of
tax.
Cl. lb. s. 44.

35.—(1.) War-time profits tax shall be deemed when it becomes due and payable to be a debt due to the King on behalf of the Commonwealth and payable to the Commissioner in the manner and at the place prescribed.

(2.) Any war-time profits tax unpaid, including any additional tax, may be sued for and recovered in any Court of competent jurisdiction by the Commissioner or a Deputy Commissioner suing in his official name.

Substituted
service.
Cl. lb. s. 45.

36. If, in any proceedings against a taxpayer for the recovery of war-time profits tax or additional war-time profits tax, the defendant—

(a) is absent from Australia and has not to the knowledge of the Commissioner after reasonable inquiry in that behalf any attorney or agent in Australia on whom service of process can be effected ; or

(b) cannot after reasonable inquiry be found,
service of any process in the proceedings may, without leave of the Court, be effected on him by posting the same or a sealed copy thereof in a letter addressed to him at his last-known place of business or abode in Australia.

37. The following provisions shall apply in any case where, whether intentionally or not, a taxpayer escapes full taxation in his lifetime by reason of not having duly made full and complete returns :—

When tax not paid during lifetime.
Cf. 1915, No. 84, s. 46.

- (a) The Commissioner shall have the same powers and remedies against the executors and administrators of the taxpayer in respect to the taxable profits of the taxpayer as he would have had against the taxpayer in his lifetime ;
- (b) The executors and administrators shall make such returns as the Commissioner requires for the purpose of a full assessment ;
- (c) The assessment shall be at the rates payable in respect of years for which the war-time profits tax ought to have been paid, and the amount shall (where the taxpayer's default was intentional) be treble the amount of the difference between the tax so assessed and the amount actually paid by the taxpayer, and shall be a first charge on all the taxpayer's estate in the hands of the executors and administrators ;
- (d) No lapse of time shall prevent the operation of this section, and the Commissioner may take all such proceedings and exercise all such powers and remedies for the purpose of giving effect to this section and recovering the treble tax as in the case of ordinary assessments and taxation.

38.—(1.) Where a taxpayer dies after the conclusion of any financial year, and before furnishing a return of the profits of his business for the accounting periods ending and beginning in that financial year, his executors or administrators shall furnish a return of the profits of his business during those periods, and shall be assessable in respect thereof, and shall be chargeable with and pay war-time profits tax thereon.

Taxpayer dying before furnishing return.
Cf. 1b. s. 46A.

(2.) Where the executors or administrators are unable or fail so to furnish a return of such profits, the Commissioner may estimate same at, and may make an assessment of, the amount on which in his judgment tax ought to be charged.

39. Where a person dies after the conclusion of a financial year, and after furnishing a return of the profits of his business for the accounting periods ending and beginning in that financial year, but a notice of assessment has not prior to his death been sent to him by the Commissioner, the Commissioner may assess the executors or administrators of that deceased person in respect of those profits, and the executors or administrators shall be chargeable with and pay tax thereon.

Taxpayer dying after furnishing return.

40. Where a person dies during an accounting period, the executors or administrators of that person shall, in making their return of the profits of the business, include in that return the profits of the business arising during that accounting period up to the date of the death of the deceased, and shall be liable for the tax in respect of those profits.

Profits arising in an accounting period before a taxpayer's death.

War-time Profits Tax Assessment 1917-1918.

this Act in respect of the profits arising from the business carried on by him in his representative capacity and the payment of tax thereon.

- (b) He shall in respect of such profits make the returns and be assessed thereon, but in his representative capacity only, and each return and assessment shall, except as otherwise provided by this Act, be separate and distinct from any other.
- (c) If he is an executor or administrator, the returns shall be the same as far as practicable as the deceased person, if living, would have been liable to make.
- (d) Where as agent or trustee he pays war-time profits tax, he is hereby authorized to recover the amount so paid from the person in whose behalf he paid it, or to deduct it from any money in his hands belonging to that person.
- (e) He is hereby authorized and required to retain from time to time out of any money which comes to him in his representative capacity so much as is sufficient to pay the war-time profits tax which is or will become due in respect of the said profits.
- (f) He is hereby made personally liable for the war-time profits tax payable in respect of the profits if, after the Commissioner has required him to make a return, or while the tax remains unpaid, he disposes of or parts with any fund or money then in his possession or which comes to him from or out of which war-time profits tax could legally be paid, but he shall not be otherwise personally liable for the tax:
 Provided that the Commissioner may, upon application by the agent, permit disposal of such fund or money or part thereof as he considers necessary.
- (g) He is hereby indemnified for all payments which he makes in pursuance of this Act or by requirements of the Commissioner.
- (h) For the purpose of insuring the payment of war-time profits tax the Commissioner shall have the same remedies against attachable property of any kind vested in or under the control or management or in the possession of any agent or trustee, as he would have against the property of any other taxpayer in respect of war-time profits tax, and in as full and ample a manner.

Person in receipt or control of money for person out of Australia.

48. With respect to every person who has the receipt control or disposal of money belonging to a person resident out of Australia, who carries on business in Australia, the following provisions shall, subject to this Act, apply :—

- (a) He shall, when required by the Commissioner, pay the war-time profits tax due and payable by the person on whose behalf he has the control receipt or disposal of money.

contribute at his request ; or may retain or deduct the amount of the contribution out of any moneys in his hands belonging or payable to the person liable to contribute.

PART X.—MISCELLANEOUS.

46. Every company which carries on business in Australia shall at all times be represented by a person residing in Australia duly appointed by the company or by its duly authorized agent or attorney, and with respect to every such company and person the following provisions shall apply:—

Public officer
of company.
Cf. 1915, No. 34,
s. 51.

- (a) The person so appointed shall for the purposes of this Act be called the public officer of the company.
- (b) The company shall keep the office of public officer constantly filled and no appointment of a public officer shall be deemed to be duly made until after notice thereof in writing, specifying the name of the officer and address for service, has been given to the Commissioner.
- (c) If the company fails or neglects to duly appoint a public officer when and as often as such appointment becomes necessary, it shall be guilty of an offence.
Penalty: Fifty pounds for every day during which the failure or neglect continues.
- (d) Service of any document at the address for service or on the public officer of a company shall be sufficient service upon the company for all the purposes of this Act or the regulations, and if at any time there is no public officer then service upon any person acting or appearing to act in the business of the company shall be sufficient.
- (e) The public officer shall be answerable for the doing of all such things as are required to be done by the company under this Act or the regulations by a taxpayer, and in case of default shall be liable to the same penalties.
- (f) Everything done by the public officer which he is required to do in his representative capacity shall be deemed to have been done by the company. The absence or non-appointment of a public officer shall not exclude the company from the necessity of complying with any of the provisions of this Act or the regulations, or from the penalties of the section on the failure to comply therewith, but the company shall be liable to the provisions of this Act as if there were no requirement to appoint a public officer.

47. With respect to every agent and with respect also to every trustee, the following provisions shall, subject to this Act, apply:—

Agents and
trustees.
Cf. ib. s. 52.

- (a) He shall be answerable as taxpayer for the doing of all such things as are required to be done by virtue of

War-time Profits Tax Assessment 1917-1918.

- this Act in respect of the profits arising from the business carried on by him in his representative capacity and the payment of tax thereon.
- (b) He shall in respect of such profits make the returns and be assessed thereon, but in his representative capacity only, and each return and assessment shall, except as otherwise provided by this Act, be separate and distinct from any other.
 - (c) If he is an executor or administrator, the returns shall be the same as far as practicable as the deceased person, if living, would have been liable to make.
 - (d) Where as agent or trustee he pays war-time profits tax, he is hereby authorized to recover the amount so paid from the person in whose behalf he paid it, or to deduct it from any money in his hands belonging to that person.
 - (e) He is hereby authorized and required to retain from time to time out of any money which comes to him in his representative capacity so much as is sufficient to pay the war-time profits tax which is or will become due in respect of the said profits.
 - (f) He is hereby made personally liable for the war-time profits tax payable in respect of the profits if, after the Commissioner has required him to make a return, or while the tax remains unpaid, he disposes of or parts with any fund or money then in his possession or which comes to him from or out of which war-time profits tax could legally be paid, but he shall not be otherwise personally liable for the tax:

Provided that the Commissioner may, upon application by the agent, permit disposal of such fund or money or part thereof as he considers necessary.
 - (g) He is hereby indemnified for all payments which he makes in pursuance of this Act or by requirements of the Commissioner.
 - (h) For the purpose of insuring the payment of war-time profits tax the Commissioner shall have the same remedies against attachable property of any kind vested in or under the control or management or in the possession of any agent or trustee, as he would have against the property of any other taxpayer in respect of war-time profits tax, and in as full and ample a manner.

Person in receipt or control of money for person out of Australia.

48. With respect to every person who has the receipt control or disposal of money belonging to a person resident out of Australia who carries on business in Australia, the following provisions shall, subject to this Act, apply :—

- (a) He shall, when required by the Commissioner, pay the war-time profits tax due and payable by the person on whose behalf he has the control receipt or disposal of money.

- (b) Where he pays war-time profits tax in accordance with the preceding paragraph, he is hereby authorized to recover the amount so paid from the person on whose behalf he paid it, or to deduct it from any money in his hands belonging to that person.
- (c) He is hereby authorized and required to retain from time to time out of any money which comes to him on behalf of the person resident out of Australia so much as is sufficient to pay the war-time profits tax which is or will become due by that person.
- (d) He is hereby made personally liable for the war-time profits tax payable by him on behalf of the person resident out of Australia, if, after the Commissioner has required him to pay the tax, he disposes of or parts with any fund or money then in his possession or which comes to him from or out of which the war-time profits tax could legally be paid, but he shall not be otherwise personally liable for the tax :
Provided that the Commissioner may upon application permit disposal of such fund or money or part thereof as he considers necessary.
- (e) He is hereby indemnified for all payments which he makes in pursuance of this Act or by requirements of the Commissioner.

49. Every contract, agreement, or arrangement made or entered into, in writing or verbally, whether before or after the commencement of this Act, shall, so far as it has or purports to have the purpose or effect of in any way, directly or indirectly—

- (a) altering the incidence of any war-time profits tax ; or
- (b) relieving any person from liability to pay any war-time profits tax or make any return ; or
- (c) defeating, evading or avoiding any duty or liability imposed on any person by this Act ; or
- (d) preventing the operation of this Act in any respect ;

be absolutely void, but without prejudice to its validity in any other respect or for any other purpose.

50. A person shall not, for the purpose of avoiding the payment of war-time profits tax, enter into any fictitious or artificial transaction or carry out any fictitious or artificial operation, and every person who has entered into any such transaction or carried out any such operation before the commencement of this Act shall inform the Commissioner of the nature of the transaction or operation.

Penalty : One hundred pounds, in addition to ten per centum of the amount of tax that would have been evaded.

51. The Commissioner, or any officer authorized by him in that behalf, shall at all times have full and free access to all buildings, places, books, documents, and other papers for the purpose of ascertaining the taxable profits of any person, and for that purpose may make extracts from or copies of any such books, documents, or papers.

Contracts to evade tax void.
Cr. 1915, No. 34, s. 50.

Fictitious and artificial transactions.
Cl. 5 and 6
Geo. 5, c. 29,
s. 44 (3).

Access to books, &c.
Cr. 1915, No. 34, s. 51.

Power to obtain
evidence.
Cf. 1915, No. 34,
s. 56.

52.—(1.) The Commissioner may by notice in writing require any person, whether a taxpayer or not, to attend and give evidence before him, or before any officer authorized by him in that behalf, concerning any profits or assessment, and to produce all books, documents, and other papers whatever in his custody, or under his control, relating thereto, or to supply in writing any information required by the Commissioner relating thereto.

(2.) The Commissioner may require the evidence to be given on oath, and either verbally or in writing, and for such purpose he, or the officer so authorized by him, may administer an oath.

(3.) The regulations may prescribe scales of expenses to be allowed to persons required under this section to attend.

Obstructing
officers.
Cf. *ib. s. 57.*

53. Any person who obstructs or hinders any officer acting in the discharge of his duty under this Act, or the regulations, shall be guilty of an offence.

Penalty: Fifty pounds.

Offences.
Cf. *ib. s. 58.*

54.—(1.) Any person who—

(a) fails or neglects duly to furnish any return as and when required by this Act or the regulations, or by the Commissioner; or

(b) without just cause shown by him refuses or neglects duly to attend and give evidence when required by the Commissioner or any officer duly authorized by him, or to answer truly and fully any questions put to him, or to produce any book or papers required of him by the Commissioner or any such officer; or

(c) knowingly and wilfully makes or delivers any false return, or makes any false answer, whether verbally or in writing, in relation to any matter or thing affecting his own or any other person's liability to or exemption from assessment of war-time profits tax,

shall be guilty of an offence.

Penalty: One hundred pounds.

(2.) A prosecution in respect of an offence against paragraph (a) of sub-section (1.) of this section may be commenced at any time.

Additional tax
in certain cases.
Cf. *ib. s. 59.*

55.—(1.) Notwithstanding anything contained in the last preceding section, any person who fails or neglects duly to furnish any return as and when required by this Act or the regulations or by the Commissioner, or fails to include any assessable profits in any return, shall, if a taxpayer, be liable, except as provided in this section, by way of additional tax to pay an amount of ten per centum of the amount of tax assessable to him in addition to any additional tax which may become payable by him in accordance with section thirty-four of this Act:

Provided that the Commissioner may, in any particular case, for reasons which he thinks sufficient, remit the additional tax or any part thereof.

(2.) The Commissioner shall furnish to the Treasurer annually, for presentation to Parliament, a report of all such remissions with statement of the reasons therefor.

(3.) If the Commissioner considers that the circumstances of any case warrant action being taken to recover the penalty provided by the last preceding section or by the next succeeding section, such action may be taken by the Commissioner, and in that case the additional tax payable under this section shall not be charged.

56. Any person who, with intention to defraud, in any return understates the amount of any profits, shall be guilty of an indictable offence.

Under-statement of profits.
Cf. 1915, No. 34, s. 60.

Penalty: Five hundred pounds and an amount equal to treble the amount of war-time profits tax which would have been avoided if the profits stated in the return had been accepted as the correct profits.

57. Any person who, by any wilful act, default, or neglect, or by any fraud, art, or contrivance whatever, avoids or attempts to avoid assessment or taxation, shall be guilty of an indictable offence.

Avoiding taxation.
Cf. ib. s. 61.

Penalty: Five hundred pounds, in addition to ten per centum of the amount of tax payment whereof he has avoided or attempted to avoid.

58. Payment of penalties under this Act shall not relieve any person from liability to assessment and payment of any tax for which he would otherwise be liable.

Penalties not to relieve from tax.
Cf. ib. s. 62.

59.—(1.) In any case where a taxpayer liable to pay war-time profits tax has become bankrupt or insolvent, or has suffered such a loss that the exaction of the full amount of tax will entail serious hardship, or that, by reason of drought or adverse seasons or other adverse conditions, the returns from the taxpayer's land used for the purposes of the business have been seriously impaired, a Board consisting of the Commissioner, the Secretary to the Treasury, and the Comptroller-General of Customs, may release such taxpayer wholly or in part from his liability, and the Commissioner may make such entries and alterations in the assessment as are necessary for that purpose.

Release of taxpayers in cases of hardship.
Cf. ib. s. 64.

Amended by No. 40, 1918, s. 12.

(2.) The Commissioner shall be Chairman of the Board, and the decision of the majority shall prevail.

60. The Governor-General may make regulations not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed or which are necessary or convenient to be prescribed for giving effect to this Act.

Regulations.

THE COMMONWEALTH OF AUSTRALIA.

ESTATE DUTY ASSESSMENT.

No. 34 of 1922.

An Act to amend the *Estate Duty Assessment Act 1914-1916*.

[Assented to 18th October, 1922.]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

1.—(1.) This Act may be cited as the *Estate Duty Assessment Act 1922*. Short title and citation.

(2.) The *Estate Duty Assessment Act 1914-1916* is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by this Act, may be cited as the *Estate Duty Assessment Act 1914-1922*.

2. Section seventeen of the Principal Act is amended by inserting after the word "death" (first occurring) the words "and Federal and State Land and Income Taxes which become due and payable after his death and within one year after the payment of duty on any assessment under this Act,". Assessable value for residents.

3. Section eighteen of the Principal Act is amended by inserting at the end thereof the words "and Federal and State Land and Income Taxes due and payable at the time of his death or which become due and payable after his death and within one year after the payment of duty on any assessment under this Act,". Assessable value for absentees.

Remission of
Penalty duty.

4.—(1.) Section thirty-one of the Principal Act is amended by adding at the end thereof the following proviso:—

“Provided that the Commissioner may, in any particular case for reasons which in his discretion he thinks sufficient, remit the additional duty imposed by way of penalty or any part thereof.”

(2.) This section shall be deemed to have commenced on the first day of July, One thousand nine hundred and twenty-one.

THE COMMONWEALTH OF AUSTRALIA.

ESTATE DUTY ASSESSMENT.

No. 22 of 1914.

An Act relating to the Imposition, Assessment, and Collection of Duties upon the Estates of Deceased Persons.

[Assented to 21st December, 1914.]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

PART I.—INTRODUCTORY.

1. This Act may be cited as the *Estate Duty Assessment Act* short title. 1914.

2. This Act shall be divided into Parts as follows:—

- | | | |
|------|--------------------------------------|--|
| PART | I.—Introductory. | |
| PART | II.—Administration. | |
| PART | III.—Estate Duty. | |
| PART | IV.—Returns and Assessments. | |
| PART | V.—Objections and Appeals. | |
| PART | VI.—Collection and Recovery of Duty. | |
| PART | VII.—Miscellaneous. | |

3. In

Definitions.

3. In this Act, unless the contrary intention appears—

“ Administrator ” means any executor to whom probate of will is granted, or any person to whom letters administration, with or without a will annexed, granted, and also any person who, by virtue of any administration, becomes entitled to administer, take charge or become receiver of, any property of a deceased person

“ Debts ” includes probate and succession duties payable under any State Act, but does not include voluntary debt

“ Duty ” means estate duty under this Act :

“ Estate ” includes both real and personal estate :

“ Gift *inter vivos* ” includes every gift absolute and every non-testamentary disposition of property, whether by way of conveyance, transfer, appointment under power, declaration of trust or otherwise, made by any person either before or after the commencement of this Act, and containing trusts or dispositions to take effect during his lifetime, not being made before and in consideration of marriage, or in pursuance of a binding contract entered into before and in consideration of marriage, in favour of a *bona fide* purchaser or encumbrancer for valuable consideration, and whether or not the property comprised in the gift is subject to any limitation :

“ Settlement ” means a conveyance, transfer, appointment under power, declaration of trust or other non-testamentary disposition of property made by any person either before or after the commencement of this Act containing trusts or dispositions to take effect after the death of the settlor or any other person dying after the commencement of this Act :

“ The Commissioner ” means the Commissioner of Taxation

“ The Minister ” means the Treasurer of the Commonwealth :

“ The Supreme Court ” means the Supreme Court of a State part of the Commonwealth.

PART II.—ADMINISTRATION.

Commissioner.

4.—(1.) There shall be a Commissioner of Taxation, who shall be subject to the control of the Minister, have the general administration of this Act.

(2.) T

4 (2.) The Commissioner of Land Tax shall be the Commissioner.

(3.) The provisions of section five, sub-sections (2.) and (3.), and section six of the *Land Tax Assessment Act 1910-1912* shall apply in relation to the office of Commissioner under this Act as they apply in relation to the office of Commissioner of Land Tax.

5. There may be such Deputy Commissioners of Taxation as are required, who shall, subject to the control of the Commissioner, have such powers and functions as are prescribed or as the Commissioner directs. Deputy Commissioners.

6.—(1.) The Commissioner may, in relation to any particular matters or class of matters, or to any particular State or part of the Commonwealth, by writing under his hand, delegate to a Deputy Commissioner or other person all or any of his powers or functions under this Act (except this power of delegation), so that the delegated powers or functions may be exercised by the Deputy Commissioner or person with respect to the matters or class of matters or the State or part of the Commonwealth specified in the instrument of delegation. Delegations by the Commissioner.

(2.) Every delegation under this section shall be revocable at will, and no delegation shall prevent the exercise of any power or function by the Commissioner.

7.—(1.) The Commissioner shall furnish to the Minister annually for presentation to the Parliament, a report on the working of this Act. Report by the Commissioner

(2.) In the report the Commissioner shall draw attention to any breaches or evasions of this Act, which have come under his notice.

PART III.—ESTATE DUTY.

8.—(1.) Subject to this Act, estate duty shall be levied and paid upon the value, as assessed under this Act, of the estates of persons dying after the commencement of this Act. Duty on estates.

(2.) Estate duty shall be at such rates as are declared by the Parliament.

(3.) For the purposes of this Act the estate of a deceased person comprises—

(a) his real property in Australia (including real property over which he had a general power of appointment, exercised by his will);

(b) his

(b) his personal property, wherever situate (including personal property over which he had a general power of appointment, exercised by his will), if the deceased was, at the time of his death, domiciled in Australia; and

(c) his personal property in Australia (including personal property over which he had a general power of appointment, exercised by his will), including all debts, money, and choses in action receivable or recoverable by the administrator in Australia, if the deceased had, at the time of his death, a foreign domicile.

(4.) Property—

(a) which passed from the deceased person by any gift *inter vivos* or settlement made before or after the commencement of this Act within one year before his decease, or, being property comprised in a settlement under which he was tenant for life, the life interest of which was surrendered by him to the remaindermen within one year before his decease; or

(b) in which he had a beneficial interest at the time of his decease, which beneficial interest, by virtue of a settlement or agreement made by him, passed or accrued on or after his decease to, or devolved on or after his decease upon, any other person,

shall for the purposes of this Act be deemed to be part of the estate of the person so deceased.

(5.) Estate duty shall not be assessed or payable upon so much of the estate as is devised or bequeathed or passes by gift *inter vivos* or settlement for religious, scientific, charitable or public educational purposes.

(6.) In respect of so much of the estate as by will intestacy gift *inter vivos* or settlement passes to the widow or children or grandchildren of the deceased estate duty shall be assessed and payable at two-thirds of the rate which would otherwise be payable.

(7.) All duties lawfully paid in any place outside Australia, in respect of any part of the estate situate outside Australia may be deducted from the duty to which the estate is liable under this Act.

(8.) In this Act, "public educational purposes" includes the establishment or endowment of an educational institution for the benefit of the public or a section of the public.

Exemption of persons dying in military or naval service.

9. Nothing in this Act shall apply to the estate of any person who during the present war or within one year after its termination dies on active service or as a result of injuries received or disease contracted on active service with the military or naval forces of the Commonwealth or any part of the King's Dominions.

PART

PART IV.—RETURNS AND ASSESSMENTS.

Returns.

10.—(1.) For the purpose of assessment and levy of estate duty every administrator shall, except as prescribed, within the prescribed period, prepare and furnish in the prescribed form and at the prescribed place a statement setting forth a full and complete return of all the estate in Australia of the deceased person in respect of whose estate he is the administrator. Returns to be lodged.

(2.) The statement shall set forth the descriptions and values of the items comprising the estate, before deducting any debts or other charges upon the estate, and shall also set forth in detail all the debts and other charges upon the estate, distinguishing between secured and unsecured debts and describing and valuing any security for any such debts.

11. The Commissioner may require such further or other returns as he deems necessary for the full and complete assessment and collection of the duty assessable under this Act, and may permit the administrator or other person interested to make alterations in any return lodged, upon the Commissioner being satisfied as to the necessity for the alteration. Commissioner may require further or other returns.

12. Every return required to be furnished under this Act shall be verified by a statutory declaration by the administrator. Verification of returns.

Assessments.

13. The Governor-General may make arrangements with the Governor of a State for the supply to the Commissioner of particulars of assessments made by the State for the purpose of collecting probate and succession duty under the laws of the State. Arrangement with States to supply information.

14. In assessing duty in accordance with this Act, the Commissioner may if he thinks fit adopt, as far as it extends, the value of dutiable estate as assessed for duty under a State law in respect of the same estate. State valuations may be adopted.

15. From the returns, particulars and values so furnished, supplied or ascertained, and from any other information in his possession, or from any one or more of these sources, and whether any return has been furnished or not, the Commissioner shall cause an assessment to be made for the purpose of ascertaining the amount upon which duty shall be levied in accordance with this Act. Commissioner to make assessments.

16. If—

- (a) any administrator makes default in furnishing any return; Default assessments.
- or
- (b) the Commissioner is not satisfied with the return made by any administrator; or
- (c) the Commissioner has reason to believe that any estate (though no return has been furnished) is dutiable,

the

the Commissioner may make an assessment of the amount on which, in his judgment, duty ought to be levied, and the estate shall be liable to duty thereon, except so far as the amount is, on appeal, shown to be excessive.

Assessable
value for
residents.

17. For the purpose of assessing the value for duty of the estate of any person dying after the commencement of this Act, all debts due and owing by the deceased at the time of his death shall be deducted from the gross value of the assessable estate if the deceased was at the time of his death domiciled in Australia.

Assessable
value for
absentees.

18. If the deceased was at the time of his death not domiciled in Australia the debts which may be deducted from the gross value of the assessable estate shall be debts due and owing to persons resident in Australia, or contracted to be paid in Australia, or charged on property situate in Australia.

Compounding
duties.

19. Where in the opinion of the Commissioner any estate is of such a nature or is so disposed of or circumstanced that the value thereof is not fairly ascertainable under this Act, he may compound the duty on such property on such terms as he thinks fit, and may give a discharge to the administrator or to any other person interested in the property upon payment of the duty according to such composition.

Court may alter
assessments.

20.—(1.) The Commissioner may, within one year after the last payment on account of duty on any assessment, make all such alterations in or additions to the assessment as he thinks necessary in order to insure its completeness and accuracy.

(2.) Every alteration or addition which has the effect of imposing any fresh liability, or increasing any existing liability, shall be notified to the administrator affected, and unless made with his consent shall be subject to appeal.

(3.) An administrator shall only be liable for such additional or increased duty to the extent of any property then under his control or which can be applied by him for payment of such duty, unless it is owing to any fraud or gross negligence on his part that the proper amount of duty was not paid in the first instance, in which case he shall be personally liable for the additional or increased duty.

(4.) If the alteration in any assessment made by the Commissioner under this section has the effect of reducing the duty payable on the estate, the Commissioner shall refund the duty which has been paid in excess of the amount payable on the altered assessment.

Validity of
assessments.

21. The validity of any assessment shall not be affected by reason that any provisions of this Act have not been complied with.

Evidence.

22.—(1.) Production of any assessment or of any document under the hand of the Commissioner purporting to be a copy of an assessment shall—

(a) be conclusive evidence of the due making of the assessment ;
and

(b) be

(b) be conclusive evidence that the amount and all particulars of the assessment are correct, except in proceedings on appeal against the assessment when it shall be *prima facie* evidence only.

(2.) The production of any document under the hand of the Commissioner purporting to be a copy of or extract from any return or assessment shall for all purposes be sufficient evidence of the matter therein set forth, without the production of the original.

23.—(1.) As soon as conveniently may be after an assessment is made the Commissioner shall cause notice in writing of the assessment to be given to the person liable to pay the duty. Notice of assessment.

(2.) The omission to give any such notice shall not invalidate the assessment.

PART V.—OBJECTIONS AND APPEALS.

24.—(1.) An administrator who is dissatisfied with the assessment made by the Commissioner under this Act may within thirty days after service by post of the notice of assessment or such further time not exceeding thirty days as the Commissioner may allow lodge an objection in writing with the Commissioner against the assessment, stating fully the reasons for the objection. Objection and appeal.

(2.) The Commissioner shall consider the objection and may either disallow it or allow it wholly or in part.

(3.) The Commissioner shall give to the objector written notice of his decision on the objection.

(4.) An administrator who is dissatisfied with the decision of the Commissioner on his objection may, within thirty days after the receipt of notice of the decision of the Commissioner, appeal to the High Court or the Supreme Court.

(5.) Notice of the appeal may be in the prescribed form, and a copy shall forthwith be served on the Commissioner.

(6.) If the assessment has been reduced by the Commissioner after considering the objection, the reduced assessment shall be the assessment appealed from.

(7.) An appeal under this section may be heard by a single Justice of the High Court or Judge of the Supreme Court.

(8.) Notwithstanding anything contained in this section, where the assessment made by the Commissioner is based solely upon assessments made under the law of a State, an appeal shall not lie from such assessment unless an appeal has been made from the State assessment upon which the assessment under this Act is based.

25.—(1.) The fact that an appeal is pending shall not in the meantime interfere with or affect the assessment appealed from; and duty may be levied and recovered on the assessment as if no appeal were pending. Pending appeal not to delay payment of duty.

(2.) If

(2.) If the assessment is altered on appeal a due adjustment shall be made, for which purpose amounts paid in excess shall be refunded and amounts short paid shall be recoverable as arrears.

Power of Court on hearing of appeal.

26. On the hearing of the appeal the Court may make such order as it thinks fit, and may either reduce or increase the assessment, and may make such order as to costs as it thinks fit and the order of the Court shall be final and conclusive except as provided in section twenty-eight of this Act.

Court may state case for opinion of High Court.

27.—(1.) On the hearing of any appeal the Court may, if it thinks fit, state a case in writing for the opinion of the High Court upon any question arising in the appeal which in the opinion of the Court is a question of law.

(2.) The High Court shall hear and determine the question, and remit the case with its opinion to the Court below, and may make such order as to the costs of the case stated as it thinks fit.

Appeals to High Court.

28. An appeal shall lie to the High Court from any order made under section twenty-six of this Act.

PART VI.—COLLECTION AND RECOVERY OF DUTY.

Date of payment of duty.

29. Duty assessed under this Act shall be due and payable by the administrator within thirty days after the service by post of a notice of assessment.

Time to pay—Extensions and instalments

30. If the Commissioner is satisfied that the duty cannot be paid within the time specified in the last preceding section, he may, upon receipt of sufficient security for payment of the duty—

(a) extend the time for payment as he considers the circumstances warrant; or

(b) permit the payment of the duty to be made by instalments: Provided that the whole of the duty payable shall be paid within a period of two years.

Penalty duty.

31. If the duty is not paid as provided by section twenty-nine of this Act or such further time as is provided by section thirty of this Act, additional duty amounting to ten per centum of the duty unpaid shall be payable in addition by way of penalty.

Duty debt to King.

32. The duty assessed under this Act shall be deemed when it becomes due or payable to be a debt due to the King on behalf of the Commonwealth and payable to the Commissioner in the manner and at the place prescribed.

Duty may be sued for.

33. Any duty unpaid, including any additional duty, may be sued for and recovered in any Court of competent jurisdiction by the Commissioner suing in his official name.

34.—(1.) The

34.—(1.) The duty assessed under this Act shall be a first charge upon the estate in priority over all other encumbrances whatever, and there shall not be any disposition of the estate or any part of it until the duty thereon has been paid or the Commissioner certifies that he holds security for payment of the duty sufficient to permit any specified part of the estate to be disposed of.

Duty a first charge on estate.

(2.) Any administrator who disposes of any estate or part of it in contravention of this section shall, without prejudice to the recovery of the duty by any other means, be personally liable for the duty.

35. Subject to any different disposition made by a testator in his will, the duty payable in respect of an estate, exclusive of so much of the estate as is devised or bequeathed or passes by gift *inter vivos* or settlement for religious scientific charitable or public educational purposes, shall be apportioned by the administrator among the persons beneficially entitled to the estate in the following manner:—

Apportionment of duty among beneficiaries.

(a) The duty shall in the first instance be apportioned among all the beneficiaries in proportion to the value of their interests; and

(b) where there are any beneficiaries under the will each of whom takes only specific bequests or devises of a value not exceeding Two hundred pounds, the duty which under paragraph (a) of this section would be payable in respect of the interests of those beneficiaries shall be apportioned among all the beneficiaries in proportion to the value of their interests.

Provided that for the purposes of this section the value of the interests of the widow or children or grandchildren of the deceased shall be reckoned at two-thirds of their assessed value.

36.—(1.) The Commissioner may if he thinks fit, either of his own motion or at the request of any person to whom any estate has passed on the death of another person, or of any person claiming in his right, accept or cause to be made so many separate assessments of the duty payable in respect of the interest of such person in any separate properties or any defined portions of the same property as he considers reasonable.

Distribution of charge on estate.

(2.) The duty so separately assessed shall thereafter be charged solely upon the separate estate in respect of which it has been assessed and upon payment of any amount so separately assessed, the portion of the particular estate affected shall thereafter be free from charge in respect of any unpaid duty assessed separately on any other portion of the estate.

37. The

Registration of
duty as a
charge.

37. The Commissioner may register any duty assessed under this Act as a charge on the particular interest assessed with the duty, after having certified in writing that there are arrears of duty payable and the Registrar-General or Registrar of Titles or other proper officer of a State or part of the Commonwealth shall register the charge accordingly and give effect to it as if the certificate were an instrument of charge or encumbrance duly executed under the laws in force in that State or part of the Commonwealth.

Duty—how
payable.

38.—(1.) Subject to the last two preceding sections, duty assessed under this Act shall be paid out of personal estate.

(2.) If there is not sufficient personal estate to pay the duty, the administrator may raise the deficiency by way of mortgage secured upon the real estate, or may, if he thinks fit, apply to the High Court or the Supreme Court for the sale of the whole or any portion of the estate for the purpose of enabling him to pay the duty.

Commissioner
may apply for
order to sell.

39. If any duty is not paid by the final date fixed for the payment thereof under the authority of this Act, the Commissioner may apply to the High Court or the Supreme Court for an order that a sufficient portion of any estate subject to the duty may be sold to pay the duty.

Power of Court.

40. The Court may grant the order applied for and may fix the prices, terms and conditions of the sale and may make such order as to costs of and consequent upon such application, proceedings and sale as it thinks fit.

Application of
proceeds.

41. The moneys arising from such sale shall be applied first towards paying the costs and expenses, if so ordered, of and consequent upon any such application, proceedings or sale, and in the next place towards the payment of the duty and additional duty due, and the balance shall be paid to or held or disposed of by the administrator upon the same trusts as the property sold would have been held and disposed of:

Court may
order re
surplus.

Provided that the Court may make any order that seems just as to such surplus moneys and as to the disposal or investment thereof, and as to the person or persons to whom the same or the interest thereof shall be paid.

PART VII.—MISCELLANEOUS.

Protection to
purchaser.

42. No purchaser shall be concerned as to the *bona fides* of any sale to him made or purporting to be made under any order mentioned in sections thirty-nine and forty of this Act.

Title of
purchaser, &c.,
not affected.

43. The title of a *bona fide* purchaser, transferee, or mortgagee for valuable consideration, whether holding the legal estate or not, shall not be prejudiced by the non-payment of any duty assessed under this Act, if his interest was acquired at a sale made or purporting to be made under an order mentioned in sections thirty-nine and forty of this Act.

44. The

44. The Commissioner, or any officer authorized by him on that behalf, shall at all times have full and free access to all lands, buildings, places, books, documents, and other papers, and to all registers of deeds or documents of title, for the purpose of valuing or inspecting any estate or of ascertaining the ownership thereof and for any of these purposes may make extracts from or copies of any such books, documents or papers.

Access to lands,
buildings, &c.

45.—(1.) The Commissioner may by notice in writing require any person to attend and give evidence before him or before any officer authorized by him in that behalf concerning any estate or assessment, and to produce all books, documents and other papers whatever in his custody or under his control relating thereto.

Power to obtain
evidence.

(2.) The Commissioner may require the evidence to be given on oath, and either verbally or in writing, and for such purpose he, or the officer so authorized by him, may administer an oath.

46. Any person who obstructs or hinders any officer acting in the discharge of his duty under this Act or the Regulations shall be guilty of an offence.

Obstructing
officers.

Penalty : Fifty pounds.

47. Any person who—

- (a) fails or neglects to duly furnish any return as and when required by this Act or the Regulations or by the Commissioner ; or
- (b) without just cause shown by him refuses or neglects to duly attend and give evidence when required by the Commissioner or any officer duly authorized by him, or to truly and fully answer any questions put to him, or to produce any book, document or papers required of him by the Commissioner or any such officer ; or
- (c) knowingly and wilfully makes or delivers any false return, or makes any false answer, whether verbally or in writing, in relation to any matter or thing affecting the liability to or exemption from assessment under this Act of any estate ;

Offences.

shall be guilty of an offence.

Penalty : One hundred pounds.

48. Any person who—

- (a) with intent to defraud, in any return understates the value of any estate, or
- (b) by any wilful act default or neglect, or by any fraud, art or contrivance whatever, evades assessment or duty,

Under-valuation
of estate.

shall be guilty of an indictable offence.

Penalty : Five hundred pounds or imprisonment for three years.

49. Payment

Payment of penalties no release from duty.

49. Payment of penalties under this Act shall not relieve any estate from liability to assessment and payment of any duty.

Regulations.

50. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

WESTERN AUSTRALIA.

LAND AND INCOME TAX ASSESSMENT.

No. 15 of 1907.

As amended by No. 14 of 1917,* No. 24 of 1918,† No. 17 of 1922,‡
and No. 40 of 1922.§

**AN ACT to regulate the Assessment of Land and Income
for the purposes of Taxation.**

[Assented to 20th December, 1907.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

Preliminary.

1. This Act may be cited as the *Land and Income Tax Assessment Act, 1907.*

2. In this Act, unless the context otherwise requires,— Interpretation.

“Agent” includes every person who, in Western Australia, for or on behalf of any other person outside of Western Australia (hereinafter called the “principal”)—

- (1) has the control or disposal of any real or personal property belonging to the principal, or the control, receipt, or disposal of any rents, issues, or proceeds derived from any such property; or
- (2) directly or indirectly, whether by sample, price-list, negotiation, or otherwise howsoever, sells or disposes of such property, or offers or exposes such property for sale or disposition, or solicits or procures the sale or disposition thereof; or

* Assented to 28th March, 1917. † Assented to 13th June, 1918. ‡ Assented to 10th February, 1922. § Assented to 23rd December, 1922.
p10477.

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(3) has the control, receipt, or disposal of any income belonging to the principal, or directly or indirectly remits the same to the principal.

No. 24 of 1915.
s. 2.

“Commissioner” means the Commissioner of Taxation.

“Dependant” means a relative of a taxpayer by blood, marriage, or adoption towards whose maintenance the taxpayer has contributed twenty-six pounds during the year in which his taxable income was derived.

“Improved land” means land to which improvements within the meaning of this Act have been made.

“Improvements” includes houses and buildings, fencing, planting, roads made or macadamised by the owner, excavations for holding water, wells, pumps, windmills, and other apparatus for raising water, drains, ring-barking, clearing from timber, or scrub, or poison plants, or noxious weeds, or laying down in grass or pasture, and any other improvements whatsoever, the benefit of which is unexhausted at the time of valuation, but does not include any railways or tramways constructed under any Act or any provisions thereof.

“Income” includes profits, gains, rents, interest, salaries, wages, allowances, pensions, stipends, charges, and annuities.

“Income tax” means the tax or duty imposed or charged in respect of income by any Act in force for the time being as assessed under this Act, or any Act amending the same.

“Income chargeable” means the taxable amount less the deductions allowed under this Act.

“Land” includes all lands, tenements, and hereditaments whether corporeal or incorporeal, in Western Australia, and also includes all chattel and other interests therein.

“Land Tax” means the land tax imposed by any Act in force for the time being as assessed under this Act or any Act amending the same.

“Local authority” means a municipal council or road board.

“Non-resident agent” includes every person who acts as agent without having a fixed and permanent place of business or abode in Western Australia.

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“Non-resident trader” includes every person who carries on business in Western Australia without having a fixed and permanent place of business in Western Australia.

“Owner,” as applied to any estate or interest in land, includes every person who is, jointly or severally, whether at law or in equity—

- (a) entitled to land for any estate of freehold in possession; or
- (b) entitled to land for any leasehold estate or interest granted under the Land Act, 1898, or any amendment thereof, or under any Land Regulations thereby repealed, with or without the right to acquire the freehold; or
- (c) entitled to land for any such estate or interest as aforesaid as a married woman, to her separate use, otherwise than through trustees; or
- (d) who is a settlor, grantor, assignor, or transferor of land comprised in any settlement, grant, assignment, transfer, conveyance, or other instrument, not made *bona fide*; or
- (e) entitled to land partly in one and partly in another or others of the aforesaid ways; or
- (f) entitled to receive, or in actual receipt, or if the land were let to a tenant, would be entitled to receive, the rents and profits thereof, whether as beneficial owner, trustee, mortgagee in possession, or otherwise.

“Person” includes “company” or any “body corporate.”

“Prescribed” means prescribed by this Act or the regulations thereunder:

Provided that where, under this Act, anything is required to be done in the “prescribed form” it shall be sufficient if such thing be done substantially in the form so prescribed, or to the effect thereof.

“Public notice” means a notice inserted in the *Government Gazette* or published in any newspaper circulating in a town or district.

“Registered” means registered in the office of the Land Titles Office, the Registry of Deeds, the Department

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of Lands and Surveys, or the Department of Mines under the provision of any Act in force in Western Australia for the registration of titles to land, deeds, and other instruments.

“Regulations” means the regulations for the time being in force under this Act.

“Taxpayer” means any person liable to pay tax, whether in his own behalf or in a representative capacity, or who, whether liable to taxation or not, is by this Act required to make any return relating to land or income tax assessment.

“This Act” means this Act and the regulations thereunder.

“Trustee,” in addition to every person appointed or constituted such by act of parties, order or declaration of a court, or by operation of law, includes an executor or administrator, and every person having or taking upon himself the administration or control of real or personal property affected by a trust, or acting in any fiduciary capacity, or having the direction, control, or management of the real or personal property of any person under legal disability.

“Unimproved value” means—

(a) in respect of land granted in fee simple, the capital sum for which the fee simple in such land would sell under such reasonable conditions of sale as a *bona fide* seller would require assuming the actual improvements (if any) had not been made; and

(b) in respect of land held under contract for conditional purchase under the Land Act, 1898, or any amendment thereof or any land regulation thereby repealed, the capital sum for which the fee simple of such land would sell on the assumption that the taxpayer is the owner in fee simple, under such reasonable conditions of sale as a *bona fide* seller would require, assuming the actual improvements (if any) had not been made; and

(c) in respect of any land held for any leasehold estate or interest, without the right of purchase, under the Land Act, 1898, or any amendment thereof, or any land regulation thereby re-

pealed, a sum equal to twenty times the excess of the amount of the fair annual rent at which the land would let under such reasonable conditions as a *bona fide* lessee would require, assuming the actual improvements (if any) had not been made, above the annual rent for the time being reserved by the lease, to be assessed under the Act; and until assessment, a sum equal to twenty times the amount of the annual rent reserved by the lease.

“Year of assessment” means the financial year ending the thirtieth day of June for which the tax is imposed, and “the year next preceding the year of assessment” means the calendar year next preceding the said thirtieth day of June: Provided that for the eleventh and each succeeding year of assessment the words “the year next preceding the year of assessment” shall mean the period of twelve months next preceding the year of assessment.

No. 14 of 1917,
s. 2.

Officers.

3. The Governor may appoint a Commissioner of Taxation and such assessors and other officers as may be deemed necessary for carrying out the provisions of this Act.

Commissioner
and officers may
be appointed.

4. The Commissioner may, with the approval of the Governor, delegate to any public officer such powers, duties, and functions by this Act or the regulations hereunder conferred or imposed upon him as it may be considered expedient by the Commissioner so to delegate.

Delegation
of duties.

Officers of the Commonwealth Taxation Department shall be deemed public officers within the meaning of this section during the currency of any agreement between the Commonwealth and State Governments under the Tax Collection Act, 1920.

No. 17 of 1922,
s. 2.

5. A notification in the *Government Gazette* that any person therein named has been appointed an officer for the purposes of this Act shall be conclusive evidence of such appointment.

Gazette notice
sufficient.

6. Every person appointed or employed under this Act shall preserve and aid in preserving secrecy with regard to all matters that may come to his knowledge in his official cap-

Secrecy to be
maintained.

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acity, and shall not communicate any such matter to any other person except in the performance of his duties under this Act.

Oath of fidelity
and secrecy.

7. (1.) Every person appointed or employed under this Act shall, before acting in the execution of his office, take and subscribe, before a justice of the peace, such oath of fidelity and secrecy as may be prescribed.

(2.) Every person who wilfully acts in contravention of the true intent of such oath shall be liable, on conviction, to imprisonment for any term not exceeding six months, with or without hard labour.

(3.) If the person acts in the execution of his office before he has taken the prescribed oath, he shall be liable to a penalty of not less than ten and not more than one hundred pounds.

Court of
Review.

8. The Governor may, by notice in the *Government Gazette*, declare that any magistrate of a local court shall be a Court of Review within the meaning of this Act; and the provisions of this Act shall apply to every Court of Review, constituted as aforesaid, as if they had jurisdiction, within such limits and in such cases as the Governor may prescribe in the said notice, to hear and determine, subject to the provisions of this Act, appeals from assessments made under this Act.

Land Tax.

Land tax.

9. (1.) Subject to the provisions of this Act, there shall be levied and paid to the Commissioner, for the use of His Majesty, at the times and in the manner hereinafter directed, a land tax, at such rate as Parliament shall from time to time declare and enact, per pound sterling of the assessed value of all land situate in Western Australia, and not included in the exemptions specified in section eleven.

Such land tax shall be levied and paid as follows:—

By every owner of land in respect of all land of which he is such owner for every pound of the unimproved value thereof as assessed under the provisions of this Act.

In the case of an owner of several estates or parcels of land (not being a bare trustee of different estates for the benefit of different *cestuis que trust*), the aggregate of the values of such several estates

parcels shall be regarded for the purpose of taxation as if such aggregate represented the unimproved value of a single estate or parcel.

(2.) The person who, at noon on the thirty-first day of December in any year, is the owner of any land, shall, in respect of the land tax for the then current financial year, be deemed to be the owner of such land, and be liable to pay such tax on such land:

Provided that for the eleventh year of assessment, that is to say, the financial year ending the 30th day of June, 1918, and for each succeeding year of assessment, the person who, at noon on the thirtieth day of June in the year next preceding the year of assessment, is the owner of any land, shall, in respect of the land tax for the year of assessment, be deemed to be the owner of such land, and be liable to pay such tax on such land.

No. 14 of 1917;
s. 8.

(3.) In the case of any owner who has not been resident in the Commonwealth of Australia during any portion of the year next preceding the year of assessment, the rate shall be increased by fifty per centum: provided that this subsection shall not apply to any person absent from the Commonwealth of Australia on the public service, or to any person who, being a resident of the Commonwealth of Australia, has obtained a permit from the Commissioner to be absent from the Commonwealth for a period not exceeding two years.

10. (1.) Every owner of improved land shall, in respect of such land, be entitled to a rebate of one-half of the tax levied on the unimproved value thereof as assessed under the provisions of this Act.

Rebate of tax on improved land.

(2.) Land outside the boundaries of any municipality used solely or principally for agricultural, horticultural, pastoral, or grazing purposes, or for two or more of such purposes, shall not be deemed improved within the meaning of this section unless—

(a) improvements have been effected to an amount equal to one pound per acre, or one-third of the unimproved value of the land, whichever amount shall be the lesser; or

(b) the Under Secretary for Lands certifies in writing that improvements to an amount prescribed or to be prescribed by the Land Act, 1898, or any amend-

ment thereof, or the regulations thereunder, have been effected,

and the benefit of such improvements is unexhausted:

No. 40 of 1922.
s. 9.

Provided that any improvements made on any one parcel of such land shall extend to any one other parcel belonging to the same owner if such parcels of land are not a greater distance apart than one mile, measured from the nearest boundaries.

(3.) No other land shall be deemed improved within the meaning of this section unless improvements have been effected and continue thereon to an amount of not less than one-third of the unimproved value of the land, but it shall not be necessary in any case to effect improvements exceeding an amount equal to fifty pounds per foot of the main frontage thereof; and when any land is situated at the intersection of two roads or streets, one only of the frontages of such land shall be deemed the main frontage; and if any question shall arise as to which frontage is the main frontage, such question shall be determined by the Court of Review.

(4.) Every parcel of land comprised within a common boundary fence shall be deemed improved within the meaning of this section if the prescribed improvements have been effected and continue on any part thereof.

Exemption.

11. (1.) The lands and classes of lands hereinafter specified are exempted from assessment for taxation under this Act, viz.:—

- (a) All lands owned by or on behalf of His Majesty.
- (b) Public roads and thoroughfares; public reserves for health, recreation, or enjoyment, public parks, university endowments, cemeteries, and commons.
- (c) All lands owned by any person or society, and occupied or used exclusively for or in connection with any public hospital (whether supported wholly or partly by grants from the Consolidated Revenue Fund or not), benevolent institution, public charitable purpose, church, chapel for public worship, or the site of a residence of a minister of religion ministering at some place of public worship, or the site of, or occupied for the purpose of, a school attached to or connected with any place of public worship, or as a mechanics' institute, or

school of art; all lands the property of and belonging to any religious body, and occupied only for the purposes of such body; all lands on which is erected any municipal or State market, town hall, or municipal council chamber; and all lands owned by or vested in any municipal corporation, road board, or other statutory public body:

Provided that the exemption shall not apply to any such land which is a source of profit or gain to the users or owners thereof.

- (d) All lands held as mining tenements within the meaning of the Mining Act, 1904.
- (e) All lands dedicated to, or vested in trustees and used for, zoological, agricultural, pastoral, or horticultural show purposes, or other public or scientific purposes.
- (f) Land held by any pensioner under the Invalid and Old Age Pensions Act, 1908.

No. 17 of 1922.
s. 4.

(2.) All lands the unimproved value of which does not exceed fifty pounds are exempted from assessment for taxation under this Act: But where the same person is owner of several parcels of land, this exemption shall not apply if the aggregate value of such several parcels exceeds fifty pounds.

(3.) All improved lands outside the boundaries of any municipality used solely or principally for agricultural, horticultural, pastoral, or grazing purposes, or for two or more of such purposes, shall be assessed after deducting the sum of two hundred and fifty pounds. Such deduction shall not be made more than once in the case of an owner of several estates or parcels of land, but in every such case the aggregate of the values of such several estates or parcels shall be regarded, for the purpose of taxation, as if such aggregate represented the unimproved value of a single estate or parcel.

(4.) All lands held under contract for conditional purchase, made before or after the commencement of this Act, under the Land Act, 1898, or any amendment thereof, are exempted from assessment for taxation under this Act for the term of five years from the date of contract, or from the date of survey in the case of land not surveyed before the date of contract: But such exemption shall only apply to taxpayers who prove to the satisfaction of the Commissioner that they do not hold legally or equitably more than one thousand acres

of cultivable land or two thousand five hundred acres of grazing land, or of cultivable and grazing land mixed, as defined by the Land Act and its amendments.

Only owners of land specified in preceding section entitled to exemption.

12. With respect to lands which by virtue of subsection one of the last preceding section are exempt from land tax, the following provisions shall apply:—

- (1) The benefit of such exemption shall, in each case, be limited to the owner specified in that section, and shall not extend to any other person who is the owner of any estate or interest in the land, whether as purchaser, lessee, licensee, occupier, or otherwise howsoever; and every such person shall be liable to assessment and taxation in respect of such estate or interest.
- (2) In the case of land owned by or vested in His Majesty on any express or implied trust, the person entitled in equity to the rents or profits of such land shall, for the purpose of assessment and taxation and to the extent to which he is so entitled, be deemed to be the owner of such land, and be liable to assessment and taxation in respect thereof.
- (3) If such trust is in favour of any public institution or department, the Governor may from time to time make regulations prescribing the person or authority to make returns, the mode of assessment, and the funds of such institution or department out of which the tax shall be paid.

Burden of Land Tax—Contributions and provisions as to Agents and Trustees.

Liability of co-owners.

13. If two or more persons are owners, whether jointly or severally or otherwise, of land subject to taxation under this Act, they shall each be liable to His Majesty for the whole tax on such land; but any owner who has paid the tax may recover contribution as hereinafter provided—

Contribution.

- (1) A person who has paid the tax in respect of any land may recover, by way of contribution, from any other person having an estate therein a sum which bears the same proportion to the tax as the value of the estate of such other person in the unimproved value of the land bears to the whole unimproved value of the land; and a person who has public works

paid the contribution payable in respect of an estate in land may recover as aforesaid from any person interested in such estate a sum which bears the same proportion to the amount of the contribution so paid as aforesaid as the value of the interest of such other person bears to the value of such estate.

(2) Every person entitled to contribution in respect of land tax under this section may—

- (a) sue for the same as money paid to the use of the person liable to contribute at his request in any court of competent jurisdiction; or
- (b) retain the amount of such contribution out of any moneys in his hands belonging or payable to the person liable to contribute; or
- (c) deduct the same from any moneys payable to the person liable to contribute in respect of interest or debt, or other obligation.

14. The value of any interest or estate subject or liable to contribution to land tax under this Act shall be determined, so far as practicable, by reference to the "Tables for Calculation of Values" provided by the regulations.

Rules, etc., for calculation of values.

15. (1.) Every agent for any owner of any land subject to land tax under this Act who may be permanently or temporarily absent from Western Australia, and every trustee of any land subject to land tax under this Act, shall be assessed respectively in respect of such land the owner of which is represented by such agent, or in respect of such land the legal estate in which is vested in such trustee, whether solely or jointly with other trustees.

Agents, trustees, etc., how chargeable.

(2.) Every such agent and trustee shall, subject to the provisions of subsection six, be chargeable with the land tax payable in respect of such land in the same manner as if such land were his own; but he shall be assessed in respect thereof in a representative character only, and the provisions of subsection three of section nine shall apply, and each such assessment shall be kept separate and distinct from the individual assessment (if any) of such agent or trustee.

Land and Income Tax Assessment.

(3.) Every such agent or trustee shall be answerable for the doing of all such acts, matters, or things as would be required to be done by the owner.

(4.) Every such agent or trustee shall be subject to the same penalties or liability for any neglect, refusal, or default in respect of the obligations and requirements of this Act as the persons whom such agent or trustee represents would be subject to.

(5.) Every such agent or trustee is hereby authorised to recover from any person for whom, or on whose behalf, he is compellable to pay and has paid land tax, the amount of the land tax so paid by him, or to retain out of any money which shall come to him in his representative character so much, from time to time, as shall be sufficient to pay such land tax.

(6.) Such agent or trustee shall not be personally liable for land tax to any further or greater extent than to the amount of such funds or securities for money as are or may be in his hands, in his representative character or as trustee, or of which he shall have the controlling power, after receiving notice of such assessment as hereinbefore provided.

Income Tax.

Incomes liable
to taxation.
No. 24 of 1918,
s. 3.

16. (1.) Subject to the provisions of this Act and the regulations hereunder, there shall be charged, levied, collected, and paid to the Commissioner, for the use of His Majesty, an income tax at such rate per pound as Parliament shall from time to time declare and enact in respect of the annual amount of all incomes—

- (a) arising or accruing to any person wheresoever residing, from any profession, trade, employment, or vocation carried on in Western Australia, whether the same is carried on by such person or on his behalf wholly or in part by any other person; or
- (b) arising or accruing to any person wheresoever residing, from any salary or allowance attached to or derived from any office or employment of profit in the Public Service of Western Australia, and upon every pension and allowance payable from the Consolidated Revenue Fund or any other public account; or

- (c) arising or accruing to any person wheresoever residing, from any kind of property, or from any other source whatsoever in Western Australia not included in the preceding paragraphs of this subsection:

Provided that if the "income chargeable" from all sources of any person shall not, in the year next preceding the year of assessment, exceed one hundred pounds, such income shall be exempt from taxation: No. 24 of 1918.
s. 3.

Provided also that if the "income chargeable" from all sources of any person who is married or has a dependant shall not, in the year next preceding the year of assessment, exceed two hundred pounds, such income shall be exempt from taxation: No. 40 of 1922.
s. 6.

Provided also that any male person over sixty-five years or female person over sixty years, who has an income not exceeding two hundred and fifty pounds a year earned by personal exertion but no other income shall be exempt from taxation. No. 40 of 1922.
s. 2.

(1a.) Where the income of any person who is unmarried and has no dependant, less the deductions allowed by this Act (except under this section) amounts in any year to one hundred and one pounds or over, there shall be deducted therefrom the sum of one hundred pounds less two pounds for every one pound whereby such income exceeds one hundred pounds, and the remainder shall be "income chargeable": No. 40 of 1922.
s. 6.

Provided that the minimum amount to be payable by any such person as tax shall be two shillings and sixpence.

(1b.) Where the income of any person who is married or has a dependant, less the deductions allowed by this Act (except under this section) amounts in any year to two hundred and one pounds or over, there shall be deducted therefrom the sum of two hundred pounds less two pounds for every one pound whereby such income exceeds two hundred pounds, and the remainder shall be "income chargeable":

Provided that the minimum amount to be payable by any such person as tax shall be two shillings and sixpence.

(2.) On the income of an absentee, that is to say, a person who has not been resident in the Commonwealth of Australia

No. 40 of 1922.
s. 2. during any part of the year next preceding the year of assessment, but who is not absent on the public service, the tax shall be payable at the declared rate without any deduction for insurance premiums, medical expenses, travelling expenses or deductions allowed for children or dependants or any deduction under the second proviso to subsection one of this section as amended by section six of the Land and Income Tax Assessment Amendment Act, 1922.

No. 40 of 1922.
s. 2. (2a.) If the income chargeable of any person, together with income received by him in respect of the dividends of a company, subject to duty under the Dividend Duties Act, 1902, amounts during the year next preceding the year of assessment to such a sum as if it were all income chargeable would be liable to income tax at a rate exceeding one shilling and threepence for every pound sterling thereof, without regard to any super-tax imposed by any Act in force for the time being, the amount of such aggregate income shall be taxable income under this Act, but the taxpayer shall receive credit for the duty payable under the Dividend Duties Act, 1902, in respect of his income derived from a company as aforesaid.

No. 40 of 1922.
s. 2. (2b.) If any person not in receipt of any income chargeable is, during the year next preceding the year of assessment in receipt of income derived from dividends within the meaning of the Dividend Duties Act, 1902, and such income, after all deductions allowed by law, exceeds the sum which under any Act in force for the time being for the imposition of income tax would be chargeable as income at a higher rate of tax in the pound than one shilling and threepence, without regard to any super-tax imposed by any Act in force for the time being, such income shall be taxable income under this Act, but the taxpayer shall receive credit for the amount of duty payable in respect of such income under the Dividend Duties Act, 1902:

Provided that in any assessment made under this section a deduction shall be allowed for interest incurred by the person in the production of the income derived from dividends.

(3.) Income shall be deemed to have accrued to a person within the meaning of this section, although the same is not actually paid over to such person, but is credited in account or reinvested or accumulated or capitalised, or carried to any reserve, sinking, or insurance fund, however designated, or otherwise dealt with in his name or interest, or on his behalf.

(4.) The profits arising or accruing to any person from the sale after the thirty-first day of August, one thousand nine hundred and twenty-one, of any business as a going concern shall be deemed income within the meaning of paragraph (a) of subsection one, so far as such profits are derived from the sale of stock-in-trade, live stock, or other goods, chattels, and effects the proceeds of which, if disposed of in the ordinary course of trade, would have been taxable income:

No. 17 of 1922.
s. 5.

No. 40 of 1922.
s. 2.

Provided that where a taxpayer or taxpayers shall have furnished income tax returns and shall have subsequently converted his or their business into an incorporated company, and hold substantially the whole of the share capital of the company, and shall not have received any cash consideration on the conversion of the business into that of a company, such taxpayer or taxpayers shall be exempt from tax under this subsection in respect of any sale of the business to such company effected between the first day of July, one thousand nine hundred and twenty, and the thirty-first day of August, one thousand nine hundred and twenty-one, if the company adjusts the value of the stock in trade, live stock, or other goods, chattels, and effects so acquired by the company to the value as stated in the returns furnished by the taxpayer being the vendor to the company:

No. 40 of 1922.
s. 2.

Provided also that where such adjustment is made by the company the Commissioner shall refund to the taxpayer the amount of tax paid by him and exempted as aforesaid.

(5.) The profits arising or accruing to any person from the sale of any mining tenement, as defined by the Mining Act, 1904, or of any interest therein, whether registered or not, shall be income within the meaning of paragraph (a) of subsection one, except in the case of a sale of a mining tenement acquired by the registered owner as a prospector or person by whom, or on whose behalf, the ground was *bona fide* prospected, or by a vendor as registered owner by whom the mining tenement has been *bona fide* and efficiently worked.

No. 17 of 1922.
s. 5.

17. Whenever any person is assessed for income tax on profits derived directly during any year from the ownership of any parcel of land, or derived directly from the use or cultivation of any parcel of land, such person may claim and shall be allowed an abatement of so much of the amount payable for income tax on profits derived from the ownership of

Concession where land and income tax assessed on the same land.

Land and Income Tax Assessment.

such parcel of land, or directly from the use or cultivation thereof, as equals the amount paid by him for land tax in respect of the same parcel of land:

Provided that any profits derived from—

- (a) the quarrying, digging, treatment, and sale of stone, gravel, sand, clay, guano, or soil found on such land; or
- (b) the cutting, treatment, and sale of timber found on such land,

shall not be deemed profits derived from the ownership, use, or cultivation of such land within the meaning of this section.

Gratuities, etc., chargeable as income.

18. All gratuities, bonuses, and premiums, whether in money, or goods, or sustenance, or land allowed, given, or granted to any person in respect of, or for, or in relation to any employment or services of such person, shall be deemed to be income of such person to the amount of the value of such use and enjoyment, gratuities, bonuses, and premiums, respectively.

Exemption of certain incomes.

19. The following incomes, revenues, and funds shall be exempt from income tax:—

See No. 32 of 1918, s. 8.

- (1.) The revenues of municipal corporations, road boards, or other statutory public bodies.
- (2) The incomes of life assurance companies and of companies or societies not carrying on business for purposes of profit or gain; but this exemption shall not apply to incomes derived from interest on investments.

No. 40 of 1922, s. 3.

- (3) The dividends and profits of the companies subject to duty under the Dividend Duties Act, 1902, or any amendment thereof, subject to subsections 2a and 2b of section sixteen of this Act, and to any exception that may be declared from time to time by Parliament.
- (4) The dividends and profits of the Government Savings Bank and the Agricultural Bank.
- (5) The funds and incomes of any registered friendly society or trade or industrial union.
- (6) The incomes and revenues of all ecclesiastical, charitable, and educational institutions of a public

character, whether supported wholly or partly, or not at all, by grants from the Consolidated Revenue Fund.

- (7) The income derived or received by or on behalf of the Governor in respect of the salary and emoluments of his office.
- (8) The income derived or received by or on behalf of any pensioner resident in Western Australia, in respect of his pension received from the Crown in Great Britain or the Government of any British possession: Provided that he satisfies the Commissioner that such pension is liable to income tax or a like tax in Great Britain or such possession, and that such tax has been duly paid.
- (9) Income arising or accruing to any person from Western Australia Government debentures, inscribed stock, and Treasury bills.
- (10) Any pension received by a person for injuries while on active service in the naval or military forces during the present war; or any pension paid to the widow, relatives, or dependants of a deceased soldier or sailor killed during the war, or who had died from injuries received, or sickness contracted, during the war, or any pensioner under the Invalid and Old Age Pensions Act, 1908. No. 24 of 1918, s. 4.
No. 17 of 1922, s. 6.
- (11) The income of any society or association not carried on for the purposes of profit or gain to the individual members thereof established for the purpose of promoting the development of the agricultural, pastoral, horticultural, viticultural, stock raising, manufacturing, or industrial resources of Western Australia. *Ibid.*
- (12) The income of any society or association of a public character established for the promotion of scientific research. *Ibid.*

The exemptions declared by this section shall not extend to the salaries and wages of persons employed by any such corporation, public body, company, society, or institution, although the same are paid wholly or in part out of the income, revenues, or funds thereof. *Ibid.*

Persons by whom
income tax is
payable.

20. Subject to the provisions of this Act, income tax shall be payable—

- (1) In respect of every incorporated company, by the public officer thereof.
- (2) In respect of the income of every person permanently or temporarily absent from or resident out of Western Australia, by the attorney or agent of such person; and for the purposes of this Act every person in Western Australia having the receipt, management, disposal, or control of income on behalf of any person absent or resident as aforesaid, or remitting or paying income to such person, shall be deemed to be the agent of such person. The Commissioner may, if he thinks necessary, declare any person to be the agent of any other person, and the person so declared an agent shall be the agent for the purposes of this Act.
- (3) In respect of the income of *cestuis que trust*, infants lunatics, or persons under any legal disability, by the trustee, guardian, committee, or other person entitled for the time being to the receipt, management, disposal, or control of such income, or remitting or paying the same.
- (4) In respect of the stakes won in any horse race on the racecourse of the Western Australian Turf Club or any other club or company, incorporated or otherwise, registered by the Western Australian Turf Club by the secretary of such club or company; and in respect of the stakes won in any horse race on any racecourse belonging to any unregistered person by the proprietor of such racecourse.

No. 24 of 1918,
s. 5.

The income tax on such stakes shall be at the rate of fourpence in every pound sterling thereof and the provisos to subsection one of section sixteen, and the provisions of section thirty shall not apply.

- (5) In respect of income paid under the decree or order of any court or judge to any receiver or other person, by such receiver or person, and independently of the title to such income, or any contingency or uncertainty in respect of such title.

- (6) In respect of every other income, and in all other cases, by the person to whom the income arises or accrues or who is legally or equitably entitled to the receipt thereof.

And the person by whom income tax is payable under subsections one to four of this section, inclusive, shall be deemed to be "representative taxpayers" within the meaning of this Act. Nothing in this section shall be taken to relieve the person receiving the income from the representative taxpayer from any tax due or payable in respect thereof.

21. Every representative taxpayer, as regards the income to which he is entitled in his representative capacity, or of which in such capacity he has the management, receipt, disposal, remittance, payment, or control, shall be chargeable with the same income tax and be subject in all respects to the same liabilities as if the same were income arising or accruing to him beneficially, except that no such taxpayer shall be personally liable for the payment of income tax beyond the amount or value of the income of which he has, in such capacity as aforesaid, the management, receipt, disposal, or control:

Liability of representative taxpayer.

Provided that nothing herein contained shall, in cases where the representative taxpayer acts as agent or trustee for several persons, prevent such representative taxpayer from claiming that each agency or trust shall be treated separately for the purpose of claiming the exemption or abatement provided for in section sixteen of this Act.

22. Every representative taxpayer who, as such, pays any tax or any sums imposed or incurred by way of fine under section fifty-four of this Act shall be entitled to recover from the person on whose behalf such tax or sums shall be paid, or to retain out of any moneys that may come to him in his representative capacity so much as shall be required to indemnify him in respect of such payments:

Indemnity to representative taxpayer.

Provided that where any sum by way of fine under section fifty-four has been imposed or incurred through the neglect or default of the representative taxpayer, the amount of such fine shall not be chargeable against the person on whose behalf the tax shall be paid, and if deducted or retained by the representative taxpayer shall be recoverable from him by the person so entitled as aforesaid as money received to the use of such person.

Trustees and receiver in certain cases need only give the name and residence of persons entitled to trust property.

23. No trustee who has authorised the receipt of the profits arising from trust property by the person entitled thereto or his agent, where such person or agent has actually received the same under such authority, and is resident in Western Australia, and no receiver of any person being of full age and resident in Western Australia (other than a married woman, lunatic, idiot, or insane person) who makes the returns prescribed by this Act and the regulations, specifying the name and residence of such person, shall be required to do any other act for the purpose of assessing the income of such person, unless the Commissioner requires the testimony of such trustee or receiver in pursuance of this Act or the regulations.

Income tax on debentures of companies.

24. In any case where a company has at any time heretofore borrowed, or shall at any time hereafter borrow, money on debentures, such company shall be deemed to be the agent of every holder of such debentures.

Provision as to profits on imported goods.

No. 24 of 1918, s. 6.

25. (1.) Where a person or company outside Western Australia (herein termed "the principal") by means of a company registered in Western Australia or carrying on business therein, or by means of a person in Western Australia (herein termed "the Agent") sells or disposes of goods in Western Australia for the principal (whether the moneys arising therefrom are paid to or received by the principal directly or otherwise), the income chargeable derived therefrom by the principal shall be assessed at an amount equal to five pounds per centum upon the total amount received for such goods, and the amounts so assessed shall, for the purposes of income tax, be deemed to be income derived by the agent, and the following provision shall apply:—

The agent shall, as regards such income, make the returns, be assessed, be liable to income tax, and otherwise be subject to the provisions of this Act, to do all acts and things thereunder as if such income was actually the income of the agent, and in the case of such agent being a company as aforesaid, the provisions of section forty-eight hereof shall apply. Provided that nothing herein contained shall exempt or discharge the principal from liability to pay income tax on such income, and that the agent shall have the same right to indemnity against the principal in respect of the tax paid by him as is conferred upon the representative taxpayer by section twenty-two.

(2.) The Governor may by regulations prescribe for the making, obtaining, adjusting, and settling returns by or with any agent in such manner and form, with such particulars and proof as may be thought fit, and for the purpose of making, completing, and enforcing assessments under this section and otherwise generally for the purpose of giving effect to the provisions hereof.

25a. If any person carries on a business in Western Australia, and sells any product of such business for delivery elsewhere than in Western Australia, whether the contract of sale is made within or without Western Australia, the profit arising from such sale shall be deemed income arising or accruing to such person from the said business and to have been earned within the State of Western Australia:

Income from sales for delivery beyond Western Australia.

No. 24 of 1918, s. 14.

Provided that if it is proved to the satisfaction of the Commissioner that, through treatment of such product elsewhere than in Western Australia, the profit on such sale has been thereby increased, such increase of profit shall not be deemed income arising or accruing to such person from his business in Western Australia:

Provided further that where a person carries on business in Western Australia and elsewhere and transfers goods from or to his business in Western Australia to or from his business elsewhere, all such goods so transferred shall for the purpose of assessment be returned by him at actual cost.

25b. (1.) The income chargeable of any person carrying on shipping business shall be assessed in respect of such business, so far as it extends to traffic between ports in Western Australia and ports beyond Western Australia, at a sum equal to five pounds per centum of the gross proceeds of all inward and outward traffic, including passenger fares; but the provisions of section thirty of this Act shall not apply.

Shipping business.

No. 24 of 1918, s. 15.

(2.) Nothing herein contained shall relieve any such person from the liability to pay income tax on any income arising from the sale of goods, in connection with such business, or derived from any other business.

26. (1.) It shall not be lawful for any non-resident agent to act as agent, or for any non-resident trader to carry on business in Western Australia, unless he is the holder of a warrant in that behalf under the hand of the Commissioner.

Non-resident agents and traders to hold Commissioner's warrant.

Land and Income Tax Assessment.

(2.) Every such warrant shall be in the prescribed form, and shall be issued without fee by the Commissioner on application to him in that behalf.

(3.) In all proceedings against any person for breach of this section it shall lie on the defendant to prove that he is a warrant holder.

(4.) The Commissioner may from time to time, as he thinks fit, assess any specified non-resident agent or non-resident trader for income tax in respect of any specific transaction, or of all transactions during any specified period, and may fix the amount of the tax at the rate then last in force (if the rate of tax is not then fixed by law), and on the assumption, subject to adjustment within the prescribed time at the instance of the Commissioner or taxpayer, that the specified transaction, or, as the case may be, all the transactions during the specific period, have produced a net profit of five per centum of the gross proceeds resulting therefrom.

(5.) The tax so fixed by the Commissioner shall be payable on demand and shall be recoverable forthwith in the same manner in all respects as in the case of income tax in arrear, but subject to adjustment as aforesaid.

Temporary
business—
Security for
payment of tax.

27. Whenever the Commissioner has reason to believe that any taxpayer establishing or carrying on business in Western Australia intends to carry on such business for a short time only, he may at any time, and from time to time, require such taxpayer to give security by way of bond or by way of deposit to the satisfaction of the Commissioner for the due assessment and payment of income tax on the profits derived from any such business.

Married women.
how liable.

28. The income of a married woman shall be liable to assessment and taxation in like manner as if she were unmarried.

Taxable amount.
how ascertained.

29. For the purpose of ascertaining the sum hereinafter termed the "taxable amount," on which (subject to the deductions hereinafter mentioned) income tax is payable, the following directions and provisions shall be observed and carried out:—

- (1) In assessing the income tax for any year, the amount of taxable income from all sources for the year next preceding the year of assessment shall, sub-

ject to the provisions of this section, be the taxable amount for the year of assessment, and for the first year of assessment, namely the financial year ending on the thirtieth day of June, one thousand nine hundred and eight, the "preceding year" shall be the calendar year one thousand nine hundred and seven, and so on:

Provided that the first assessment under the Land and Income Tax Assessment Act Amendment Act, 1917, shall be based on the income for the half-year ending the thirtieth day of June, one thousand nine hundred and seventeen, and shall be for six months only, and one-half the exemptions and deductions provided under this Act shall be allowed: No. 14 of 1917,
s. 8.

Provided that for the eleventh year of assessment, that is to say the financial year ending the thirtieth day of June, one thousand nine hundred and eighteen, and for each succeeding year of assessment, the year next preceding the year of assessment shall be the financial year ending the thirtieth day of June next preceding the year of assessment. No. 14 of 1917,
s. 4.

- (2) In any case in which profits or moneys derived from any business have been converted into stock-in-trade, or added to the capital of, or in any way invested in such business, a complete statement of the amount of such profits or moneys so converted or added or invested shall be made by such person in the prescribed form in his returns.
- (3) No tax shall be payable in respect of income earned outside the State of Western Australia.
- (4) Income received by a taxpayer in respect of a share in a company liable to pay income tax or dividend duty shall be deducted from the taxable amount, but such income shall be specified by the taxpayer in the returns made by him in the prescribed manner.
- (5) In all other cases the taxable amount shall be the total amount of taxable income arising or accruing to any person from all sources, except to the extent of the exemptions provided by section nineteen.

- (6) Shillings and pence and fractions thereof shall not be included in the taxable amount.

Deductions
from taxable
amount.

No. 17 of 1922,
s. 7.

30. From the taxable amount so ascertained as aforesaid, every taxpayer shall be entitled to deductions in respect of the annual amount of—

- (1) losses, outgoings, interest on mortgages and loans, and expenses actually incurred in Western Australia by the taxpayer in the production or protection (where such cannot be insured against) of his income: that is, income which is not exempt from income tax under section nineteen of this Act;
- (2) (a) net trading, prospecting, or business losses incurred in any one or more years during the three years preceding the year of assessment;
(b) net losses arising over a like period from the loss of stock in trade, crops, and livestock due to droughts or other circumstances or conditions over which the taxpayer had no control or was unable to protect or insure against:
Provided that no losses in respect to fixed capital assets shall be allowed as a deduction under this section;
- (3) sums expended by the taxpayer for repairs of premises let or intended to be let to tenants;
- (4) sums expended by a taxpayer for repairs to his dwelling house, whether such dwelling house is fully purchased or in the course of purchase;
- (5) (a) every premium or sum paid by the taxpayer (not exceeding £50) on the insurance of his own life, or that of his wife or children, or for a deferred annuity, or other like provision for the wife or children;
(b) every premium paid (not exceeding £50) in respect of any fidelity guarantee or bond, which such employer is required to provide for the exercise of his profession, trade, employment, or vocation;
(c) medical expenses incurred by a taxpayer on behalf of himself or those dependent upon him: Provided that this shall not apply where the taxable income exceeds £250:

(d) reasonable travelling expenses incurred in earning, producing, or protecting the assessable income:

Such expenses shall include the cost of travelling from the place of living of the taxpayer to the place where his income is earned or produced not exceeding fifteen pounds in any year: No. 40 of 1922, s. 4.

Provided that the travelling expenses of a member of Parliament shall be allowed and assessed as follows:—If a member is the representative of the Metropolitan, Metropolitan-Suburban, or West Province or of an electoral district therein, such expenses shall not exceed fifty pounds per annum; and if such member is the representative of any other province or district, such expenses shall not exceed one hundred pounds per annum;

- (5a) so much of the assessable income as is paid in calls on shares in a mining company or syndicate prospecting in West Australia for gold, silver, base metals, oil, or minerals; No. 40 of 1922, s. 5.
- (6) sums expended for repairs of premises occupied for business purposes, and for the repair or alteration of machinery, implements, utensils, and articles employed by the taxpayer for the purposes of his business;
- (7) such sum as the Commissioner may think just and reasonable as representing the diminished value (*i.e.*, for the purpose of which they were intended in a going concern), by reason of wear and tear, during the year, of any machinery, implements, utensils, and articles used by the taxpayer for the purposes of his business: Provided that, where in any business income is set apart by the taxpayer by way of a fund to cover the depreciation of such machinery, implements, utensils, and articles, the amount so set apart for the year immediately preceding the year of assessment shall, subject to the approval of the Commissioner, be the sum to be deducted for depreciation: Provided that in no case shall any allowance be made for the depreciation of buildings.

In ascertaining the sum to be allowed under this paragraph, the Commissioner shall determine the No. 40 of 1922, s. 5.

Land and Income Tax Assessment.

estimated life of the machine, implement, utensil, rolling stock, or article, and shall allow as a deduction in each year of the estimated life of the machine, implement, utensil, rolling stock, or article the sum obtained by dividing the cost of the machine, implement, utensil, rolling stock, or article, by the number of years of its estimated life; but the taxpayer shall bring into account in the year of sale any sum received by him on the sale of the machine, implement, utensil, rolling stock, or article in excess of the depreciated value. For the purposes of this subsection the estimated life of the machine, implement, utensil, rolling stock, or article shall be its reasonably effective life, assuming it is maintained in good order and condition;

- (8) notwithstanding the limitation in subsection one hereof, the Commissioner shall, in cases in which it may seem to him just, allow losses, outgoings, and expenses, even if incurred beyond the State;
- (9) where a taxpayer employs his sons or daughters over the age of sixteen years in his trade or occupation, such sum may be deducted for their services as may be prescribed by any arbitration award or as to the Commissioner may seem reasonable;
- (10) where a taxpayer, either alone or with other persons, carries on or is interested as a partner in more than one business, and makes a profit in one or more of such businesses and a loss on another or others, such taxpayer shall be entitled to deduct the sum of the losses from that of the profits;
- (11) a sum representing forty pounds for each child under the age of sixteen years at the beginning of the financial year in which the income is received, and residing with and dependent upon the taxpayer;
- (11a) money up to forty pounds per annum for each dependant actually expended during the year by a taxpayer in or towards the support of dependants;
- (12) the cost actually incurred during the year by a taxpayer for labour and materials employed in development work, as prescribed, in a mine, when the business of a taxpayer is that of mining;

Land and Income Tax Assessment.

- (13) all rates and taxes, including State and Federal land taxes and Federal income tax, actually paid in Western Australia in respect of land situate in or income derived in Western Australia by the taxpayer during the year in which the income was received, but not including any State income tax paid under this Act;
- (14) any payment to the board or the trustees of any charitable institution, incorporated or otherwise, or of a public park or reserve, or of a university or public school, or of a library, art gallery, museum, or other institution for public education, recreation or enjoyment, subsidised by the Government: Provided that such payment is applied solely to such charitable or other public purpose;
- (15) the annual sum necessary to recoup the expenditure on improvements under covenant with the lessor on land by a lessee who has no tenant rights in the improvements. The deduction under this paragraph shall be ascertained by dividing the amount expended on the improvements by the lessee by the number of years in the unexpired period of the lease at the date the improvements were effected.

For the purpose of this and the preceding section the word "business" shall be taken to include any profession, trade, employment or vocation, and the earning of income from other sources including investments.

31. No deduction shall, unless where specified in regard to subsection five hereof, be made in respect of any of the following matters:—

What deductions not allowed.

- (1) The cost incurred in the maintenance of any taxpayer, his family or establishment.
- (2) Domestic or private expenses.
- (3) Payments of any kind made by husband to wife or by wife to husband.
- (4) Any loss or expense which is recoverable under any insurance or contract of indemnity.
- (5) Income tax or land tax.
- (6) Income earned in Western Australia and carried to any reserve fund, or capitalised in any way.

Land and Income Tax Assessment.

Nor as regards income derived from any profession, trade, employment, or vocation, in respect of any of the following matters:—

- (7) Disbursements or expenses of any kind not wholly and exclusively incurred in the production of the assessable income from such profession, trade, employment, or vocation.
- (8) The rent or value of or cost of repairs or alterations of any premises not occupied for the purposes of the profession, trade, employment, or vocation, or of any dwelling-house or domestic premises, except such part thereof as may be occupied for the said purposes.
- (9) Investment of capital; expenditure of capital; loss of capital withdrawn from the business; money used or intended to be used as capital therein; money used in the improvement of premises occupied therefor; interest which might have been made on such capital or money if laid out at interest.
- (10) Any debts owed to the taxpayer, except such as shall be proved to the satisfaction of the Commissioner to be bad or doubtful; and deductions for doubtful debts shall be made according to the value at which the Commissioner shall estimate them.

Assessments, Returns, etc.

Commissioner
to give notice
of returns.

32. (1.) The Commissioner shall, in the prescribed manner, give or cause to be given not less than thirty clear days' public notice of the time and place at which all persons liable to taxation personally, or in any representative capacity under the provisions of this Act, shall furnish returns for the purpose of assessment.

(2.) Such notice shall state the place at which the prescribed forms of return may be applied for and obtained, and it shall be the duty of all such persons, and of all persons required by this Act or any regulation to furnish any such returns, to apply for the prescribed forms of returns.

(3.) Any person failing to furnish any such return shall not be relieved from any penalty by reason only of his having received no notice to furnish the same, or of the prescribed form of return not having been delivered to him; but the Com

Land and Income Tax Assessment.

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missioner may, if he deems it so advisable, cause forms to be delivered by the assessors or sent by post.

(4.) Every such person shall, upon the publication of such notice, prepare and deliver, in the prescribed manner, within the period to be mentioned in such notice, to the person appointed to receive the same, a return in the form prescribed of the description, situation, and value of all land of which such person is owner or holder, or in respect of which he may be liable under this Act to taxation in any representative capacity, and of the particulars of the income, with all details in relation thereto which may be prescribed; and such return shall be signed by the taxpayer, or by his agent duly authorised in that behalf.

Taxpayers to
furnish returns.

(5.) Any return made or purporting to be made or signed by or on behalf of any person, or by the public officer of any company for the purposes of this Act, shall be taken and deemed to be duly made and signed by the person or by the public officer of the company affected, as the case may be, unless such person or public officer shall prove that such return was not made or signed as aforesaid.

(6.) If any person fails to make such return, the Commissioner may appoint a person to make a return on behalf of such person, and the return made by the person so appointed shall be, for all the purposes of this Act, the return of the person liable to make the same.

(7.) The returns furnished by or on behalf of every person required to furnish returns under this Act shall contain such particulars, be in such form, and be furnished to the Commissioner at such time as may respectively be prescribed or publicly notified.

(8.) The Commissioner may, when and so often as he thinks necessary, require any person, whether liable to taxation or not, to make any return, or to make further or fuller returns, respecting the land or income of such person.

Commissioner
may require
further re-
turns.
No. 24 of 1918,
s. 8.

(9.) All returns required to be furnished under this Act shall be delivered at or sent by letter posted to the prescribed address.

(10.) No person shall be released from the obligations and penalties imposed by this Act or the regulations, in respect to the making of the returns herein mentioned, by reason only that such person may be within the exemptions as to value of lands or amount of income taxable hereinbefore declared.

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Taxpayers to furnish returns.

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Assessments.
No. 17 of 1922,
s. 8.
See Com. 1915-
18, ss. 31, 33.

33. (1.) From the returns of income furnished, or from any other information in his possession, or from one or more of these sources, the Commissioner shall cause an assessment to be made for the purpose of ascertaining the income chargeable upon which income tax shall be levied.

(2.) From the land returns, or from the current valuations of the local authority in whose district the land is situated, or from the departmental valuations made, or from any other available source, the Commissioner shall, as soon as may be, cause assessments to be made for the purpose of ascertaining the amount upon which land tax shall be levied.

(3.) The Commissioner may, at any time, make such alterations in, or additions to, any assessment as he thinks necessary in order to insure its completeness and accuracy, notwithstanding that the land or income tax may have been paid in respect to the land or income included in the assessment:

Provided that every alteration, or addition, which has the effect of imposing any fresh liability, or increasing any existing liability, shall be notified to the taxpayer affected, and, unless made with his consent, shall be subject to appeal:

Provided, further, that any alteration, or correction in the assessment authorised to be made on appeal from an assessment, or by order of a court, as hereinafter provided shall be made forthwith.

(4.) Whenever it is discovered that owing to any mistake of fact any assessment is too low or excessive or otherwise erroneous, the Commissioner may, notwithstanding that the assessment has, before the discovery of such mistake, been adjudicated on by the Court of Review, amend the assessment by increasing, decreasing, or otherwise altering the same in such manner as in his judgment is just and necessary; and shall thereupon send notice of such amendment to the person concerned, and any such amendment and notice thereof shall be deemed to be and have effect as an assessment and notice thereof, and shall be subject to appeal and to the other incidents of assessments and notices of assessment accordingly.

Refund of excess
tax.
No. 17 of 1922,
s. 9.
No. 40 of 1922,
s. 7.

34. (1.) The Commissioner may order a refund of any excess of tax that may have been paid in respect of any assessment, if an application for a refund of any excess of tax is made within three years of the date when the tax was due.

(2.) If the Commissioner thinks that any assessment made by an assessor or valuer is unfair, or incorrect, he may direct another assessment to be made.

35. The validity of any assessment shall not be affected by reason that any of the provisions of this Act have not been complied with.

Validity of assessment.
No. 17 of 1922,
s. 10.
Com. 1915-18,
sec. 24.

36. Where any addition to or amendment of an assessment in respect to the land tax for any year has been made, the due date in respect of any amount payable by reason of such addition or amendment shall be the date of the giving of the notice of such addition or amendment to the person affected hereby.

Due date where assessment is amended.
No. 17 of 1922,
s. 11.

37. (1.) The Commissioner may, from time to time, make assessments of land liable to land tax.

Assessment of land.
No. 17 of 1922,
s. 12.

(2.) Every assessment shall, subject as hereinafter provided, remain in force for a period of five years from the date of assessment to be notified in the *Government Gazette*.

See Com. 1910-11, ss. 17, 18.

(3.) Provided that the Commissioner may at any time make such alterations in, or additions to any assessment as he thinks necessary in order to insure its completeness and accuracy, notwithstanding that land tax may have been paid in respect of the land included in the assessment:

Provided, also, that every alteration or addition which has the effect of imposing any fresh liability, or increasing any existing liability, shall be notified to the taxpayer affected, and, unless made with his consent, shall be subject to appeal.

38. [*Repealed* by No. 17 of 1922.]

39. (1.) The Commissioner or any person authorised in writing by him may at all reasonable times inspect, free of charge, all rate-books, assessment-books, and valuations relating to any land, and all other books and documents relating to any assessment or valuation in the custody of the town clerk, secretary, or other officer of any municipality or road board, and all deeds, certificates, and other evidences of title, books, returns, accounts, and documents in the Land Titles Office, or the office for the Registration of Deeds, or in any other public office; and may require and take copies thereof, and extracts therefrom.

Power to inspect rate-books, etc.

(2.) Any person obstructing or hindering any person so authorised shall be liable to a penalty not exceeding fifty pounds.

Assessor may enter and ask questions.

40. Any assessor may enter at any reasonable hour, during the day-time, upon land or premises, for the purpose of assessing the same, and may put to the occupier or owner thereof any questions touching any of the particulars thereof which he is required to furnish under this Act or the regulations.

Trustees jointly and severally responsible for returns.

41. Joint owners or trustees of land in respect to which such owners or trustees are liable under this Act to be assessed and taxed shall be assessed jointly, but shall be jointly and severally responsible for the due furnishing of returns, and be in like manner liable in respect of the payment of the tax.

Partners assessed jointly as to land of firm.

42. (1.) Co-partners shall be assessed jointly in the name of the firm or style of the co-partnership, in respect of land belonging to or held by such co-partners, and shall be chargeable jointly and severally with the land tax payable in respect thereof; and such assessment shall be kept separate and distinct from the individual assessment of any such partner.

(2.) Every co-partner shall be separately responsible for the due furnishing of returns relating to such land, and liable in respect of any default in connection therewith.

Provision when name of owner unknown. No. 17 of 1922, s. 14.

43. Where the name of an owner of any land cannot, after due inquiry, be found, such land shall be assessed in the name of "the owner," and he shall be liable to taxation by that designation.

Assessment in case of default. No. 17 of 1922, s. 15.

44. (1.) If—

- (a) any person makes default in furnishing any return of lands or income; or
- (b) the Commissioner is not satisfied with the return made by any person; or
- (c) the Commissioner has reason to believe that any person (though he may not have furnished a return) is a taxpayer,

the Commissioner may make an assessment of the amount upon which, in his judgment, land or income tax ought to be

levied, and the person assessed shall be liable to pay land or income tax thereon, excepting so far as he establishes on appeal that the assessment is excessive.

(2.) Every such assessment shall be subject to appeal.

45. [*Repealed* by No. 17 of 1922.]

46. [*Repealed* by No. 17 of 1922.]

47. The Commissioner shall give the prescribed notice of assessment to every taxpayer, with such particulars of the assessment as he may consider necessary, and of the amount of tax payable and the date when payment will be due. Such notice shall be designated the Notice of Assessment of Land Tax or Income Tax, as the case may be.

Notice to Taxpayer.

Provisions as to Companies.

48. (1.) Every incorporated company liable to land or income tax shall at all times be represented by a person residing in Western Australia, nominated for that purpose; and a place within the said State shall be appointed, from time to time, by such company, at which any notices or other instruments under this Act affecting the company may be served or delivered, and the Commissioner shall be notified within one month thereafter of the making of such nomination and appointment.

Public officer of a company—
duties and liabilities.

(2.) Such person shall, for the purposes of this Act, be called the public officer of the company, and shall be nominated—

(a) In the case of a company having a board of directors or managers in Western Australia, within one month after the commencement of this Act:

(b) In the case of a company not having such board as aforesaid, within three months after the commencement of this Act:

Provided that, in default of such nomination for the purposes of the first assessment under this Act, the public officer of any company shall be such managing director, director, secretary, attorney, or other officer as the Commissioner shall nominate for that purpose.

(3.) The office of public officer shall be kept constantly filled by every company.

(4.) Every company failing or neglecting, within the time required by this Act, to nominate its public officer, or failing or neglecting to fill any vacancy in that office as prescribed, or to appoint a place at which notices or other instruments may be served or delivered, shall be liable to a penalty not exceeding fifty pounds for every day during which such neglect shall continue.

(5.) Every notice, process, or proceeding which, under this Act, or the regulations, may be given to, or served upon, or taken against any company may be given to, served upon, or taken against its public officer; and if, at any time, there is no public officer, then any such notice, process, or proceeding may be given to, served upon, or taken against any officer or person acting or appearing to act in the management of the business or affairs of such company, or as attorney or agent for such company.

(6.) Every public officer shall be answerable for the doing of all such acts, matters, or things as are required to be done under this Act or the regulations by a taxpayer, and in case of default shall be liable to the same penalties.

(7.) Any act, return, or representation done or made by a public officer in respect of any matter or thing required to be done or performed under this Act or the regulations relating to the business of the company of which he is such public officer shall be deemed the act, return, or representation of such company, and shall be of the same force and effect and be accompanied by the same consequences as if done or made by such company.

(8.) Every company established or beginning to carry on business in the State after the passing of this Act shall, in case of a company registered in the Commonwealth of Australia, within one month after its establishment or beginning to carry on business, and in case of a company registered outside the Commonwealth of Australia, within three months after its establishment or beginning to carry on business, nominate a person to be its public officer, and appoint a place for delivery of notices and other instruments as aforesaid.

(9.) The absence or non-appointment of a public officer shall not exonerate any company from the necessity of complying with the provisions of this Act or the regulations, or from the penalties consequent on the failure to comply therewith.

Appeals.

49. (1.) Any person sought to be charged with tax may, Appeals.
within thirty days after the notice of assessment for land or
income tax, or of any altered, corrected, or additional assess-
ment has been given, appeal therefrom to the Court of Re-
view, upon the ground that he is not liable for the tax, or
for any part thereof, or that the amount of such assessment
is excessive:

Provided that no appeal shall be lodged unless one-half No. 24 of 1918,
s. 11.
of the tax payable on the assessment and any fines accrued
thereon, together with any arrears of like tax and fines, are No. 17 of 1922,
s. 18.
deposited with the Commissioner.

(2.) Every appeal shall be commenced by such notices
and in such manner as may be prescribed.

(3.) Notice shall be given of the time and place appointed No. 24 of 1918,
s. 11.
for the hearing of appeals, and such hearing may be ad-
journed from time to time to any time and place that may
seem convenient.

(4.) The sittings of the Court of Review for the hearing
of appeals shall not be deemed to be public, and the said Court
shall at any time, on the application of the appellant, exclude
from any such sitting, or require to withdraw therefrom, all
or any persons whomsoever.

(5.) The Commissioner, or any person authorised by
him, may appear in support of the assessment on the hearing
of any appeal; and the appellant and any person who is in-
terested in such appeal may appear in person, or by his solici-
tor or agent.

(6.) All appeals shall be heard and dealt with in alpha-
betical order; but where two or more appeals in any list of
appeals relate to the same matter, they may be heard together.

(7.) The Court of Review may alter or order the altera-
tion of the assessment-book in accordance with the decision
given on any appeal, but may only make an order as to costs
when the claim of the Commissioner shall be held to be un-
reasonable, or the grounds of appeal therefrom to be frivol-
ous.

(8.) No magistrate sitting as a Court of Review shall,
solely on account of his liability to be assessed under this Act,
or of his liability to tax under any Act for the time being in
force, be deemed to be interested in any matter upon which
he may be called upon to adjudicate or determine.

(9.) The said court shall be a Court of Record, and shall have and possess, for the hearing and determination of appeals, within the limits of the jurisdiction hereinbefore defined, the same authority, rights, powers, privileges, and status as are conferred on local courts by the provisions of the Local Courts Act, 1904.

(10.) The provisions with regard to matters of procedure of the Local Courts Act, 1904, and the rules made thereunder shall, so far as they may be declared by regulations hereunder to be applicable, regulate the practice and procedure in connection with such appeals before a Court of Review.

Appeal to
Supreme Court.

50. (1.) Whenever any question at law shall arise in a case before the Court of Review, the said court shall, if required in writing by any of the parties within the prescribed time and upon the prescribed conditions, or may of its own motion, state and submit a case for decision of the Supreme Court thereon, which decision shall be conclusive.

(2.) The Supreme Court shall have power to deal with the costs of and incidental to any case submitted under this section as it may think fit.

Right to recover
tax not sus-
pended by
appeal.

51. The obligation to pay, and the right to receive and recover land or income tax shall not be suspended by any appeal, but if the appellant succeeds on such appeal the amount (if any) of the tax received by the Commissioner in excess of the amount which, according to the decision of such appeal, was properly payable by him, shall forthwith be repaid to him by the Commissioner.

Collection of Tax.

Administrative
powers.

52. For the more effective administration of this Act, the following provisions shall apply:—

Salary and wage
list to be fur-
nished.

(1.) Every person, local authority, and public or private body or society whatsoever, whether a taxpayer or not, and every department of the public service, shall from time to time furnish the Commissioner with a return of all persons employed by him or it, and the salary, wages, stipend, or other allowances or emoluments paid or allowed to each person so employed.

Access to build-
ings, books, etc.

(2.) The Commissioner or any person authorised by him in that behalf shall at all times have full and free

access to all buildings, places, books, documents, and other papers, for the purpose of valuing or inspecting the same; and for such purposes may make extracts from or copies of any such books, documents, or papers.

- (3.) The Commissioner may, by notice in writing, require any person, whether a taxpayer or not, to attend and give evidence before him, or any officer authorised by him in that behalf, concerning any income or assessment, and to produce all books, documents, and other papers whatsoever in such person's custody or under his control relating thereto. Evidence of any person may be required.
- (4.) The Commissioner may require such evidence to be given under oath, and either verbally or in writing; and for such purpose he or the officer authorised as aforesaid may administer an oath. Oath may be administered.
- (5) Every banking company and every other company, firm, or person who in the course of business holds money by way of deposit and allows interest thereon shall furnish annual returns to the Commissioner of all the amounts in excess of fifty pounds paid or payable as interest on such money for the year or any part thereof, with the names, addresses, and occupations of the depositors; and for the purposes of this Act every such banking or other company, firm, or person shall be deemed to be the agent of all depositors mentioned in the returns who are outside Western Australia. Returns of deposits in banks, etc.

53. (1.) Land tax and income tax, respectively, shall, subject to the provisions of this Act, be due and payable thirty days after the service by post of a notice of assessment. When tax payable. No. 17 of 1922, s. 19. See Com. 1915-18, s. 41.

(2.) Where an assessment is amended in accordance with this Act, and additional land tax or income tax is payable by the taxpayer, the additional land tax or income tax shall be due and payable thirty days after the service by post of the notice of amended assessment upon the taxpayer:

Provided that when the Commissioner has reason to believe that a taxpayer may leave Australia before the tax on an assessment, or the additional tax on an amended assessment, becomes due and payable, the tax or additional tax shall

be due and payable on such date as the Commissioner fixes and notifies to the taxpayer:

Provided also that the Commissioner may in such cases as he thinks fit—

- (a) extend the time for payment as he considers the circumstances warrant; or
- (b) permit the payment of tax to be made by instalments within such time as he considers the circumstances warrant.

Fine on defaulting taxpayer.
No. 40 of 1922.
s. 8.

54. (1.) Every person who fails to pay the amount payable by him in respect of land tax or income tax respectively after the same has become due shall, in addition to the amount of such land or income tax, pay, by way of fine, a sum equal to ten pounds per centum thereof.

(2.) The Commissioner shall have power to remit any fine incurred, and to refund the amount of any fine paid under this section.

Land and income tax to be a debt due to His Majesty.

55. Land tax and income tax and every sum imposed or incurred by way of fine in addition to such tax shall be deemed, when the same becomes due or is payable, to be a debt due to His Majesty, and payable to the Commissioner in the manner and at the places prescribed.

Mode of payment.

56. Where the amount payable by any taxpayer, either in respect of land tax or income tax or in respect of both, exceeds the sum of twenty shillings, the same shall be payable in two equal half-yearly instalments, at such times as the Governor may direct by notice published in the *Government Gazette*.

Tax recoverable by the Commissioner.

57. Any land or income tax, together with any fines accrued, may be sued for and recovered by action in any court of competent jurisdiction by the Commissioner suing on behalf of His Majesty.

Procedure.

58. With respect to proceedings in a local court for the recovery of tax and fines, the following provisions shall have effect:—

- (1) When a summons for the recovery of tax is issued and served, then unless, seven days before the day appointed for hearing, a statement in writing, by or on behalf of the defendant, showing a defence

on the merits, shall be made to the clerk of the court in which such summons was issued, judgment shall be given for the amount claimed, without the necessity of the Commissioner, or anyone on his behalf, appearing in court, or proving the liability of the defendant and the non-payment of the tax.

- (2) It shall be sufficient in any such suit or proceeding if the particulars of demand state the amount sought to be recovered, the date on which the same was payable, with such further and other particulars as the Commissioner may think necessary.

59. If, in any proceedings for the recovery of tax and fines against any taxpayer who has been assessed, the defendant—

Mode of service when defendant absent.
No. 17 of 1922, s. 20.

- (a) is absent from Western Australia, and has not, to the knowledge of the Commissioner, after reasonable inquiry in that behalf, any attorney or agent in Western Australia on whom service of process can be effected; or

(b) cannot, after reasonable inquiry, be found, then, notwithstanding any Act or rule of the court to the contrary, good service of any summons or writ may, without leave of the court, be effected on him by posting the same, or a copy thereof, in a letter addressed to him at his last known place of business or abode in Western Australia, and, in the case of land tax, by affixing the same on a conspicuous part of the land to which the tax relates.

60. In all proceedings under this Act the Commissioner may appear either by solicitor or by any officer in the public service of the State, or the Commonwealth Taxation Department, and the appearance of any such solicitor or officer, and his statement that he so appears by authority of the Commissioner, shall be sufficient evidence of such authority for all purposes.

Commissioner may appear by solicitor or public officer.
No. 17 of 1922, s. 21.

61. Whenever, under the provisions of section forty-three of this Act, land is assessed under the designation of "the owner," proceedings for the recovery of the tax to which the owner of such land is liable may be taken, and judgment given against him and enforced under the designation aforesaid.

Procedure when name of owner cannot be ascertained.
No. 17 of 1922, s. 22.

Land and Income Tax Assessment.

Good service of any notice, summons, or writ may be effected on him by affixing the same or a copy thereof on a conspicuous part of the land to which the tax relates, any Act or rule of court to the contrary notwithstanding.

Refunds.
No. 17 of 1922,
s. 28.

62. If the amount paid by any taxpayer is in excess of the amount properly chargeable under this Act, the Commissioner shall give a certificate to that effect, and shall refund the proper amount in each case to the taxpayer or person entitled to receive the same: Provided that the Commissioner shall not certify for any refund under this section unless the claim is made within three years of the date when the tax was due.

Persons dying before furnishing a return.
Inserted by—
No. 17 of 1922,
s. 38.
Com. 1915-18,
s. 46a.

62a. (1.) Where a person dies on or after the first day of July in any year, and before furnishing a return of his income for the preceding year, his executor or administrator shall furnish a return of the income derived by such deceased person during the said preceding year, and shall be assessable in respect thereof and shall be chargeable with and pay tax thereon.

(2.) Where the executor or administrator is unable, or fails so to furnish a return of such income, the Commissioner may estimate the same at and may make an assessment of the amount on which in his judgment tax ought to be charged.

Person dying after furnishing a return.
Inserted by—
No. 17 of 1922,
s. 29.
Com. 1915-18,
s. 46b.

62b. Where a person dies after the first day of July in any year, and after furnishing a return of his income for the preceding year, the Commissioner shall have the same powers and remedies for the assessment and recovery of the tax from the executor or administrator as he would have had against the deceased person, if that person were alive:

Provided in any case where it is proved to the satisfaction of a board consisting of the State Commissioner of Taxation and the State Under Treasurer that owing to the death of a person who if he had lived would have paid tax, the dependants of that person are in such circumstances that the exaction of the tax under the provisions of this section will entail serious hardship, the board may release the executor or administrator of the deceased person wholly or in part from his liability.

Recovery of Tax by Letting and Sale of Land.

63. (1.) The land tax shall, by force of this Act, and without registration, be a first charge upon the land taxed, in priority to all sales, conveyances, transfers, leases, mortgages, charges, liens, rates, and encumbrances whatsoever, and notwithstanding any disposition of any land it shall continue to be liable, in the hands of any purchaser or holder thereof, for the payment of such tax so long as the same remains unpaid.

Tax to be a first charge upon the land.

(2.) Whenever any land tax payable in respect of any land shall be unpaid for the space of two years, it shall be lawful for the Commissioner, notwithstanding any judgment in respect of such tax recovered against the person chargeable with the same so long as such judgment remains unsatisfied, to cause to be published, for three consecutive weeks in the *Government Gazette*, a notice specifying such land, and the amount of tax and fines due in respect thereof, and stating that if such amount is not paid within one year from the first publication of such notice the Commissioner will let the land for a term not exceeding three years, with tenant right to improvement reasonable and necessary in the case of a tenancy for a term of three years, or will apply to the Supreme Court for an order for the sale thereof.

Notice of intention to let or sell.

(3.) If, after one year from the first publication of such notice, the tax and fines due at the time of such first publication are still unpaid, the Commissioner may let such land, or any part thereof, as above provided, and may receive the rents and profits thereof, and apply the same towards the payment of the said tax, or part thereof, and of costs and expenses, and hold any surplus in trust for the rightful owners of such land.

Commissioner may let land.

(4.) The Commissioner, instead of letting such land, may, in like case, by petition to the Supreme Court or any judge thereof, apply for a sale of so much of the land described in such notice as may be necessary, and the court or judge, on being satisfied by affidavit or otherwise that the arrears are lawfully due, and were in arrear at the time of the first publication of such notice, and that all things required by this Act to be done by the Commissioner have been done, shall order the sale of the said land, or so much thereof as shall be sufficient to pay all arrears due up to the time of sale, together with any sum payable by way of fine, and all costs of and attending the application, and of and attending the sale of such land, and that the proceeds be paid into court.

Commissioner may apply to Supreme Court for sale.

Application of
proceeds of
sale.

64. Whenever any sale of any land, estate, or interest shall have been ordered and effected under the last preceding section—

- (a) the court or a judge shall order payment of the said tax, fines, costs, and expenses to be first made out of the proceeds of sale, and the balance of the proceeds of such sale shall be paid into court, and after such advertisement as the court or judge may direct shall be applied as the court or judge may think proper for the benefit of the parties interested therein; and
- (b) the conveyance or transfer, as the case may be, shall be executed by the officer of the court nominated by the court or judge for such purpose to the purchaser, in such form as shall be approved by the court or judge; and
- (c) such conveyance or transfer shall vest the land, estate, or interest sold in the purchaser as completely and effectually as if such conveyance or transfer had been executed by the owner of such land, estate, or interest; and
- (d) in cases where the land is under the provisions of the Transfer of Land Act, 1893, the Registrar of Titles shall, upon production to him of the transfer, register the same, and, notwithstanding any provision of the said Act to the contrary, production of the certificate of title shall not be required; provided that, for the purposes of registration the registrar shall, if necessary, do and perform all such acts and things as are provided for in the case of dealings with land where the certificate of title is lost or not produced, and in such case the purchaser shall be entitled to receive a certificate of title to the land purchased.

Regulations, Penalties, etc.

Governor may
make regula-
tions.

65. The Governor may make regulations—

- (1) Prescribing the duties of all persons engaged or employed under or in the administration of this Act;
- (2) For the security to be given by any such persons, the limits of districts, and places within which any such persons are to act;

- (3) Prescribing the returns to be furnished to the Commissioner, the form and contents thereof, and the time and mode of furnishing the same; and the form, time, and manner of giving notices of appeal;
- (4) Prescribing the mode of payment of the tax or fine;
- (5) Making provision for the assessment and taxation of taxpayers absent from or not permanently resident in Western Australia, whether they are or are not represented in Western Australia by agents;
- (6) Providing, where there is no provision in this Act, or no sufficient provision, in respect of any matter or thing necessary to give effect to this Act, in what manner and form the deficiency shall be supplied;
- (7) For any purpose, whether general or to meet particular cases, that may be desirable in order to carry out the objects and purposes of this Act, or to give effect to anything for which regulations are contemplated or required by this Act;
- (8) to enable the Commissioner in his discretion to accept returns of land or income in an abridged or modified form if the information supplied enables the assessment to be duly made.

No. 24 of 1918,
s. 13.

66. All such regulations shall be published in the *Government Gazette*, and shall be laid before both Houses of Parliament within fourteen days from the publication thereof, if Parliament is then sitting, and if Parliament is not then sitting then within fourteen days after the beginning of the next session, and upon publication in the *Government Gazette* all such regulations shall have the force of law.

Publication of
regulations.

67. If the occupier or person in possession of any land when requested by the Commissioner or by any authorised officer refuses to disclose the name of the owner of such land, or of the person entitled to receive the rents and profits thereof, or wilfully misstates the same or neglects or refuses to give any information in his possession, which is lawfully required by the Commissioner or any such officer for the purpose of this Act, he shall, for every such offence, be liable to a penalty not exceeding twenty pounds.

Occupier refusing to give the name of owner liable to a penalty.

Penalty for
making false
returns, etc.

68. If any person—

- (a) fails or neglects to furnish any returns within the prescribed time; or
- (b) knowingly and wilfully makes any false statement in any returns, or makes any false answer for the purpose of evading or enabling any other person to evade assessment or taxation; or
- (c) by any falsehood, wilful neglect, fraud, art, or contrivance whatsoever evades or attempts to evade assessment or taxation; or
- (d) without just cause shown by him refuses or neglects to attend and give evidence when required by the Commissioner or any officer duly authorised by him, or to truly and fully answer any questions put to him, or to produce any books or papers required of him by the Commissioner or any such officer,

No. 17 of 1922,
s. 24.

he shall be liable to a penalty of not less than two pounds, nor more than one hundred pounds; and in any case where the offence was an evasion of assessment or taxation, or an attempt to evade assessment or taxation, the person offending shall be liable to be assessed and charged treble the amount of the tax to which such person would otherwise be liable.

Additional tax
for late returns
and for omis-
sion in returns.
No. 24 of 1918.
s. 16.

68a. Any person who—

- (a) fails or neglects to duly furnish any return or information as and when required by this Act or the regulations or by the Commissioner; or
- (b) fails to include any assessable income in any return; or
- (c) includes in any return as a deduction any amount which is in excess of that actually expended or incurred by him,

No. 17 of 1922,
s. 25.

shall, if a taxpayer, be liable to pay, on demand by the Commissioner, by way of additional tax an amount of not exceeding ten per centum of the amount of tax assessable to him, in addition to any additional tax which may become payable by him in accordance with section fifty-four of this Act:

Provided that the Commissioner may, in any particular case, for reasons which he thinks sufficient, remit the additional tax or any part thereof.

69. Any person who obstructs or hinders any officer acting in the discharge of his duties under this Act or the regulations, or refuses or wilfully neglects to answer or gives any false or evasive answer to any lawful question put by any such officer relating to any land, property, or income belonging to such person, shall be liable to a penalty not exceeding fifty pounds.

Penalty for obstructing officers, etc.

69a. Every person, whether a taxpayer or not, shall comply with any demand or requirement made by the Commissioner under the authority of this Act.

Requirements of Commissioner to be complied with.

70. Every contract, agreement, or understanding, whether arrived at or evidenced by matter of record under seal or by writing or by parol, having or purporting to have or which might have the effect of removing, qualifying, or altering the operation of any land or income assessment, return, exemption, or deduction, or of in any way affecting the incidence of any land or income assessment or tax, or displacing the benefit of any exemption or deduction, authorised by or consequent upon any provision of this Act shall (whether such contract, agreement, or understanding shall have been or be made before or after the passing of this Act) be wholly void and inoperative so far as such contract, agreement, or understanding purports or is intended to have or might have the effect aforesaid, but without prejudice to the validity of such contract, agreement, or understanding in any other respect or for any other purpose:

Contracts, etc., affecting assessment, incidence of assessment, etc., void.
No. 17 of 1922, s. 26.

Provided that the interest of the lessor in any lands subject to any such agreement made before the commencement of this Act by a lessee to pay the land tax, shall, for the purpose of contribution under section thirteen, be calculated upon a basis excluding the value of the reversionary interest.

71. Any person guilty of a breach of any of the provisions of this Act shall, except where otherwise expressly provided, be liable to a penalty not exceeding twenty pounds, and the Governor may, by regulation, impose a penalty not exceeding twenty pounds for the breach of any of the regulations under this Act.

Penalties may be imposed by regulation.

72. All penalties imposed by this Act or by the regulations thereunder may be recovered summarily under the provisions of the Justices Act, 1902: But notwithstanding anything in the Justices Act, 1902, or in any other Act to the contrary,

Proceedings to be heard summarily.

any information or complaint in respect of any penalty under this Act may be laid at any time within three years next after the date of the offence.

Action against
officers, etc.

73. In any action against any officer or person for anything done in pursuance of this Act, or in the execution of the powers or authorities conferred thereby, or by the regulations, the defendant in such action may plead the general issue, and give the special matter in evidence at the trial.

Evidence.
No. 17 of 1922,
s. 27.

74. The production of the *Government Gazette* containing any regulations purporting to be regulations under this Act, or any notice purporting to be published in pursuance of this Act or the regulations, shall be conclusive evidence that such regulation or publication was duly made or published, and the production of any assessment or of any document under the hand of the Commissioner purporting to be a copy of or extract from any assessment shall be conclusive evidence of the making of the assessment, and except in the case of proceedings on appeal against the assessment (when the same shall be *prima facie* evidence only) shall be conclusive evidence that the amount and the particulars of such assessment appearing in such assessment or document are absolutely correct.

Exchange of
information
No. 14 of 1917,
s. 6.

75. Notwithstanding anything contained in this Act, it shall be lawful for the Commissioner, and he is hereby authorised to communicate any matter which may come to his knowledge in the performance of his official duties to the Commissioner or Deputy Commissioner of Taxation for the Commonwealth of Australia or to the Commissioner of Income Tax for any other State of the Commonwealth or any other person occupying a corresponding position in any such State with reference to the collection of duties of income tax.

Provided that this section shall not come into operation unless or until reciprocal authority to afford similar information to the Commissioner has been conferred on the Commonwealth Commissioner of Taxation and his deputy in Western Australia, or such other Commissioner of Taxation as the case may be.

Information ob-
tained under
this Act may
be used under
other Acts.
No. 14 of 1917,
s. 7.

76. Any information obtained by the Commissioner or any officer of the Taxation Department in the performance of his or their duties under this Act may be used in connection with his or their duties under any other Act administered by

the Taxation Department, and any such information may be used as evidence in any legal proceedings under any such Act.

77. This Act shall not apply to the income of persons absent from the State on naval or military service with His Majesty's forces received subsequently to the thirty-first day of December, one thousand nine hundred and fifteen, during the present war, so far as such income arises or accrues from a source included in paragraphs (a) and (b) of subsection (1) of section sixteen of this Act.

Exemption in the case of persons on naval or military service.
No. 14 of 1917.
s. 5.

78. The amendments of the principal Act made by the Land and Income Tax Assessment Act, 1921 (No. 17 of 1922), shall apply to assessments for the financial year beginning on the 1st day of July, 1921, and all subsequent years, and to the income of taxpayers for the year next preceding each year of assessment.

Application of amendments.
No. 17 of 1922.
s. 30.

WESTERN AUSTRALIA.

LAND TAX AND INCOME TAX.

No. 41 of 1922.

As amended by No. 17 of 1923.*

AN ACT to impose a Land Tax and an Income Tax.

[Assented to 23rd December, 1922.]

MOST GRACIOUS SOVEREIGN,—

WE, Your Majesty's most dutiful and loyal subjects, the Legislative Assembly of Western Australia in Parliament assembled, towards raising the necessary supplies to defray Your Majesty's public expenses, and making an addition to the public revenue, have freely and voluntarily resolved to give and grant unto Your Majesty the duties hereinafter mentioned, and do therefore most humbly beseech Your Majesty that it may be enacted: And be it therefore enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *Land Tax and Income Tax Act, 1922.*

2. For the year ending the thirtieth day of June, One thousand nine hundred and twenty-three, there shall be charged, levied, collected, and paid for the use of His Majesty, under and subject to the Land and Income Tax Assessment Act, 1907, the Land and Income Tax Assessment Act Amendment Act, 1917, the Land and Income Tax Assessment Act Amendment Act, 1918, the Land and Income Tax Assessment Amendment Act 1921, and the Land and Income Tax Assessment Amendment Act, 1922, and in manner therein prescribed—

(1) A land tax at the rate of one penny for every pound sterling of the unimproved value, as assessed by or under the said Acts, of all land chargeable with such tax:

* Assented to 22nd February, 1923.

Provided that the tax payable in respect of a pastoral lease shall be at the rate of one penny for every pound sterling—

- (i) of a sum equal to twenty times the amount of the annual rent reserved by the lease; or
- (ii) if the lessee has applied for a new lease under subsection four of section thirty of the Land Act Amendment Act, 1917, and such application has been approved, or if the lessee has, under the provisions of the Land Act Amendment Act, 1918, paid double rent in respect of his holding, of a sum equal to twenty times the amount of the annual rent payable or paid by the lessee; and

(2) An income tax on the income chargeable of all taxpayers at the rates prescribed by section three of this Act.

Rate of Income Tax.

3. (1.) When the whole of the income chargeable of a taxpayer does not exceed £6,672, the rate of tax per pound sterling shall be 2·007 pence where the income chargeable is £101 sterling, and shall increase uniformly with each increase of one pound sterling of the income chargeable by ·007 of one penny.

Such rate of tax may be calculated from the following formula:—

$$\begin{aligned} R &= \text{rate of tax in pence per pound sterling.} \\ I &= \text{income chargeable in pounds sterling.} \\ R &= \{2 + \cdot007 (I - 100)\} \text{ pence.} \end{aligned}$$

When the whole of the income chargeable of a taxpayer exceeds £6,672, the rate of tax for every pound sterling thereof shall be forty-eight pence.

(2.) Where the "income chargeable" of any person is less than one hundred and one pounds the rate of tax shall be twopence in the pound.

Minimum amount payable.

4. The minimum amount payable by any taxpayer for land tax or income tax shall be two shillings and sixpence.

Income from dividends.

5. (1.) If the income chargeable of any person, together with income received by him in respect of the dividends of a company subject to duty under the Dividend Duties Act.

1902, amounts during the year ending the 30th day of June, 1922, to such a sum as if it were all income chargeable would be liable to income tax at a rate exceeding one shilling and threepence for every pound sterling thereof, without regard to the super-tax imposed by section six, income tax shall be payable by such person on the amount of such aggregate income, but he shall receive credit for the duty payable under the Dividend Duties Act, 1902, in respect of his income derived from a company as aforesaid.

(2.) If any person not in receipt of any income chargeable is, during the year ending the 30th day of June, 1922, in receipt of income derived from dividends within the meaning of the Dividend Duties Act, 1902, and such income, after all deductions allowed by law, exceeds the sum which under this Act would be chargeable as income at a higher rate of tax in the pound than one shilling and threepence, without regard to the super-tax imposed by section six, such person shall be liable to pay income tax on such income, but such person shall receive credit for the amount of duty payable in respect of such income under the Dividend Duties Act, 1902:

Provided that in any assessment made under this section a deduction shall be allowed for interest incurred by the person in the production of the income derived from dividends.

6. (1.) In addition to the income tax payable under sections two to five (both inclusive) of this Act, there shall be charged, levied, collected, and paid, for the use of His Majesty, under and subject to the Acts referred to in section two, on the income chargeable of all taxpayers, and on such incomes as are liable to tax under section five, a super-tax equal to fifteen per centum of the amount of the income tax imposed as aforesaid:

Super-tax of 15
per cent.

Amended by Act
No. 17 of 1923.

Provided that this subsection shall not apply to the income of any taxpayer whose income as defined by section two of the Land and Income Tax Assessment Act, 1907, without any deduction under paragraphs (3), (7), (10), or (12) of section thirty thereof, except in respect of rates and taxes of business premises occupied by the taxpayer, does not exceed two hundred and sixty-four pounds.

(2.) In addition to the land tax payable under the preceding provisions of this Act, there shall be charged, levied, collected, and paid for the use of His Majesty, under and

subject to the Acts referred to in section two, a super-tax equal to fifteen per centum on the amount of the land tax imposed as aforesaid.

Section 56 of 1907,
No. 13, not to
apply.

7. Section fifty-six of the Land and Income Tax Assessment Act, 1907, shall not apply to the land tax or income tax to be levied and collected for the financial year ending the 30th day of June, 1923.

WESTERN AUSTRALIA.

LAND TAX AND INCOME TAX.

14° GEO. V., No. XXXVI.

No. 57 of 1923.

AN ACT to impose a Land Tax and an Income Tax.

[Assented to 22nd December, 1923.]

MOST GRACIOUS SOVEREIGN,—

WE, Your Majesty's most dutiful and loyal subjects, the Legislative Assembly of Western Australia in Parliament assembled, towards raising the necessary supplies to defray Your Majesty's public expenses, and making an addition to the public revenue, have freely and voluntarily resolved to give and grant unto Your Majesty the duties hereinafter mentioned, and do therefore most humbly beseech Your Majesty that it may be enacted: And be it therefore enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

Preamble.

1. This Act may be cited as the *Land Tax and Income Tax Act, 1923.*

Short title.

2. For the year ending the thirtieth day of June, One thousand nine hundred and twenty-four, there shall be charged, levied, collected, and paid for the use of His Majesty, under and subject to the Land and Income Tax Assessment Act, 1907, the Land and Income Tax Assessment Act Amendment Act, 1917, the Land and Income Tax Assessment Act Amendment Act, 1918, the Land and Income Tax Assessment Amendment Act, 1921, and the Land and Income Tax Assessment Amendment Act, 1922, and in manner therein prescribed—

Grant of land tax and income tax for the year ending 30th June, 1924.

- (1) A land tax at the rate of one penny for every pound sterling of the unimproved value, as assessed by or under the said Acts, of all land chargeable with such tax:

Provided that the tax payable in respect of a pastoral lease shall be at the rate of one penny for every pound sterling—

- (i) of a sum equal to twenty times the amount of the annual rent reserved by the lease; or
 - (ii) if the lessee has applied for a new lease under subsection four of section thirty of the Land Act Amendment Act, 1917, and such application has been approved, or if the lessee has, under the provisions of the Land Act Amendment Act, 1918, paid double rent in respect of his holding, of a sum equal to twenty times the amount of the annual rent payable or paid by the lessee; and
- (2) An income tax on the income chargeable of all taxpayers at the rates prescribed by section three of this Act.

Rate of income tax.

3. (1.) When the whole of the income chargeable of a taxpayer does not exceed £6,672, the rate of tax per pound sterling shall be 2·007 pence where the income chargeable is £101 sterling, and shall increase uniformly with each increase of one pound sterling of the income chargeable by ·007 of one penny.

Such rate of tax may be calculated from the following formula:—

$$\begin{aligned} R &= \text{rate of tax in pence per pound sterling.} \\ I &= \text{income chargeable in pounds sterling.} \\ R &= \{ 2 + \cdot 007 (I - 100) \} \text{ pence.} \end{aligned}$$

When the whole of the income chargeable of a taxpayer exceeds £6,672, the rate of tax for every pound sterling thereof shall be forty-eight pence.

(2.) Where the "income chargeable" of any person is less than one hundred and one pounds the rate of tax shall be twopence in the pound.

Minimum amount payable.

4. The minimum amount payable by any taxpayer for land tax or income tax shall be two shillings and sixpence.

Income from dividends.

5. (1.) If the income chargeable of any person, together with income received by him in respect of the dividends of a company subject to duty under the Dividend Duties Act,

1902, amounts during the year ending the 30th day of June, 1923, to such a sum as if it were all income chargeable would be liable to income tax at a rate exceeding one shilling and threepence for every pound sterling thereof, without regard to the super-tax imposed by section six, income tax shall be payable by such person on the amount of such aggregate income, but he shall receive credit for the duty payable under the Dividend Duties Act, 1902, in respect of his income derived from a company as aforesaid.

(2.) If any person not in receipt of any income chargeable is, during the year ending the 30th day of June, 1923, in receipt of income derived from dividends within the meaning of the Dividend Duties Act, 1902, and such income, after all deductions allowed by law, exceeds the sum which under this Act would be chargeable as income at a higher rate of tax in the pound than one shilling and threepence, without regard to the super-tax imposed by section six, such person shall be liable to pay income tax on such income, but such person shall receive credit for the amount of duty payable in respect of such income under the Dividend Duties Act, 1902:

Provided that in any assessment made under this section a deduction shall be allowed for interest incurred by the person in the production of the income derived from dividends.

6. (1.) In addition to the income tax payable under sections two to five (both inclusive) of this Act, there shall be charged, levied, collected, and paid, for the use of His Majesty, under and subject to the Acts referred to in section two, on the income chargeable of all taxpayers, and on such incomes as are liable to tax under section five, a super-tax equal to fifteen per centum of the amount of the income tax imposed as aforesaid:

Super-tax of 15
per cent.

Amended by Act
No. 17 of 1923.

Provided that this subsection shall not apply to the income chargeable of any taxpayer whose income chargeable as defined by section two of the Land and Income Tax Assessment Act, 1907, does not exceed two hundred and sixty-four pounds.

(2.) In addition to the land tax payable under the preceding provisions of this Act, there shall be charged, levied, collected, and paid for the use of His Majesty, under and

subject to the Acts referred to in section two, a super-tax equal to fifteen per centum on the amount of the land tax imposed as aforesaid.

Section 756 of 1907,
No. 15, not to
apply.

7. Section fifty-six of the Land and Income Tax Assessment Act, 1907, shall not apply to the land tax or income tax to be levied and collected for the financial year ending the 30th day of June, 1924.

Deductions.

8. Notwithstanding anything contained in this Act to the contrary, the income tax to be charged, levied, collected, and paid under this Act for the financial year ending the 30th day of June, 1924, shall be charged, levied, collected, and paid on the income chargeable of the taxpayers, subject to the following deductions therefrom:—

(1) Any charge or expense other than capital expenditure incurred in Western Australia in the carrying on or conduct of any business, profession, trade, employment, or vocation.

(2) The travelling expenses incurred in producing or protecting income.

(3) Donations in money to Government or incorporated institutions established for benevolent, charitable, scientific, or educational purposes.

(4) Moneys expended for educational scholarships or bursaries.

(5) The sum of £10 for each child under the age of 16 years dependent upon the taxpayer.

(6) The sum of £50 as travelling expenses to every member of Parliament representing a Metropolitan, Metropolitan-Suburban, or West Province or an electoral district therein; and a sum of £100 for every member of Parliament representing any other province or electoral district in lieu of expenses not exceeding £50 and £100 respectively.

The deductions and allowances set out in paragraphs (1) to (6) herein shall be in addition to and an extension of those prescribed by the Land and Income Tax Assessment Act, 1907.



WESTERN AUSTRALIA.

ANNO SECUNDO

EDWARDI VII. REGIS.

No. XXXII.

* As amended by No. 30 of 1906, No. 24 of 1915, No. 22 of 1918,
No. 40 of 1918, and No. 32 of 1920.

**AN ACT to impose Duties in respect of Dividends or Profits
of Incorporated Companies.**

[Assented to 20th December, 1902.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *Dividend Duties Act*, Short title.
1902.

2. In this Act—

“Company” includes every incorporated company or association (wheresoever and howsoever incorporated) which carries on business in Western Australia, but does not include—

- (a) a friendly society registered under the Friendly Societies Act, 1894; or
- (b) a life assurance company as hereinafter defined in relation to its life assurance business, except in respect of interest on its investments.

“Dividend” includes every dividend, profit, advantage, or gain intended to be paid or credited to or distributed among any members or directors of any company, except the salary or other ordinary remuneration of directors.

Interpretation.
Amended by No. 30
of 1906, s. 2, and
No. 22 of 1918,
s. 2.

* See No. 22 of 1918, s. 14, and No. 40 of 1918, s. 4.
No. 30 of 1906, assented to 14th December, 1906
No. 24 of 1915, assented to 19th February, 1915.
No. 22 of 1918, assented to 13th June, 1918.
No. 40 of 1918, assented to 24th December, 1918.
No. 32 of 1920, assented to 31st December, 1920.

Dividend Duties.

“Life Assurance Company” means a company, association, or body which carries on the business of life assurance.

“Commissioner of Taxation” means the Commissioner of Taxation appointed under the Land and Income Tax Assessment Act, 1907.

“Officer” includes public officer, director, manager, and secretary, and the person whose appointment as attorney of any company is registered as required by the Companies Act, 1893.

“Prescribed” means prescribed by the regulations.

Administration of Act.

New section inserted by No. 22 of 1918, s. 4, in lieu of s. 3 of principal Act.

3. (1.) The Commissioner of Taxation, under the Colonial Treasurer, shall be charged with the administration of this Act.

(2.) The Commissioner of Taxation and all other persons appointed for carrying out the provisions of this Act shall keep secret and aid in preserving secrecy with regard to all matters which may come to their knowledge in their official capacity, and shall not, except as hereinafter provided, communicate any such matter to any other person unless in the performance of their duties.

Oath of fidelity and secrecy.

Amended by No. 22 of 1918, s. 5.

4. (1.) The Commissioner of Taxation and all persons appointed for carrying out the provisions of this Act shall, before entering upon his duties, take and subscribe the prescribed oath of fidelity and secrecy.

(2.) Any person who acts in his employment before he has taken the prescribed oath is liable, on summary conviction, to a penalty of not less than Ten pounds or more than One hundred pounds.

(3.) Any person who, in contravention of the true intent of such oath, reveals any matter or thing which comes to his knowledge in his official capacity, is guilty of a misdemeanour and liable to imprisonment for any term not exceeding two years, with or without hard labour.

Duties on dividends.

Amended by No. 22 of 1918, s. 5.

5. There shall be levied and paid to the Commissioner of Taxation, for the use of His Majesty, the duties hereinafter provided.

Dividend Duties.

6. (1.) On or before the first day of April, One thousand nine hundred and three, every company carrying on business in Western Australia, and on or before the first day of April in every succeeding year, every such company shall—

Returns by companies carrying on business in Western Australia.

- (a) forward to the Commissioner of Taxation a return, in the prescribed form, setting forth the amount and details of all profits made by such company in Western Australia during the year ending the thirty-first day of December immediately preceding the return, and verified by a statutory declaration; and
- (b) forward to the Commissioner of Taxation a copy of the company's or firm's balance-sheets for the period during which the profits were earned.

Amended by No. 30 of 1908, s. 4; No. 24 of 1915, s. 3; No. 22 of 1918, ss. 3 and 6.

(2.) The Commissioner of Taxation shall thereupon assess the profits made by such company in Western Australia, and upon such assessment the company shall, within fourteen days, pay to the Commissioner of Taxation a duty equal to One shilling and threepence for every Twenty shillings of profits so assessed.

(3.) This section shall not apply to any company which comes within the operation of section eight or section eight *a*.

(4.) Companies which balance their accounts on other days than the thirty-first day of December shall comply with the provisions of subsection one within three months after each balancing day, and the return shall set forth the profits made between the last balancing day and the balancing day immediately preceding the last balancing day.

(5.) The Governor may enter into agreements with companies carrying on any business to which the provisions of this section cannot be conveniently applied for the assessment of profits made by such companies in Western Australia, or for the satisfaction of the duty in such manner, or upon such basis or terms, as may be mutually agreed upon: Provided that no such agreement shall be entered into until after one month's notice of intention to do so has been published in the *Government Gazette*.

Inserted by No. 30 of 1908, s. 4.

(6.) Subject to any agreement under the last preceding subsection, the duty to be paid by shipping companies shall be as follows:—

Inserted by No. 30 of 1908, s. 4, and amended by No. 22 of 1918, s. 6.

- (a) Six and one-fourth per centum of five per centum upon all inward and outward traffic, including passenger fares.

Dividend Duties.

(b) Six and one-fourth per centum of the profits on sales of coal or other goods.

(c) Six and one-fourth per centum of the profits of vessels trading exclusively within the State:

Provided that duty shall be payable under the several paragraphs of this subsection separately, and without regard to any loss incurred under either of the other paragraphs.

Inserted by No. 22
of 1918, s. 6.

(7.) The Commissioner of Taxation may disallow as expenditure any money paid by a company as salary, fees, or otherwise to any director, officer, or employee of the company in so far as, in the opinion of the Commissioner, such payment was not made *bonâ fide* as remuneration for services rendered, but as a means of avoiding taxation.

Inserted by No. 40
of 1918, s. 2.

(8.) The profits made in any year on and after the 1st day of July, 1917, by a mining company, shall be assessed, after allowing as a deduction the cost actually incurred during the year by the company for labour and materials employed in development work, as prescribed, including the cost incurred on and after the 1st day of July, 1918, in testing and working mines held under an option of purchase.

Balance sheet when
no dividend de-
clared.

Inserted by No. 30
of 1908, s. 5.
Amended by No. 22
of 1918, ss. 3 and 14.

7. If any company to which section six applies shall have declared no dividend or shall have made no profits in Western Australia, as the case may be, during any year or other period to which any balance sheet of the company relates, such company shall, within three months of its balancing day, forward to the Commissioner of Taxation a copy of its balance sheet, with a statutory declaration stating that no dividend has been declared or profit made, as the case may be.

Returns by insur-
ance companies
and duty payable.
Amended by No. 22
of 1918, ss. 3 and 7.

8. (1.) On or before the first day of March in every year, every company which carries on, within Western Australia, any insurance or assurance business exclusively (not being a life assurance company) shall—

(a) forward to the Commissioner of Taxation a return, in the prescribed form, stating the amount of the premiums received, or in any manner charged in account, by such company, or by its agent in Western Australia, during the year ending on the preceding thirty-first day of December, and verified by statutory declaration;

Dividend Duties.

(b) pay to the Commissioner of Taxation a sum equal to Forty shillings for every One hundred pounds, and a proportionate sum for every part of One hundred pounds of such premiums.

(2.) Such premiums shall be the gross premiums, and shall exclude any portion of such premiums actually paid away by way of re-insurance effected in Western Australia with any other company.

(3.) Where any company not engaged in insurance business exclusively carries on within Western Australia, insurance business (not being life assurance) whether as principal or as agent for another company carrying on business outside Western Australia, or where any such first-mentioned company, under the authority of a general cover or floating policy issued by any company or person carrying on insurance business outside Western Australia, issues declaration of insurance or other documents in the nature thereof in Western Australia, such first-mentioned company shall be liable to forward returns and to pay duty in respect of such business in the manner and at the rate prescribed by this section.

Inserted by No. 22
of 1918, s. 7.

8a. (1.) Every life assurance company shall—

(a) on or before the first day of September in every year, or within three months after each of its annual balancing days, forward to the Commissioner of Taxation a return in the prescribed form stating the amount of interest on its investments received by the company during the year ending the thirtieth day of June next preceding, or ending on such other balancing day, verified by statutory declaration; and

(b) pay to the Commissioner of Taxation, as from the first day of July, One thousand nine hundred and seventeen, as duty a sum equal to One shilling and threepence for every Twenty shillings of interest so received, subject to such deductions as are permitted in calculating the profits of a company under this Act.

Life Assurance
Companies.

Inserted by No. 22
of 1918, s. 8.

(2.) Notwithstanding paragraph (2) of Section 19 of the Land and Income Tax Assessment Act, 1907, a life assurance company shall be exempt from income tax under that Act, in respect of interest on investments received on and after the 1st day of July, 1917.

Dividend Duties.

Production of
balance-sheets.

Amended by No. 22
of 1918, s. 8.

9. The Commissioner of Taxation may require any company to forward to him any further or other balance-sheets and documents which, in his opinion, are necessary to enable the amount of duty payable to be correctly assessed or ascertained, and may require such balance-sheets and documents to be verified by statutory declaration.

Case of companies
carrying on business
by trustees
or agents.

10. (1.) Any person—

- (a) who carries on business in Western Australia as trustee or agent for a company shall, together with the company, be liable to pay the duties and discharge the obligations which the company would be liable under this Act to pay and discharge; and
- (b) all property in Western Australia held by the trustee or agent on behalf of the company shall be liable to be taken in execution or otherwise made available for the discharge and satisfaction of such obligation.

(2.) A company which solicits or obtains orders in Western Australia shall be deemed to be carrying on business in Western Australia.

(3.) Where any trustee or agent pays duty under this Act, the amount paid shall be a debt due to such trustee or agent by the company on whose behalf it was paid.

When payable.

11. The duties imposed by this Act are debts due to His Majesty from the companies by which such duties are respectively payable, and shall become due and payable at the times when the returns required by this Act to be made ought respectively to be made.

Duty to be paid before
dividend paid.

12. No company, and no person acting on behalf of a company, shall distribute any dividend or profits chargeable with duty until the duty payable in respect thereof has been paid.

To be deducted
from dividends.

13. Every officer, manager, trustee, or agent of any company who pays the duty upon any dividend may deduct and retain for the use of such company, from all moneys payable to any person entitled thereto, a sum bearing the same proportion to the total duty payable by the company upon the dividend as the amount payable to such person bears to the total dividend upon which such duty has been paid.

Dividend Duties.

14. If it is proved to the satisfaction of the Commissioner of Taxation that any company carrying on business in Western Australia has, during the year One thousand nine hundred and fourteen, or in any subsequent year, distributed a dividend or dividends out of profits made by the company during such year, and has paid duty thereon, the company shall receive credit for the duty so paid as a payment on account of the duty payable by such company on its profits for that year.

Credit to be given for duty paid on dividends.

Inserted by No. 24 of 1915, s. 4, and No. 22 of 1918, s. 14.

Amended by No. 22 of 1918, s. 3.

15. When any undistributed profits standing on the first day of January, One thousand nine hundred and fourteen, to the credit of profit and loss account, or of any appropriation, reserve, or other like account, of any company, are at any time thereafter distributed, or otherwise applied as dividend, or converted into capital in any way, the amount of such profits shall, when so distributed, applied or converted, if duty has not already been paid thereon, be liable to duty under this Act as if such profits had been made during the year in which such distribution, application, or conversion is made:

Undistributed profits.

Inserted by No. 24 of 1915, s. 5, and No. 22 of 1918 s. 14. Amended by No. 22 of 1918, ss. 10 and 14.

Provided that profits earned before the eleventh day of July, 1899, shall not be liable to duty: Provided also that this section shall not apply to any company which comes within the operation of section eight or section eight *a*.

16. Where any company purchases or otherwise acquires its trading stock, or the main portion thereof, from or through some other company carrying on business either within or without Western Australia, and the share capital of the first-mentioned company, or the greater part of such share capital, is held by such other company or its nominees, or the greater part of the share capital of the first-mentioned company is held by shareholders of such other company, the Commissioner of Taxation may, in his discretion, assess the profits of the first-mentioned company either on a profit and loss basis, or at a sum equal to a percentage on the amount of its total sales actually made in Western Australia, the rate of such percentage being determined by the Commissioner of Taxation according to the nature of the company's business.

Subsidiary companies.

Inserted by No. 24 of 1915, s. 6. Amended by No. 22 of 1918, ss. 8 and 11.

For the purposes of this section any share capital held by a shareholder or nominee of or trustee for a company shall be deemed to be held by the company.

Dividend Duties.

In case of winding up.

Inserted by No. 24 of 1915, s. 7.

Amended by No. 22 of 1918, s. 3.

17. When a company is in process of winding up, or ceases to carry on business in Western Australia, it shall not be relieved from its liability for duty under this Act, and such company, or its liquidator, shall furnish returns and pay duty on demand by the Commissioner of Taxation on any profits assessed by him for the period up to the date when such company ceased to carry on business in Western Australia and until such duty is paid such company shall, for the purposes of this Act, be deemed to carry on business in Western Australia.

Any money, or its equivalent, distributed among the shareholders in excess of the amount paid up or deemed to be paid up on their shares, shall be deemed profits for the purposes of this section, and be liable to duty, except such portion thereof (if any) as may consist of undistributed profits made before the eleventh day of July, 1899.

Remedy against persons receiving dividends when duty is unpaid.

18. When a dividend is distributed before the duty payable in respect thereof is deducted and paid, the duty shall be a debt due by the person receiving the dividend to His Majesty.

Indemnity to persons in a fiduciary capacity.

19. Every person who, as trustee, agent, receiver, guardian, committee, or otherwise in a fiduciary capacity, receives a dividend on which duty is imposed by this Act, is personally liable to pay such duty, and may, out of any moneys so coming into his hands, retain so much from time to time as shall amount to the duty so paid, and is hereby indemnified against all persons in respect of such payment.

Inspection of books.

Amended by No. 22 of 1918, s. 3.

20. Every company shall, when required in writing by the Commissioner of Taxation, permit any person named by the Commissioner of Taxation to inspect and take copies of its minute books, balance sheets, books of account, and all other books containing any entries or information relating to any dividends declared or profits made by the company, or relating to any other matter with respect to which the company is required by this Act to forward returns; and, in the case of a company which carries on insurance business, to inspect and take a copy of any of the books of the company containing any entries relating to premiums received or charged in account.

*Dividend Duties.***21. If any company—**

- (a) makes default in transmitting to the Commissioner of Taxation any return required by this Act; or
- (b) supports any return by a declaration false in any particular; or
- (c) contrary to this Act distributes any dividends or profits before the duty payable in respect thereof has been paid,

Penalty for omission to make true returns.

Amended by No. 22 of 1918, ss. 3 and 9.

the company shall be liable to pay to His Majesty a sum not exceeding treble the amount of duty payable under this Act in respect of the matters concerning which such return is required to be made, or in respect of dividends or profits distributed in contravention of this Act, or to a penalty not exceeding One hundred pounds.

22. If any company makes default in complying with any other provisions of this Act—

- (a) the company, and
- (b) every officer, manager, trustee, or agent of the company who makes or knowingly and wilfully authorises or permits such default,

Penalty for default.

is liable to a penalty not exceeding Five pounds for every day the default continues.

23. If any statement, declaration, or other document required by this Act is false in any particular, the person who signs the same is guilty of a misdemeanour, and is liable to be imprisoned with or without hard labour for any term not exceeding two years, or to a penalty not exceeding Five hundred pounds.

Punishment for false declaration.

24. Every person who, as trustee of property, held in trust for the separate use of any married woman, or as trustee, receiver, guardian, or committee for any person under legal disability or of unsound mind, receives in Western Australia any dividend on behalf of such married woman or other person, whether such married woman or other person resides in Western Australia or not, is liable to pay the duties imposed by this Act in like manner and to the same amount as the married woman would be liable if she were a *femme sole*, or if the property were not held for her separate use, and as such other persons would be liable if not under disability.

Trustees, etc. receiving dividends for persons under disability to be personally liable for duty.

Dividend Duties.

The principal is also liable.

25. Every person, whether a married woman or not, and whether under disability or not, and whether residing in Western Australia or not, who, through a trustee, agent, receiver, guardian or committee, receives any dividend on which duty is imposed by this Act, is liable to pay the duty through the trustee or other person as aforesaid through whom the dividend is received.

Married women.

26. Every married woman having any separate property, or being entitled to any property or profits to her separate use, is chargeable with and liable to pay the like duties and in like manner as if she were unmarried.

Discovery to be given.

27. No company or person may refuse to make any discovery sought to be obtained in any action brought under this Act on the ground that the discovery would entail a forfeiture.

Evidence.

28. Any return made by or on behalf of a company under any other Act shall be admissible in evidence in any action brought against the company under this Act.

By whom declaration to be made.
Amended by No. 22 of 1918, s. 3.

29. (1.) Statutory declarations required by this Act shall be made by an officer of the company or by the manager or agent of the company resident in Western Australia.

(2.) The Commissioner of Taxation may require any officer, member, manager, or agent to make a statutory declaration as to his knowledge, information, or belief in reference to any matter or thing arising out of any return made or out of any inspection under section twenty.

Appeal to Judge of Supreme Court.
Amended by No. 22 of 1918, s. 3.

30. When a company is dissatisfied with any assessment made by the Commissioner of Taxation, it may, after payment of the duty, appeal. Such appeal shall be conducted as follows:—

- (1) Within thirty days of the assessment the Commissioner of Taxation shall be served with an originating summons under the Supreme Court Rules fixing a day for hearing the appeal, not being more than thirty or less than fourteen days after the date of service. Such summons shall be supported by affidavit setting forth the grounds and reasons upon which the assessment is objected to.

Dividend Duties.

- (2.) Such summons shall be heard by a judge in chambers, who may decide the same on oral evidence or by affidavit, and may refer any questions of fact or any questions involving professional or technical knowledge to the determination of any other person.
- (3) The judge may, in his discretion, award costs to either party.
31. The judge may state a case for the opinion of the Full Court on any question of law. Judge may state case for opinion of Full Court.
- The Full Court shall have power to deal with the costs of and incidental to the case.
- The decision of the court shall be final.
32. The obligation to pay and the right to receive and recover duty shall not be suspended by an appeal; but if the appellant succeeds, the amount (if any) of the duty received by the Commissioner of Taxation in excess of the amount which, according to the decision on such appeal, was properly payable, shall forthwith be repaid. Right to recover duty not suspended by appeal. Amended by No. 22 of 1918, s. 3.
33. The Governor may from time to time make such regulations as may be necessary for prescribing the particulars to be given in any returns required to be made under this Act, and generally for carrying out the purposes of this Act. Regulations.
34. The Companies Duty Act, 1899, is continued until the thirty-first day of December, One thousand nine hundred and three, but only— Continuation of 68 Vict., No. 6. See No. 9 of 1903, s. 2.
- (a) for the recovery of duties accrued due thereunder at the commencement of this Act; and
- (b) in relation to dividends declared before the commencement of this Act, and for the recovery of the duties thereon; and
- (c) for the recovery of penalties in connection therewith.
35. It shall be lawful for the Commissioner of Taxation, and he is hereby authorised to communicate any matter which may come to his knowledge in the administration of this Act to the Commissioner or Deputy Commissioners of Taxation for the Commonwealth of Australia, or to the Commissioner of Income Tax for any other State of the Commonwealth or any other person occupying a corresponding position in any such State with reference to the collection of duties: Exchange of information. Inserted by No. 22 of 1918, s. 12.

Dividend Duties.

Provided that this section shall not come into operation unless or until reciprocal authority to afford similar information to the Commissioner of Taxation in Western Australia has been duly conferred on the Commonwealth Commissioner of Taxation and his Deputy in Western Australia, or such other Commissioner of Taxation as the case may be.

Interest on Western Australian stocks.

Inserted by No. 40 of 1918, s. 3.

36. Interest on Western Australian Government debentures, inscribed stock, and treasury bills or bonds received on and after the 1st day of July, 1917, by any company, shall be exempt from duty under this Act:

Provided that such exemption shall not affect the duty payable under section eight by insurance companies on the amount of premiums received.

By the Dividend Duties Act Amendment Act, 1918, it is enacted as follows:—

Increased duty to be payable on profits from 1st January, 1917.

13. (1.) Duty shall be payable on all profits made on and after the first day of July, One thousand nine hundred and seventeen, and in the case of insurance companies on all premiums received on and after that date at the increased rates as prescribed by the Act.

(2.) In the case of companies which balance their accounts on some other day than the thirtieth day of June, duty at the prescribed rate shall, in respect of the period from the first day of July, One thousand nine hundred and seventeen, to the next following balancing day, be payable on profits apportioned to that period in ratio to the whole of the profits made during the year ending with such balancing day.

By the Dividend Duties Act Amendment Act, 1920, it is enacted as follows:—

Duty increased by 15 per cent.

2. (1.) In addition to the duty payable under the principal Act and its amendments, by companies on the profits made or premiums received or charged in account by companies, on and after the 1st day of July, 1919, there shall be paid by every company to the Commissioner of Taxation, by way of increased duty, a sum equal to fifteen per centum of the amount of the duty imposed by the principal Act as amended prior to the commencement of this Act.

(2.) In the case of companies which are liable to duty on the profits made and which balance their accounts on some day other than the thirtieth day of June, the fifteen per centum increased duty shall, in respect of the period from the 1st day of July, 1919, to the next following balancing day, be payable on profits apportioned to that period in ratio to the whole of the profits made during the year ending with such balancing day:

*Now numbered six.

Provided that the duty payable under an agreement made pursuant to subsection five of section seven* of the principal Act (inserted by the Act No. 30 of 1906, and amended by the Act No. 22 of 1918) shall be deemed duty payable on profits:

Provided also that this Act shall not apply to life assurance companies.

Deduction allowed for payments to charitable institutions, etc.

*Now numbered six.

3. In assessing the profits made by a company on the returns forwarded under section seven* of the principal Act, the Minister shall allow as a deduction therefrom any payment made by the company to the board or trustees of any charitable institution, incorporated or otherwise, or of a public park or reserve, or of a university or public school, or of a library, art gallery, museum, or other institution for public education, recreation, or enjoyment subsidised by the Government; provided that such payment is applied solely to such charitable or other public purpose.

WESTERN AUSTRALIA.



ANNO QUINTO

EDWARDI SEPTIMI REGIS,

XIX.

.....
No. 19 of 1905.

AN ACT to impose Duties in respect of the takings of Totalisators.

[Assented to 23rd December, 1905.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *Totalisator Duty Act, 1905.*

2. In this Act—

“Totalisator” means and includes the instrument, machine, or contrivance commonly known as the “totalisator,” and any other instrument, machine, or contrivance of a like nature, or any scheme for enabling any number of persons to make bets with one another on the like principles.

“Racing Club” includes any club, company, committee, or association formed for the purpose of horse-racing, or for the management of horse-racing meetings.

“Prescribed” means prescribed by this Act or by regulations made hereunder.

3.

Duty on takings of totalisators.

3. From and after the passing of this Act there shall be payable to the Colonial Treasurer, for the use of His Majesty—

- (a.) A duty upon the gross takings of every totalisator, calculated at the rate of two and a-half per centum upon such gross takings; and
- (b.) Two and a-half per centum of the net takings of every totalisator which remain undistributed after every dividend is declared, under the rules of any racing club whereby no fractional part of a shilling is paid by way of dividend. The term "net takings" means the gross takings less the totalisator commission, which shall not exceed ten per centum of the gross takings; and
- (c.) Two and a-half per centum of all dividends of every totalisator unpaid within three months after the declaration thereof.

Accounts to be forwarded to Colonial Treasurer.

4. (1.) For the purpose of ascertaining the amount of the duty payable under this Act, every racing club shall forward to the Colonial Treasurer, within twenty-one days after the holding of any race meeting at which any totalisator shall be used, a statement, in writing, showing—

- (a.) The gross amount of the takings of each totalisator used at such meeting, and the particulars of such amount;
- (b.) The portion of the net takings of every totalisator which remains undistributed after every dividend is declared, under the rules of the racing club whereby no fractional part of a shilling shall be paid by way of dividend; and
- (c.) All dividends unpaid within three months after the declaration thereof.

(2.) Every such statement shall be verified by a statutory declaration made by the secretary or a member of the committee or executive body of the racing club.

Penalty for omission to make true statement.

5. If default is made in forwarding to the Colonial Treasurer such statement and declaration within the prescribed time, or if a false declaration relating to any such moneys as aforesaid is made by the secretary or any member of the committee or executive body of a racing club, the secretary and all the members of such committee or executive body shall be jointly and severally liable to pay to His Majesty a sum equal to treble the amount of the duty and other moneys payable under this Act in respect of the matters of which such statement and declaration are required to be made.

Duties to be debts due to His Majesty.

6. All moneys payable by a racing club under this Act are hereby declared to be debts due to His Majesty jointly and severally by the secretary and the persons who are members of the committee
or

or executive body of the racing club, and shall be due and payable at the time when the prescribed statement and declaration ought to be made and forwarded to the Colonial Treasurer.

7. (1.) It shall be the duty of the secretary and the members of the committee or executive body of every racing club, and they are hereby required to enter or cause to be entered in a book or books to be kept for that purpose, full particulars of—

- Entries to be made.*
- (a.) the gross takings of every totalisator in respect of every race. .
 - (b.) the amount distributed as dividends in respect of every race ;
 - (c.) the portion of the net takings of every totalisator which remains undistributed after every dividend is declared, under the rules of the racing club whereby no fractional part of a shilling is paid by way of dividend ;
 - (d.) all dividends unpaid within three months after the declaration thereof ; and
 - (e.) of such other particulars as may be prescribed.

(2.) Any person offending against the provisions of this section or any of them shall be liable to a penalty not exceeding one hundred pounds.

8. Every person having the custody or control of any books, documents, or other records containing any entries relating to takings of any totalisator shall, when required in writing by the Colonial Treasurer, permit any person authorised in writing by the Colonial Treasurer to inspect and take copies of such books, documents, or records or any of them.

9. No dividend shall be recoverable or paid except on presentation of the ticket for which the dividend is claimed, or after the expiration of three months from the date of the declaration of the dividend.

10. The Governor may make regulations for carrying this Act into effect.

WESTERN AUSTRALIA.



ANNO OCTAVO

GEORGII QUINTI REGIS,

XXII.

No. 8 of 1918.

AN ACT to amend the Totalisator Duty Act, 1905.

[Assented to 29th March, 1918.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *Totalisator Duty Act Amendment Act, 1918*, and shall be read as one with the Totalisator Duty Act, 1905, hereinafter referred to as the principal Act. Short title.

2. Section two of the principal Act is amended by adding to the interpretation of "Racing Club" the words, "Horse-racing includes trotting racing." Amendment of Section 2.

3. Section three of the principal Act is repealed, and a section is inserted, and shall have effect in its place, as follows:— Amendment of Section 3.

3. (1.) From and after the passing of this Act there shall be payable to the Commissioner of Taxation appointed under the Land and Income Tax Assessment Act, 1907, for the use of His Majesty.— Duty on takings of totalisators.

(a) A duty upon the gross takings of every totalisator calculated at the rate of six per centum upon such gross takings; and

(b) Six per centum of the net takings of every totalisator which, after every dividend is declared, remain undistributed under the provisions of subsection two of this section; and

(c) Six per centum of all dividends of every totalisator unpaid within three months after the declaration thereof.

(2.) No fractional part of a shilling shall be paid by any racing club by way of a dividend of a totalisator.

(3.) The term "net takings" means the gross takings of a totalisator less the totalisator commission, which shall not exceed twelve and a-half per centum of the gross takings.

Amendment of
Section 4.

4. (1.) Paragraph (b) of subsection one of section four of the principal Act is amended by omitting the words "the rules of the racing club," and inserting in their place the words "the provision of subsection two of section three."

(2.) Subsection two of section four of the principal Act is amended by omitting the words "statutory declaration," and inserting the words "declaration in writing" in place thereof.

Amendment of
Section 5.

5. Section five of the principal Act is amended by omitting all the words contained in the last three lines, and inserting in their place the words "a penalty not exceeding one hundred pounds."

Amendment of
Section 7.

6. Paragraph (c) of subsection one of section seven of the principal Act is amended by omitting the words "the rules of the racing club," and inserting in their place the words "the provision of subsection two of section three."

Substitution of
Commissioner of
Taxation for
Colonial Treasurer.

7. The principal Act is further amended by substituting for the words "Colonial Treasurer" the words "Commissioner of Taxation" throughout the said Act.

Reprinting Act
and showing
amendments.

8. All copies of the principal Act hereafter printed by the Government Printer shall be printed as amended by this Act, under the supervision of the Clerk of Parliaments, and all necessary references to this Act shall be made in the margin.

1918.
—
WESTERN AUSTRALIA.

TENTH
ANNUAL REPORT

OF THE
COMMISSIONER OF TAXATION.

Presented to both Houses of Parliament by His Excellency's Command.

[SECOND SESSION OF 1918.]

PERTH :
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1918.

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TENTH ANNUAL REPORT OF THE COMMISSIONER OF TAXATION.

Perth, Western Australia,
27th September, 1918.

The Honourable the Colonial Treasurer, Perth.

Herewith I submit the following Tables showing the operations of the Taxation Department for the year ended the 30th June, 1918, together with the corresponding figures for earlier years.

Table A.—Abstract of Revenue collected during the four Financial Years ended the 30th June, 1918.

Table B.—Expenditure during the four Financial Years ended the 30th June, 1918.

Table C.—Returns and Taxpayers, 1907 to 1917.

Table D.—Analysis of Income Tax Assessments for Years 1914, 1915, and 1916, including only Incomes exceeding £200.

Table E.—Percentages and Rates of Income Tax on the Full Income.

Table F.—Income Taxed and Income Exempt, 1914, 1915, and 1916, including only Incomes exceeding £200.

Table G.—Classification of 1914, 1915, and 1916 Incomes, according to occupation from which Income mainly derived, including only Incomes exceeding £200.

Table H.—Revenue under the Companies Duty and Dividend Duties Acts, 1899-1900 to 1917-18.

Table I.—Classification of the Companies and Duty collected therefrom during the four Financial Years ended the 30th June, 1918.

Table J.—Totalisator Duty collected during the thirteen Financial Years ended the 30th June, 1918.

Table K.—Race Meetings and number using Totalisator during the last four Financial Years.

Table L.—Tax on Stakes won at Horse-races during the eleven Years ended the 30th June, 1918.

Table M.—Analysis of Land Tax Assessments.

Table N.—Incidence of Land Tax.

EDGAR T. OWEN,
Commissioner of Taxation.

TABLE A.—Abstract of Revenue collected during the four Financial Years ended 30th June, 1918.

Nature of Revenue.	1914-15.	1915-16.	1916-17.	1917-18.	The Four Years.
Land Tax	£ 36,433	£ 47,716	£ 42,431	£ 63,388	£ 189,968
Less Refunds	133	69	134	111	447
Net Amount	36,300	47,647	42,297	63,277	189,521
Income Tax	80,645	91,665	90,667	98,501	361,478
Less Refunds	248	271	290	555	1,364
Net Amount	80,397	91,394	90,377	97,946	360,114
Dividend Duty	93,916	103,585	105,554	109,462	412,517
Less Refunds	144	29	1,486	164	1,823
Net Amount	93,772	103,556	104,068	109,298	410,694
Stamp Duty	64,398*	64,858*	67,035	80,719	277,010
Totalisator Duty	12,125	12,442	14,775	18,713	58,055
Totalisator Licenses	519	481	590	614	2,204
Registration of Orchards	834	5,975	1,598†	...	8,407
Miscellaneous	31	129	156	154	470
Total	288,376	326,482	320,896	370,721	1,306,475

* Prior to 1st September, 1915, the Stamp Act was administered by Treasury.
transferred to Agricultural Department, 1st January, 1917.

† Registration of Orchards

TENTH ANNUAL REPORT OF THE COMMISSIONER OF TAXATION.

Perth, Western Australia,
27th September, 1918.

The Honourable the Colonial Treasurer, Perth.

Herewith I submit the following Tables showing the operations of the Taxation Department for the year ended the 30th June, 1918, together with the corresponding figures for earlier years.

Table A.—Abstract of Revenue collected during the four Financial Years ended the 30th June, 1918.

Table B.—Expenditure during the four Financial Years ended the 30th June, 1918.

Table C.—Returns and Taxpayers, 1907 to 1917.

Table D.—Analysis of Income Tax Assessments for Years 1914, 1915, and 1916, including only Incomes exceeding £200.

Table E.—Percentages and Rates of Income Tax on the Full Income.

Table F.—Income Taxed and Income Exempt, 1914, 1915, and 1916, including only Incomes exceeding £200.

Table G.—Classification of 1914, 1915, and 1916 Incomes, according to occupation from which Income mainly derived, including only Incomes exceeding £200.

Table H.—Revenue under the Companies Duty and Dividend Duties Acts, 1899-1900 to 1917-18.

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Table K.—Race Meetings and number using Totalisator during the last four Financial Years.

Table L.—Tax on Stakes won at Horse-races during the eleven Years ended the 30th June, 1918.

Table M.—Analysis of Land Tax Assessments.

Table N.—Incidence of Land Tax.

EDGAR T. OWEN,
Commissioner of Taxation.

TABLE A.—Abstract of Revenue collected during the four Financial Years ended 30th June, 1918.

Nature of Revenue.	1914-15.	1915-16.	1916-17.	1917-18.	The Four Years.
Land Tax	£ 36,433	£ 47,716	£ 42,431	£ 63,388	£ 189,968
Less Refunds	133	69	134	111	447
Net Amount	36,300	47,647	42,297	63,277	189,521
Income Tax	80,645	91,665	90,667	98,501	361,478
Less Refunds	248	271	290	555	1,364
Net Amount	80,397	91,394	90,377	97,946	360,114
Dividend Duty	93,916	103,585	105,554	109,462	412,517
Less Refunds	144	29	1,486	164	1,823
Net Amount	93,772	103,556	104,068	109,298	410,694
Stamp Duty	64,398*	64,858*	67,035	80,719	277,010
Totalisator Duty	12,125	12,442	14,775	18,713	58,055
Totalisator Licences	519	481	590	614	2,204
Registration of Orchards	834	5,975	1,598†	...	8,407
Miscellaneous	31	129	156	154	470
Total	288,376	326,482	320,806	370,721	1,366,475

* Prior to 1st September, 1915, the Stamp Act was administered by Treasury.
transferred to Agricultural Department, 1st January, 1917.

† Registration of Orchards

TABLE B.—Expenditure during the four Financial Years ended 30th June, 1918.

Nature of Expenditure.	1914-15.	1915-16.	1916-17.	1917-18.	The Four Years.
	£	£	£	£	£
Salaries	9,911	11,668	12,924	13,398	47,901
Printing and Stationery	663	674	696	1,018	3,051
Advertising	84	77	74	33	268
Office Requisites	5	27	229	25	280
Postage	366	598	538	673	2,175
Travelling	251	263	216	234	964
Office (cleaning and Sundries	538	665	714	575	2,492
Stamp Duty (Paper, Printing, and Commission) ... ..	...	...	702	1,214	2,000
Total	11,818	13,972	16,183	17,170	59,143

TABLE C.—Returns and Taxpayers, 1907 to 1917.

Year.	Returns Received.			Persons actually Taxed.		
	Land Tax.	Income Tax.	Dividend Duty.	Land Tax.	Income Tax.	Dividend Duty.
	No.	No.	No.	No.	No.	No.
1907	23,812	21,207	360	16,469	9,434	166
1908	21,714	16,886	476	17,726	9,249	180
1909	22,195	16,770	466	18,055	9,498	221
1910	24,079	17,229	518	19,107	10,015	254
1911	24,852	18,036	530	19,602	10,787	277
1912	25,883	19,360	547	20,515	11,904	293
1913	27,116	20,860	510	22,200	13,417	309
1914	28,136	21,479	534	24,129	13,652	306
1915	29,295	22,074	629	24,503	13,564	449
1916	28,133	26,662	654	24,041	14,250	442
1917	25,972	30,449	565	21,002	*	425

* 1917 Assessments not tabulated, being for six months only.

TABLE D.—Analysis of Income Tax Assessments for Years 1914, 1915, and 1916, including only Incomes exceeding £200.

Grouped according to Total Income.	No. of Persons.			Total Income.	Income Tax.	
	Taxed.	Exempt.	Total.		Amount.	Per Person Taxed.
				£	£	£ s. d.
1914, Eighth Assessment—						
£201 to £299	6,773	2,144	8,917	2,151,538	3,743	0 11 1
£300 to £499	4,040	104	4,144	1,536,145	9,256	2 5 10
£500 to £699	1,156	23	1,179	681,434	6,193	5 7 2
£700 to £999	739	7	746	612,397	7,160	9 13 9
£1,000 to £1,499	480	8	488	606,472	8,403	17 12 8
£1,500 to £4,999	411	...	411	1,004,601	21,820	53 1 10
£5,000 and over	53	1	54	590,288	21,908	415 1 2
Total	13,652	2,287	15,939	7,182,875	78,633	5 15 2
1915, Ninth Assessment—						
£201 to £299	6,602	2,322	8,924	2,151,166	3,664	0 11 1
£300 to £499	4,011	131	4,142	1,528,492	9,063	2 5 2
£500 to £699	1,222	20	1,242	723,755	6,425	5 5 2
£700 to £999	763	6	769	635,317	7,008	9 3 9
£1,000 to £1,499	506	5	511	622,423	8,827	17 8 11
£1,500 to £4,999	396	1	397	966,052	20,428	51 11 9
£5,000 and over	64	1	65	744,264	27,884	435 13 9
Total	13,564	2,486	16,050	7,371,469	83,299	6 2 10
1916, Tenth Assessment—						
£201 to £299	6,830	2,556	9,386	2,266,487	3,435	0 11 3
£300 to £499	4,331	153	4,484	1,653,863	9,855	2 5 6
£500 to £699	1,266	38	1,304	762,298	6,736	5 6 5
£700 to £999	737	6	743	612,424	6,735	9 2 9
£1,000 to £1,499	502	3	505	612,057	8,606	17 2 11
£1,500 to £4,999	481	3	484	1,181,565	25,671	53 7 5
£5,000 and over	103	...	103	1,148,621	44,843	435 7 5
Total	14,250	2,759	17,009	8,237,315	106,281	7 9 2

TABLE E.—Percentages and Rates of Income Tax on the Full Income.

Full Income.	Average for three years, 1914, 1915, and 1916.	
	Per cent.	In the £.
£201 to £299	0·170	½d.
£300 to £499	0·597	1½d.
£500 to £699	0·893	2½d.
£700 to £999	1·124	2½d.
£1,000 to £1,499	1·306	3½d.
£1,500 to £4,999	2·153	5½d.
£5,000 and over	3·792	9d.
Average	1·172	3d.

TABLE F.—Income Taxed and Income Exempt, 1914, 1915, and 1916, including only Incomes exceeding £200.

Particulars.	Eighth Assessment, 1914.		Ninth Assessment, 1915.		Tenth Assessment, 1916.	
	Amount.	%	Amount.	%	Amount.	%
Income taxed	£ 3,258,403	45·4	£ 3,369,334	45·7	£ 4,001,001	48·6
Income exempt from Tax, on account of—						
General Exemption of £200	3,187,241	44·4	3,209,108	43·5	3,396,102	41·2
Abatement under Section 17 where Income derived from land	267,791	3·7	281,609	3·8	314,393	3·8
£10 per Child under 16 years of age	209,333	2·9	212,034	2·9	227,861	2·8
Dividends from Companies	154,712	2·1	194,210	2·6	188,020	2·3
Life Assurance, etc., Premiums	105,395	1·5	105,174	1·5	109,938	1·3
Total amount exempt	3,924,472	54·6	4,002,135	54·3	4,236,314	51·4
Total Income	7,182,875	100·0	7,371,469	100·0	8,237,315	100·0

TABLE G.—Classification of 1914, 1915, and 1916 Incomes, according to Occupation from which Income mainly derived, including only Incomes exceeding £200.

Occupation or Source of Income.	No. of Persons Taxed.			Income Taxed.			Income Tax.		
	1914.	1915.	1916.	1914.	1915.	1916.	1914.	1915.	1916.
	No.	No.	No.	£	£	£	£	£	£
Builders and Contractors	145	100	83	48,831	36,355	32,682	1,084	779	812
Butchers and Bakers	210	213	204	68,772	104,202	72,894	1,416	2,024	1,667
Chemists	73	64	68	16,961	20,516	19,463	328	440	367
Dairymen	43	63	56	6,553	10,128	8,701	111	169	147
Doctors and Dentists	180	157	139	97,007	87,745	91,530	1,959	1,703	1,893
Engineers, Surveyors, etc.	78	63	61	29,452	22,140	18,700	612	438	373
Farmers and Orchardists	515	798	1,021	110,844	191,188	314,078	2,094	3,618	6,679
Fruiters, etc.	39	30	45	6,097	4,320	6,050	105	75	114
Grocers and Storekeepers	347	317	321	102,133	89,089	81,476	1,871	1,655	1,480
Hotel-keepers	398	377	374	245,128	181,904	194,171	5,851	4,221	4,585
Lawyers	109	99	87	69,564	55,859	53,469	1,701	1,253	1,263
Life Assurance Companies	6	6	7	98,421	103,356	101,685	4,514	4,754	4,670
Merchants and Manufacturers	249	243	185	347,651	313,002	312,654	11,329	10,092	10,945
Mine Owners and Tributaries	221	264	282	178,047	153,108	152,640	5,395	3,950	3,919
Pastoralists and Graziers	194	291	347	225,943	476,197	911,800	7,392	16,632	34,388
Pearlers	27	24	38	15,199	14,505	28,494	410	374	769
Restaurants and Lodging-houses	61	45	54	13,699	8,125	10,484	247	138	185
Salary and Wage Earners	8,821	8,545	8,906	899,765	882,935	937,170	16,181	15,777	16,733
Tailors and Drapers	183	157	179	60,984	47,453	56,297	1,291	970	1,201
Tobacconists, Stationers, etc.	142	145	156	32,920	29,133	33,110	672	554	637
Miscellaneous	1,611	1,568	1,637	584,432	538,074	563,453	14,070	13,083	13,454
Total	13,652	13,584	14,250	3,258,403	3,369,334	4,001,001	78,633	83,299	106,281

TABLE H.

Revenue under the Companies Duty and Dividend Duties Acts,
1899-1900 to 1917-18.

Financial Year.	Duty collected. £
1899-1900	55,015
1900-1901	67,998
1901-1902	85,890
1902-1903	127,607
1903-1904	125,071
1904-1905	123,733
1905-1906	137,485
1906-1907	116,916
1907-1908	108,033
1908-1909	95,273
1909-1910	88,315
1910-1911	84,495
1911-1912	100,455
1912-1913	98,464
1913-1914	92,567
1914-1915	93,916
1915-1916	103,585
1916-1917	105,554
1917-1918	109,462
Total	1,919,834

TABLE I.—Classification of the Companies and Duty collected therefrom during the four Financial Years ended 30th June, 1918.

Nature of Companies.	1914-15.	1915-16.	1916-17.	1917-18.	The Four Years.
	£	£	£	£	£
Mining	43,534	47,709	36,092	37,548	164,883
Trading and Manufacturing	33,449	37,575	50,595	54,394	176,013
Banking and other Financial	8,803	8,309	8,164	8,714	34,020
Shipping	2,745	3,002	2,928	3,153	11,828
Insurance (other than Life Assurance)	3,295	3,611	4,145	4,543	15,594
Miscellaneous	2,090	3,379	3,600	1,110	10,179
Total	93,916	103,585	105,554	109,462	412,517

TABLE J.—Totalisator Duty collected during the Thirteen Financial Years ended 30th June, 1918.

Year.	No. of Meetings when Totalisator used.	Amount passed through Totalisator plus undistributed Fractions and Unclaimed Dividends.	Totalisator Duty collected.
	No.	£	£
1905-6	65	223,200	5,580
1906-7	125	311,280	7,782
1907-8	125	316,680	7,917
1908-9	125	287,760	7,184
1909-10	128	286,137	7,153
1910-11	139	309,503	7,739
1911-12	153	361,640	9,042
1912-13	149	453,625	11,342
1913-14	201	482,653	12,071
1914-15	187	484,881	12,126
1915-16	261	497,534	12,439
1916-17	280	590,960	14,775
1917-18	200	580,842	18,713*
Total	2,138	5,186,495	133,873

* On and after 28th March, 1918, the rate of duty increased from 2½ to 6 per cent.

TABLE K.—Race Meetings and Number using Totalisator during last Four Financial years.

Particulars.	Number of Race Meetings.			
	1914-15.	1915-16.	1916-17.	1917-18.
METROPOLITAN.				
<i>Totalisator Used :</i>				
Galloping Races	45	87	101	56
Trotting Races	71	60	56	32
Total	116	147	157	88
<i>Totalisator not used :</i>				
Galloping Races	56	5	1	...
Total, Metropolitan Races	172	152	158	88
EASTERN GOLDFIELDS.				
<i>Totalisator used :</i>				
Galloping Races	16	56	38	32
Trotting Races ... ..	...	12	29	22
Total	16	68	67	54
<i>Totalisator not used :</i>				
Galloping Races	48	9	...	...
Total, Eastern Goldfields Races	64	77	67	54
COUNTRY.				
<i>Totalisator used :</i>				
Galloping Races	54	45	55	57
Trotting Races	1	1	1	1
Total	55	46	56	58
<i>Totalisator not used :</i>				
Galloping Races	62	62	22	40
Total, Country Races	117	108	78	98
THE WHOLE STATE.				
<i>Totalisator used :</i>				
Galloping Races	115	188	194	145
Trotting Races	72	73	86	55
Total	187	261	280	200
<i>Totalisator not used :</i>				
Galloping Races	166	76	23	40
Total	353	337	303	240

TABLE L.—Tax on Stakes won at Horse-races during the Eleven Years ended 30th June, 1918.

Year.	Stakes won.	Income Tax collected thereon.
	£	£
1907-8	32,752	273
1908-9	63,531	1,059
1909-10	63,402	1,057
1910-11	60,105	1,002
1911-12	64,204	1,070
1912-13	87,497	1,458
1913-14	101,056	1,684
1914-15	107,847	1,798
1915-16	96,722	1,612
1916-17	69,513	1,492
1917-18	70,361	1,173
Total	836,990	13,678

TABLE M.—Analysis of Land Tax Assessments.

Classification of the Land.	Area Assessed.	Unimproved Value—			
		Of Area liable to Tax.		Of Area Ex- empt from Tax.	Of Total Area.
		At Improved Rate. ($\frac{1}{4}$ d. in the £.)	At Unim- proved Rate (1d. in the £.)		
	acres.	£	£	£	£
(a.) Metropolitan land (from Midland Junction to Fremantle)... ..	24,796	5,480,451	1,555,760	392,356	7,428,567
(b.) Goldfields Towns	1,693	158,326	31,182	13,922	203,430
(c.) Other Towns	18,117	748,846	275,272	56,659	1,080,777
(d.) Country land, alienated or in pro- cess of alienation	14,351,318	5,530,377	1,171,392	2,241,668	8,043,437
Total alienated or in process of alienation	14,395,924	11,918,000	3,033,606	2,704,605	17,656,211
(e.) Crown leases with no right of pur- chase	135,065,472	1,170,911	188,852	71,041	1,430,804
Total of Land Assessed	149,461,396	13,088,911	3,222,458	2,775,646	19,087,015

TABLE N.—Incidence of Land Tax.

Classification of the Land.	Percentage of Land Tax imposed.
	per cent.
Metropolitan and Suburban	44.0
Goldfields Towns	1.1
Other Towns	6.7
Country Rural	40.3
Pastoral Leases	7.0
Total	100.0

1919.

—
WESTERN AUSTRALIA.

ELEVENTH
ANNUAL REPORT

OF THE

COMMISSIONER OF
TAXATION.

Presented to both Houses of Parliament by His Excellency's Command.

[THIRD SESSION OF TENTH PARLIAMENT.]

PERTH:

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27th September, 1919.

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Table B.—Expenditure during the four Financial Years ended the 30th June, 1919.

Table C.—Returns and Taxpayers, 1907 to 1917-18.

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Table F.—Income Taxed and Income Exempt, 1915, 1916, and 1917-18.

Table G.—Classification of 1915, 1916, and 1917-18 Incomes, according to occupation from which Income mainly derived.

Table H.—Amount per taxpayer of Income liable to Tax and of Income Tax imposed, for each occupation.

Table I.—Revenue under the Companies Duty and Dividend Duties Acts, 1899-1900 to 1918-19.

Table J.—Classification of the Companies and Duty collected therefrom during the four Financial Years ended the 30th June, 1919.

Table K.—Totalisator Duty collected during the fourteen Financial Years ended the 30th June, 1919.

Table L.—Race Meetings at which Totalisator used during the last six Financial Years.

Table M.—Tax on Stakes won at Horse-races during the twelve Years ended the 30th June, 1919.

Table N.—Analysis of Land Tax Assessments.

Table O.—Incidence of Land Tax.

EDGAR T. OWEN,
Commissioner of Taxation.

TABLE A.—Abstract of Revenue collected during the four Financial Years ended 30th June, 1919.

Nature of Revenue. *	1915-16.	1916-17.	1917-18.	1918-19.	The Four Years.
Land Tax	£ 47,718	£ 42,431	£ 63,388	£ 34,182	£ 187,717
Less Refunds	69	134	111	81	396
Net Amount	47,647	42,297	63,277	34,101	187,322
Income Tax	91,665	90,667	98,501	226,561	507,394
Less Refunds	271	290	555	337	1,453
Net Amount	91,394	90,377	97,946	226,224	505,941
Dividend Duty	103,585	105,554	109,462	133,062	451,663
Less Refunds	29	1,486	164	575	2,254
Net Amount	103,556	104,068	109,298	132,487	449,409
Stamp Duty	64,858*	67,035	80,719	112,103	324,715
Less Refunds ... ..	...	...	...	101	101
Net Amount	64,858	67,035	80,719	112,002	324,614
Totalisator Duty	12,442	14,775	18,713	42,499	88,429
Totalisator Licences	481	590	614	626	2,311
Miscellaneous	129	156	154	331	770
Total	326,482	320,896	370,721	548,270	1,558,796

* Prior to 1st September, 1915, the Stamp Act was administered by Treasury.

TABLE B.—Expenditure during the four Financial Years ended 30th June, 1919.

Nature of Expenditure.	1915-16.	1916-17.	1917-18.	1918-19.	The Four Years.
	£	£	£	£	£
Salaries	11,668	12,924	13,398	16,502	54,552
Printing and Stationery	674	696	1,018	216	2,604
Advertising	77	74	33	9	193
Office Requisites	27	229	25	4	285
Postage	598	538	673	1,098	2,007
Travelling	263	216	234	268	981
Office Cleaning and Sundries	665	714	575	668	2,622
Stamp Duty (Paper, Printing, and Commission)	...	792	1,214	1,111	3,117
Total	13,972	16,183	17,170	19,936	67,261

TABLE C.—Returns and Taxpayers, 1907 to 1917-18.

Year in which Land held or Income earned.	Returns Received.			Persons or Companies actually Taxed.		
	Land Tax.	Income Tax.	Dividend Duty.	Land Tax.	Income Tax.	Dividend Duty.
	No.	No.	No.	No.	No.	No.
1907	24,137	21,239	360	16,469	9,434	166
1908	22,082	16,893	476	17,726	9,249	180
1909	22,598	16,990	466	18,055	9,498	221
1910	24,544	17,264	518	19,107	10,015	264
1911	25,888	18,179	530	19,602	10,767	277
1912	26,150	19,447	547	20,515	11,994	293
1913	28,006	20,950	510	22,200	13,417	300
1914	29,237	21,692	534	24,129	13,652	306
1915	30,718	22,651	629	25,548	13,821	440
1916	30,279	27,928	658	25,421	14,802	442
1916-17	30,236	32,187	644	24,254	*	425
1917-18	30,800	55,530	699	†	31,838	489

* 1917 Assessments not tabulated, being for six months only.

† Assessment incomplete.

TABLE D.—Analysis of Income Tax Assessments for Years 1915, 1916, and 1917-18.

Grouped according to Total Income.	No. of Persons.			Income Tax.		
	Taxed.	Exempt.	Total.	Total Income.	Amount.	Per Person Taxed.
	No.	No.	No.	£	£	£ s. d.
1915, Ninth Assessment—						
£201 to £299	6,754	2,332	9,086	2,191,196	3,770	0 11 2
£300 to £499	4,095	131	4,226	1,559,095	9,200	2 5 3
£500 to £699	1,231	20	1,251	728,320	6,473	5 5 2
£700 to £999	774	6	780	644,488	7,116	9 3 11
£1,000 to £1,499	506	5	511	622,321	8,842	17 5 7
£1,500 to £4,999	397	1	398	969,797	20,488	51 12 2
£5,000 and over	64	1	65	744,264	27,884	435 12 9
Total	13,821	2,496	16,317	7,460,081	83,833	6 1 4
1916, Tenth Assessment—						
£201 to £299	7,140	2,598	9,738	2,353,768	4,049	0 11 4
£300 to £499	4,495	163	4,658	1,716,508	10,257	2 5 8
£500 to £699	1,304	40	1,344	785,950	6,976	5 7 0
£700 to £999	764	6	770	635,703	7,023	9 3 10
£1,000 to £1,499	507	3	510	617,795	8,713	17 3 9
£1,500 to £4,999	489	3	492	1,196,246	25,896	52 19 2
£5,000 and over	103	...	103	1,148,250	44,821	435 3 1
Total	14,802	2,813	17,615	8,454,229	107,735	7 5 7
1917-18, Twelfth Assessment—						
£101 to £199	12,850	6,902	19,752	3,202,753	18,936	1 9 6
£200 to £299	15,792	3,667	19,459	5,298,619	47,460	3 0 1
£300 to £499	1,324	13	1,337	781,796	12,532	9 9 4
£500 to £699	806	6	812	670,222	13,964	17 3 6
£700 to £999	494	3	497	606,146	17,237	34 17 10
£1,000 to £1,499	481	2	483	1,202,552	73,332	152 5 0
£1,500 to £4,999	91	1	92	1,007,692	103,614	1,138 12 4
£5,000 and over ... ..	...	...	...	...	...	...
Total	31,838	10,594	42,432	12,769,780	286,975	9 0 3

The Eleventh Assessment, being for six months only, was not tabulated.

TABLE E.—Percentages and Rates of Income Tax on the Full Income.

Full Income.	Average for three years, 1914, 1915, and 1916.		Year 1917-18.	
	Per cent.	In the £.	Per cent.	In the £.
£101 to £199 ...	...	s. d. ...	...	s. d. ...
£200 to £299 ...	0·170	0 1½	·591	0 1½
£300 to £499 ...	0·597	0 1½	·896	0 2½
£500 to £699 ...	0·893	0 2½	1·603	0 4
£700 to £999 ...	1·124	0 2½	2·084	0 5
£1,000 to £1,499 ...	1·306	0 3½	2·844	0 7
£1,500 to £4,999 ...	2·153	0 5½	6·090	1 2½
£5,000 and over ...	3·792	0 9	10·282	2 0½
Average ...	1·172	0 3	2·247	0 5½

TABLE F.—Income Taxed and Income Exempt, 1915, 1916, and 1917-18.

Particulars.	Ninth Assessment, 1915.		Tenth Assessment, 1916.		Twelfth Assessment, 1917-18.	
	Amount.	%	Amount.	%	Amount.	%
Income taxed ...	£ 3,397,708	45·6	£ 4,071,982	48·2	£ 9,313,517	72·9
Income exempt from Tax, on account of—						
General Exemption of £200 ...	3,262,508	43·7	3,517,602	41·6	...	...
Incomes reduced by deductions below taxable minimum ...	...	...	...	...	1,142,271	9·0
Abatement under Section 17 where Income derived from land ...	284,403	3·8	329,640	3·9	253,099	2·0
£10 per Child under 16 years of age (£26 in 1917-18) ...	215,299	2·9	235,190	2·8	1,362,842	10·7
Dividends from Companies ...	194,221	2·6	187,856	2·2	192,023	1·5
Life Assurance, etc., Premiums ...	103,942	1·4	111,959	1·3	169,709	1·3
Four per cent. on business premises * ...	...	...	...	...	336,319	2·6
Total amount exempt ...	4,062,373	54·4	4,382,247	51·8	3,456,263	27·1
Total Income ...	7,460,081	100·00	8,454,229	100·0	12,769,780	100·0

* Figures not tabulated for years prior to 1917-18.

TABLE G.—Classification of 1915, 1916, and 1917-18 Incomes, according to Occupation from which Income mainly derived.

Occupation or Principal Source of Income.	No. of Persons Taxed.			Income Taxed.			Income Tax.		
	1915.	1916.	1917-18.	1915.	1916.	1917-18.	1915.	1916.	1917-18.
Builders and Contractors ...	No. 101	No. 80	No. 105	£ 37,167	£ 33,685	£ 36,784	£ 799	£ 835	£ 728
Butchers and Bakers ...	226	227	277	106,648	78,141	125,106	2,678	1,763	3,487
Chemists ...	64	68	64	20,516	19,463	27,521	440	367	577
Dairymen ...	65	62	111	11,219	9,926	30,985	200	176	509
Doctors and Dentists ...	158	141	128	88,143	92,681	101,296	1,710	1,913	4,093
Engineers, Surveyors, etc. ...	64	63	47	22,355	19,129	20,977	443	382	491
Farmers and Orchardists ...	819	1,087	1,441	193,758	330,214	442,376	3,660	7,007	10,204
Fruiters, etc. ...	38	57	101	4,874	6,797	23,709	84	127	320
Grocers and Storekeepers ...	326	341	492	91,152	85,370	189,922	1,696	1,563	5,120
Hotel-keepers ...	383	391	388	181,744	198,674	217,646	4,198	4,673	7,680
Lawyers ...	99	89	90	55,859	54,251	67,825	1,253	1,276	3,068
Life Assurance Companies ...	6	7	*	103,356	101,685	*	4,755	4,670	*
Merchants and Manufacturers ...	244	185	204	313,309	319,572	302,750	10,098	11,167	25,222
Mine Owners and Tributors ...	266	284	347	153,233	153,295	186,769	3,952	3,933	9,497
Pastoralists and Graziers ...	302	359	454	482,065	914,373	1,082,306	16,796	34,352	104,615
Pearlers ...	25	39	41	14,516	28,847	19,943	316	718	505
Restaurants and Lodging-houses ...	49	60	127	8,735	11,158	30,065	148	197	448
Salary and Wage Earners ...	8,634	9,142	23,919	886,725	950,296	5,165,694	15,847	16,977	73,586
Tailors and Drapers ...	163	190	280	48,004	57,792	129,432	981	1,227	4,572
Tobacconists, Stationers, etc. ...	152	166	233	29,910	34,290	69,622	569	659	1,408
Miscellaneous ...	1,637	1,758	2,989	544,420	572,343	1,042,789	13,210	13,753	30,845
Total ...	13,821	14,802	31,838	3,397,708	4,071,982	9,313,517	83,833	107,735	286,975

* Subsequent to 30th June, 1917, Life Assurance Companies were liable to Dividend Duty. See Table J.

TABLE H.—Amount per Taxpayer of Income liable to Tax and of Income Tax imposed for each Occupation.

Occupation or Principal Source of Income.	Average amount per taxpayer of—					
	Income liable to Tax.			Income Tax Imposed.		
	1915.	1916.	1917-18.	1915.	1916.	1917-18.
	£	£	£	£	£	£
Builders and Contractors	368.0	391.7	350.3	7.9	9.7	6.9
Butchers and Bakers	471.9	344.2	451.6	11.8	7.8	12.6
Chemists	320.6	286.2	430.0	6.9	5.4	9.0
Dairymen	172.6	160.1	279.1	3.1	2.8	4.6
Doctors and Dentists	557.0	657.3	791.4	10.8	13.6	32.0
Engineers, Surveyors, etc.	349.3	303.6	446.3	6.9	6.1	10.4
Farmers and Orchardists	236.6	303.8	307.0	4.5	6.4	7.1
Fruiterers, etc.	128.3	119.2	234.7	2.2	2.2	3.2
Grocers and Storekeepers	279.6	250.4	386.0	5.2	4.6	10.4
Hotel-keepers	474.5	508.1	560.9	11.0	12.0	19.6
Lawyers	564.2	609.6	753.6	12.7	14.3	34.1
Life Assurance Companies	17,226.0	14,526.4	*	659.2	667.1	*
Merchants and Manufacturers	1,284.1	1,727.4	1,484.1	41.4	60.4	123.6
Mine Owners and Tributors	576.1	539.8	538.2	14.9	13.8	27.4
Pastoralists and Graziers	1,596.2	2,547.0	2,383.9	55.6	95.7	230.4
Pearlers	580.6	739.7	486.4	12.6	18.4	12.3
Restaurants and Lodging-houses	178.3	186.0	236.7	3.0	3.3	3.6
Salary and Wage Earners	102.7	103.9	216.0	1.8	1.9	3.1
Tailors and Drapers	294.5	304.1	462.3	6.0	6.5	16.3
Tobacconists, Stationers, etc.	196.8	206.6	298.8	3.7	4.0	6.0
Miscellaneous	332.6	325.6	348.1	8.1	7.8	10.3
Total	245.8	275.1	292.5	6.1	7.3	9.0

* See footnote to Table G.

TABLE I.—Revenue under the Companies Duty Act, 1899, and Dividend Duties Act, 1902, during the 20 years ended 30th June, 1919.

Financial Year.	Duty Collected.
	£
1899-1900	55,015
1900-1901	67,998
1901-1902	85,800
1902-1903	127,607
1903-1904	125,071
1904-1905	123,733
1905-1906	137,485
1906-1907	116,916
1907-1908	108,033
1908-1909	95,273
1909-1910	88,315
1910-1911	84,405
1911-1912	100,455
1912-1913	98,464
1913-1914	92,567
1914-1915	93,916
1915-1916	103,585
1916-1917	105,554
1917-1918	109,462
1918-1919	133,062
Total	2,052,896

TABLE J.—Classification of the Companies and Duty collected therefrom during the four Financial Years ended 30th June, 1919.

Nature of Companies.	1915-16.	1916-17.	1917-18.	1918-19.	The Four Years.
	£	£	£	£	£
Mining	47,709	36,092	37,548	30,844	152,193
Trading and Manufacturing	37,575	50,595	54,394	72,331	214,895
Banking and other Financial	8,309	8,194	8,714	9,955	35,172
Shipping	3,002	2,928	3,153	2,526	11,609
Life Assurance	*	*	*	7,888	7,888
Insurance (other than Life Assurance)	3,611	4,145	4,543	9,014	21,313
Miscellaneous	3,379	3,600	1,110	504	8,593
Total	103,585	105,554	109,462	133,062	451,663

*Prior to 1st July, 1917, Life Assurance Companies were liable to Income Tax. See Table G.

TABLE K.—*Totalisator Duty collected during the Fourteen Financial Years ended 30th June, 1919.*

Year.	No. of Meetings when Totalisator used.	Amount passed through Totalisator plus undistributed Fractions and Unclaimed Dividends.	Totalisator Duty Collected.
	No.	£	£
1905-6	65	223,200	5,580
1906-7	125	311,280	7,782
1907-8	125	316,680	7,917
1908-9	125	287,780	7,194
1909-10	128	286,137	7,153
1910-11	139	309,503	7,739
1911-12	153	361,640	9,042
1912-13	149	453,625	11,342
1913-14	201	482,653	12,071
1914-15	187	484,881	12,126
1915-16	261	497,534	12,439
1916-17	280	590,960	14,775
1917-18	200	580,642	18,713*
1918-19	226	708,233	42,499
Total	2,364	5,894,728	176,372

* On and after 28th March, 1918, the rate of duty increased from 2½ to 6 per cent.

TABLE L.—*Race Meetings and Number at which Totalisator used during last Six Financial years.*

Particulars.	Number of Race Meetings.					
	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
METROPOLITAN.						
<i>Totalisator used:</i>						
Galloping Races	45	45	87	101	56	53
Trotting Races	45	71	60	56	32	37
Total	90	116	147	157	88	90
<i>Totalisator not used:</i>						
Galloping Races	61	56	5	1	...	...
Total, Metropolitan Races	151	172	152	158	88	90
EASTERN GOLDFIELDS.						
<i>Totalisator used:</i>						
Galloping Races	16	16	56	38	32	31
Trotting Races ... ..	...	...	12	29	22	24
Total	16	16	68	67	54	55
<i>Totalisator not used:</i>						
Galloping Races	49	48	9	...	...	...
Total, Eastern Goldfields Races	65	64	77	67	54	55
COUNTRY.						
<i>Totalisator used:</i>						
Galloping Races	93	54	45	55	57	80
Trotting Races	2	1	1	1	1	1
Total	95	55	46	56	58	81
<i>Totalisator not used:</i>						
Galloping Races	60	62	62	22	40	48
Total, Country Races	155	117	108	78	98	129
THE WHOLE STATE.						
<i>Totalisator used:</i>						
Galloping Races	154	115	188	194	145	164
Trotting Races	47	72	73	86	55	62
Total	201	187	261	280	200	226
<i>Totalisator not used:</i>						
Galloping Races	170	166	76	23	40	48
Total	371	353	337	303	240	274

TABLE M.—Tax on Stakes won at Horse-races during the Twelve Years ended 30th June, 1919.

Year.	Stakes won.	Income Tax collected thereon.
	£	£
1907-8	32,752	273
1908-9	63,531	1,059
1909-10	63,402	1,057
1910-11	60,105	1,002
1911-12	64,204	1,070
1912-13	87,497	1,458
1913-14	101,056	1,684
1914-15	107,847	1,798
1915-16	96,722	1,612
1916-17	89,513	1,492
1917-18	70,361	1,173
1918-19	82,267	1,371
Total	919,257	15,049

TABLE N.—Analysis of Land Tax Assessments.

Classification of the Land.	Area Assessed.	Unimproved Value—			
		Of Area liable to Tax.		Of Area Ex-empt from Tax.	Of Total Area.
		At Improved Rate. (½d. in the £.)	At Unimproved Rate. (1d. in the £.)		
	acres.	£	£	£	£
(a.) Metropolitan land (from Midland Junction to Fremantle) ...	24,796	5,480,451	1,555,760	392,356	7,428,567
(b.) Goldfields Towns ...	1,693	158,326	31,182	13,922	203,430
(c.) Other Towns ...	18,117	748,846	275,272	56,659	1,080,777
(d.) Country land, alienated or in process of alienation ...	14,351,318	5,530,377	1,171,392	2,241,668	8,943,437
Total alienated or in process of alienation ...	14,395,924	11,918,000	3,033,606	2,704,605	17,656,211
(e.) Crown leases with no right of purchase ...	135,065,472	1,170,911	188,852	71,041	1,430,804
Total of Land Assessed ...	149,461,396	13,088,911	3,222,458	2,775,646	19,087,015

TABLE O.—Incidence of Land Tax.

Classification of the Land.	Percentage of Land Tax imposed.
	per cent.
Metropolitan and Suburban	44.0
Goldfields Towns	1.1
Other Towns	6.7
Country Rural	40.3
Pastoral Leases	7.9
Total	100.00

1920.

WESTERN AUSTRALIA.

TWELFTH
ANNUAL REPORT

OF THE

COMMISSIONER OF
TAXATION

for the Year ended 30th June, 1920.

Presented to both Houses of Parliament by His Excellency's Command.

[FOURTH SESSION OF TENTH PARLIAMENT.]

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TWELFTH ANNUAL REPORT OF THE COMMISSIONER OF TAXATION.

Perth, Western Australia,
15th October, 1920.

The Honourable the Colonial Treasurer, Perth.

Herewith I submit the following Tables showing the operations of the Taxation Department for the year ended the 30th June, 1920, together with the corresponding figures for earlier years.

Table A.—Abstract of Revenue collected during the four Financial Years ended the 30th June, 1920.

Table B.—Expenditure during the four Financial Years ended the 30th June, 1920.

Table C.—Returns and Taxpayers, 1907 to 1919.

Table D.—Analysis of Income Tax Assessments for Years, 1916, 1917-18, and 1918-19.

Table E.—Income Taxed and Income Exempt, 1916, 1917-18, and 1918-19.

Table F.—Classification of 1916, 1917-18, and 1918-19 Incomes, according to occupation from which Income mainly derived.

Table G.—Amount per taxpayer of Income liable to Tax and of Income Tax imposed, for each occupation.

Table H.—Revenue under the Companies Duty and Dividend Duties Act, 1899-1900 to 1919-20.

Table I.—Classification of the Companies and Duty collected therefrom during the five Financial Years ended the 30th June, 1920.

Table J.—Totalisator Duty collected during the fifteen Financial Years ended the 30th June, 1920.

Table K.—Race Meetings at which Totalisator used during the last seven Financial Years.

Table L.—Tax on Stakes won at Horse-races during the thirteen years ended the 30th June, 1920.

Table M.—Analysis of Land Tax Assessments.

Table N.—Incidence of Land Tax.

EDWIN A. BLACK,
Commissioner of Taxation.

TABLE A.—Abstract of Revenue collected during the four Financial Years ended 30th June, 1920.

Nature of Revenue.	1916-17.	1917-18.	1918-19.	1919-20.	The Four Years.
Land Tax	£ 42,431	£ 63,388	£ 34,182	£ 46,414	£ 186,415
Less Refunds	134	111	81	25	351
Net Amount	42,297	63,277	34,101	46,389	186,064
Income Tax	90,667	98,501	226,561	271,387	687,116
Less Refunds	290	555	337	1,072	2,254
Net Amount	90,377	97,946	226,224	270,315	684,862
Dividend Duty	105,554	109,462	133,062	144,747	492,825
Less Refunds	1,486	164	575	159	2,384
Net Amount	104,068	109,298	132,487	144,588	490,441
Stamp Duty	67,035	80,719	112,103	173,541	433,398
Less Refunds ... ..	...	...	101	218	319
Net Amount	67,035	80,719	112,002	173,323	433,079
Totalisator Duty	14,775	18,713	42,499	45,911	121,898
Totalisator Licences	590	614	626	779	2,609
Miscellaneous	156	154	331	385	1,026
Total	319,298	370,721	648,270	681,690	1,919,979

* Prior to 1st September, 1915, the Stamp Act was administered by Treasury.

TABLE B.—Expenditure during the four Financial Years ended 30th June, 1920.

Nature of Expenditure.	1916-17.	1917-18.	1918-19.	1919-20.	The Four Years.
	£	£	£	£	£
Salaries, overtime, etc.	12,924	13,398	16,562	20,880	63,764
Printing and Stationery	606	1,018	216	244	2,174
Advertising	74	33	9	9	125
Office Requisites	229	25	4	75	333
Postage	538	673	1,098	1,143	3,452
Travelling	216	234	268	294	1,012
Office Cleaning and Sundries	714	575	668	786	2,743
Stamp Duty (Paper, Printing, and Commission)	792	1,214	1,111	483	3,600
Total	16,183	17,170	19,936	23,914	77,203

TABLE C.—Returns and Taxpayers, 1907 to 1919.

Year.	Returns Received.			Persons or Companies actually Taxed.		
	Land Tax.	Income Tax.	Dividend Duty.	Land Tax.	Income Tax.	Dividend Duty.
	No.	No.	No.	No.	No.	No.
1907	24,292	21,242	360	16,469	9,434	109
1908	22,262	16,940	476	17,726	9,249	180
1909	22,817	17,092	466	18,055	9,498	221
1910	24,803	17,283	518	19,107	10,015	254
1911	25,721	18,196	530	19,602	10,767	277
1912	27,030	19,458	547	20,515	11,994	293
1913	28,557	20,981	510	22,200	13,417	309
1914	29,925	21,769	534	24,129	13,652	396
1915	31,569	22,794	632	25,548	13,821	449
1916	31,379	28,252	661	26,632	14,998	442
1917	32,183	32,617	648	26,406	*	425
1918	32,266	57,122	737	24,562	32,758	489
1919	26,231	54,656	747	19,000†	31,030†	500

* 1917 Assessments not tabulated, being for six months only.

† Assessment incomplete.

TABLE D.—Analysis of Income Tax Assessments for Years 1916, 1917-18, and 1918-19.

Grouped according to Total Income.	No. of Persons.			Total Income.	Income Tax.	
	Taxed.	Exempt.	Total.		Amount.	Per Person Taxed.
	No.	No.	No.	£	£	£ s. d.
1916, Tenth Assessment—						
£201 to £299	7,240	2,609	9,849	2,381,014	4,120	0 11 5
£300 to £499	4,555	167	4,722	1,740,559	10,424	2 5 9
£500 to £699	1,326	40	1,366	799,537	7,102	5 7 1
£700 to £999	772	6	778	642,428	7,119	9 4 5
£1,000 to £1,499	510	3	513	621,218	8,765	17 3 9
£1,500 to £4,999	492	3	495	1,201,380	25,992	52 16 7
£5,000 and over	103	...	103	1,147,737	44,795	434 18 1
Total	14,998	2,828	17,826	8,533,873	108,317	7 4 5
1917-18, Twelfth Assessment—						
£101 to £199	13,341	6,954	20,295	3,286,895	19,625	1 9 5
£200 to £299	10,994	3,575	14,569	3,458,136	26,196	2 7 8
£300 to £499	5,169	113	5,282	1,952,160	22,431	4 6 1
£500 to £699	1,353	13	1,366	736,338	12,742	9 8 4
£700 to £999	828	7	835	690,676	14,354	17 6 9
£1,000 to £1,499	503	3	506	617,904	17,633	35 1 11
£1,500 to £4,999	478	1	479	1,202,599	73,427	153 12 3
£5,000 and over	89	1	90	1,603,334	103,285	1,160 10 1
Total	32,755	10,667	43,422	13,008,042	289,693	8 16 11
1918-19, Thirteenth Assessment—						
£101 to £199	12,369	6,212	18,581	2,932,736	18,211	1 9 5
£200 to £299	10,473	3,379	13,852	3,230,430	24,956	2 7 8
£300 to £499	5,046	110	5,156	1,898,598	21,517	4 5 3
£500 to £699	1,312	20	1,332	778,117	12,175	9 5 7
£700 to £999	784	9	793	660,296	13,413	17 2 2
£1,000 to £1,499	545	6	551	658,134	18,580	34 1 10
£1,500 to £4,999	437	9	446	1,072,805	56,209	128 12 6
£5,000 and over	64	1	65	628,477	59,700	932 16 3
Total	31,030	9,746	40,776	11,859,593	224,761	7 4 10

The Eleventh Assessment, being for six months only, was not tabulated.

TABLE E.—Income Taxed and Income Exempt, 1916, 1917-18, and 1918-19.

Particulars.	Tenth Assessment, 1916.		Twelfth Assessment, 1917-18.		Thirteenth Assessment, 1918-19.	
	Amount.	%	Amount.	%	Amount.	%
Income taxed	£ 4,435,763	51·9	£ 9,776,412	75·2	£ 8,939,812	75·4
Income exempt from Tax on account of General Exemption of £200 ...	3,560,002	41·8	...	...	...	...
Incomes reduced by deductions be- low taxable minimum ... ..	...	...	1,150,044	8·8	999,403	8·4
£10 per child under 16 years of age (£26 in 1917-18)	237,158	2·8	1,382,817	10·6	1,219,815	10·3
Dividends from Companies	188,297	2·2	192,511	1·5	173,178	1·5
Life Assurance, etc., Premiums ...	112,653	1·3	171,854	1·3	172,715	1·4
Rates and Taxes ... ..	...	...	334,404	2·6	354,670	3·0
Total amount of exempt ...	4,098,110	48·1	3,231,630	24·8	2,919,781	24·6
Total Income... ..	8,533,873	100·00	13,008,042	100·00	11,859,593	100·00

TABLE F.—Classification of 1916, 1917-18, and 1918-19 Incomes, according to Occupations from which Income mainly derived.

Occupation or Principal Source of Income.	No. of Persons Taxed.			Income Taxed.			Income Tax.		
	1916.	1917-18.	1918-19.	1916.	1917-18.	1918-19.	1916.	1917-18.	1918-19.
	No.	No.	No.	£	£	£	£	£	£
Builders and Contractors ...	88	110	137	35,242	39,454	51,673	871	774	1,019
Butchers and Bakers ...	236	294	279	81,119	130,748	110,065	1,826	3,537	2,412
Chemists	69	65	72	20,146	28,059	32,431	379	586	632
Dairymen	66	119	55	10,375	30,912	15,217	184	467	219
Doctors and Dentists ...	143	130	120	94,093	103,785	111,552	1,940	4,178	4,702
Engineers, Surveyors, etc....	63	48	55	19,784	21,592	27,960	395	504	696
Farmers and Orchardists ...	1,119	1,540	1,124	457,143	567,510	434,850	9,673	12,873	9,627
Fruiters, etc.	58	108	102	7,104	25,887	23,619	132	347	298
Grocers and Storekeepers ...	345	523	306	88,242	198,459	101,686	1,614	5,407	1,861
Hotelkeepers	399	408	396	206,250	227,698	230,429	4,844	7,812	8,292
Lawyers	91	91	91	57,608	70,874	64,567	1,351	3,187	2,492
Life Assurance Companies	7	*	*	101,685	*	*	4,670	*	*
Merchants and Manufac- turers	185	207	171	323,036	304,848	198,568	11,285	25,804	13,885
Mine Owners and Tributors	294	356	401	154,901	189,211	238,391	3,964	9,564	11,250
Pastoralists and Graziers ...	360	457	354	979,892	1,096,579	649,402	36,802	105,945	63,975
Pearlers	39	41	47	28,821	19,475	29,500	717	492	984
Restaurants and Lodging Houses	66	142	121	11,480	34,114	35,024	202	499	582
Salary and Wage-earners ...	9,211	24,467	24,014	976,939	5,302,437	5,319,767	17,455	75,296	70,255
Tailors and Drapers	192	200	281	59,163	134,639	132,833	1,253	4,767	4,692
Tobacconists, Stationers, etc.	170	241	214	35,424	74,490	71,081	679	1,498	1,380
Miscellaneous	1,797	3,118	2,690	687,316	1,175,641	1,061,197	16,294	33,582	32,980
Total	14,998	32,755	31,030	4,435,763	9,776,412	8,939,812	116,530	297,119	232,233

* Subsequent to 30th June, 1917, Life Assurance Companies were liable to Dividend Duty. See Table J.

TABLE G.—Amount per Taxpayer of Income liable to Tax and of Income Tax imposed for each Occupation.

Occupation or Principal Source of Income.	Average amount per taxpayer of—					
	Income liable to Tax.			Income Tax Imposed.		
	1916.	1917-18.	1918-19.	1916.	1917-18.	1918-19.
	£	£	£	£	£	£
Builders and Contractors ...	400.5	358.6	377.2	9.9	7.0	7.4
Butchers and Bakers ...	343.7	444.7	394.5	7.7	2.0	8.6
Chemists ...	287.1	431.7	450.4	5.5	9.0	9.0
Dairymen ...	157.2	259.8	276.7	2.8	3.9	4.0
Doctors and Dentists ...	658.0	798.3	929.6	15.0	32.4	39.2
Engineers, Surveyors, etc. ...	314.3	449.8	508.3	6.2	10.5	12.6
Farmers and Orchardists ...	408.5	368.5	386.8	8.6	8.3	8.6
Fruiters, etc. ...	122.4	239.6	231.5	2.2	3.2	2.9
Grocers and Storekeepers ...	255.7	379.4	332.3	4.6	10.3	6.1
Hotel-keepers ...	516.9	558.1	581.8	12.1	19.1	20.9
Lawyers ...	633.0	778.8	709.5	14.8	35.0	27.3
Life Assurance Companies ...	14,526.4	*	*	667.1	*	*
Merchants and Manufacturers ...	1,746.1	1,472.7	1,161.2	61.0	124.6	81.2
Mine Owners and Tributers ...	526.8	531.5	594.5	13.4	28.8	28.0
Pastoralists and Graziers ...	2,721.9	2,399.5	1,834.4	102.2	231.8	180.7
Pearlers ...	739.0	475.0	627.6	18.3	12.0	20.9
Restaurants and Lodging-houses...	173.9	240.2	289.4	3.0	3.5	4.8
Salary and Wage-earners ...	106.0	216.7	221.5	1.8	3.0	2.9
Tailors and Drapers ...	308.1	464.2	472.7	6.5	16.4	16.6
Tobaccoists, Stationers, etc. ...	208.3	309.0	332.1	3.9	6.2	6.4
Miscellaneous ...	382.4	377.0	394.4	9.0	10.7	12.2
Total ...	...	...	...	...	...	...

* See footnote to Table I.

TABLE H.—Revenue under the Companies Duty Act, 1899, and Dividend Duties Act, 1902, during the 21 years ended 30th June, 1920.

Financial Year.	Duty Collected.
	£
1899-1900 ...	55,015
1900-1901 ...	67,998
1901-1902 ...	85,890
1902-1903 ...	127,607
1903-1904 ...	125,071
1904-1905 ...	123,733
1905-1906 ...	137,485
1906-1907 ...	116,916
1907-1908 ...	108,033
1908-1909 ...	95,273
1909-1910 ...	88,315
1910-1911 ...	84,495
1911-1912 ...	100,455
1912-1913 ...	98,444
1913-1914 ...	92,567
1914-1915 ...	93,916
1915-1916 ...	103,585
1916-1917 ...	105,554
1917-1918 ...	109,462
1918-1919 ...	133,062
1919-1920 ...	144,748
Total ...	2,197,644

TABLE I.—Classification of the Companies and Duty collected therefrom during the Five Financial Years ended 30th June, 1920.

Nature of Companies.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	The Five Years.
	£	£	£	£	£	£
Mining ...	47,709	36,092	37,548	30,844	26,239	178,432
Trading and Manufacturing ...	37,575	50,595	54,394	72,331	89,502	304,397
Banking and other Financial ...	8,309	8,194	8,714	9,955	10,800	48,972
Shipping ...	3,002	2,928	3,153	2,526	4,110	15,719
Life Assurance ...	*	*	*	7,888	5,663	15,551
Insurance (other than Life Assur- ance) ...	3,611	4,145	4,543	9,014	8,129	29,442
Miscellaneous ...	3,379	3,600	1,110	504	305	8,898
Total ...	103,585	105,554	109,462	133,062	144,748	596,411

* Prior to 1st July, 1917, Life Assurance Companies were liable to Income Tax. See Table G.

TABLE J.—Totalisator Duty collected during the Fifteen Financial Years ended 30th June, 1920.

Year.	No. of Meetings when Totalisator used.	Amount passed through Totalisator plus undistrib- uted Fractions and Unclaimed Dividends.	Totalisator Duty Collected.
	No.	£	£
1905-6	65	223,200	5,580
1906-7	125	311,280	7,782
1907-8	125	316,680	7,917
1908-9	125	287,760	7,194
1909-10	128	286,137	7,153
1910-11	139	309,503	7,739
1911-12	153	361,640	9,042
1912-13	149	453,625	11,342
1913-14	201	482,653	12,071
1914-15	187	484,881	12,126
1915-16	261	497,534	12,439
1916-17	280	590,960	14,775
1917-18	200	580,642	18,713*
1918-19	226	708,233	42,499
1919-20	237	765,672	45,911
Total	2,601	6,660,400	222,283

*On and after 28th March, 1918, the rate of Duty increased from 2½ to 6 per cent.

TABLE K.—Race Meetings and Number at which Totalisator used during last Seven Financial years.

Particulars.	Number of Race Meetings.						
	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.
METROPOLITAN.							
<i>Totalisator Used :</i>							
Galloping Races	45	45	87	101	56	53	56
Trotting Races	45	71	60	56	32	37	43
Total	90	116	147	157	88	90	99
<i>Totalisator not used :</i>							
Galloping Races	61	56	5	1	...	...	...
Total, Metropolitan Races ...	151	172	152	158	88	90	99
EASTERN GOLDFIELDS.							
<i>Totalisator used :</i>							
Galloping Races	16	16	56	38	32	31	30
Trotting Races ... ..	...	...	12	29	22	24	22
Total	16	16	68	67	54	55	52
<i>Totalisator not used :</i>							
Galloping Races	49	48	9	...	...	...	...
Total, Eastern Goldfields Races	65	64	77	67	54	55	52
COUNTRY.							
<i>Totalisator used :</i>							
Galloping Races	93	54	45	55	57	80	83
Trotting Races	2	1	1	1	1	1	1
Total	95	55	46	56	58	81	84
<i>Totalisator not used :</i>							
Galloping Races	60	62	62	22	40	48	63
Total, Country Races	155	117	108	78	98	129	147
THE WHOLE STATE.							
<i>Totalisator used :</i>							
Galloping Races	154	115	188	194	145	164	169
Trotting Races	47	72	73	86	55	62	66
Total	201	187	261	280	200	226	235
<i>Totalisator not used :</i>							
Galloping Races	170	166	76	23	40	48	75
Total	371	353	337	303	240	274	310

TABLE L.—Tax on Stakes won at Horse-races during the thirteen years ended 30th June, 1920.

Year.	Stakes won.	Income Tax collected thereon.
	£	£
1907-8	32,752	273
1908-9	63,531	1,059
1909-10	63,402	1,057
1910-11	60,105	1,002
1911-12	64,204	1,070
1912-13	87,497	1,458
1913-14	101,056	1,684
1914-15	107,847	1,798
1915-16	96,722	1,612
1916-17	89,513	1,492
1917-18	70,361	1,173
1918-19	82,267	1,371
1919-20	102,340	1,706
Total	1,021,597	16,755

TABLE M.—Analysis of Land Tax Assessments.

Classification of Land.	Area Assessed.	At Improved Rate, $\frac{1}{4}$ d. in the £.	At Unimproved Rate, $\frac{1}{4}$ d. in the £.	Of Area exempt from Tax.	Of Total Area.
	acres.	£	£	£	£
Metropolitan Land from Midland Junction to Fremantle	47,624	6,719,158	1,530,590	309,589	8,559,337
Goldfields Towns	1,317	108,176	9,919	12,021	130,116
Other Towns	17,680	862,965	251,663	72,272	1,186,900
Country land alienated, or in process of alienation	15,403,905	6,870,462	749,977	2,364,635	9,785,074
Total alienated or in process of alienation	15,470,526	14,360,761	2,542,149	2,758,517	19,661,427
Crown Leases with no right of purchase	152,414,953	287,429	38,376	29,182	354,987
Total of Land Assessed ...	167,885,479	14,648,190	2,580,525	2,787,699	20,016,414

TABLE N.—Incidence of Land Tax.

Classification of the Land.	Percentage of Land Tax imposed.
	per cent.
Metropolitan and Suburban	49·37
Goldfields Towns	·65
Other Towns	6·90
Country Rural	41·24
Pastoral Leases	1·84
Total	100·00

1921.

—
WESTERN AUSTRALIA.

THIRTEENTH
ANNUAL REPORT

OF THE

COMMISSIONER OF
TAXATION

for the Year ended 30th June, 1921.

Presented to both Houses of Parliament by His Excellency's Command.

[FIRST SESSION OF THE ELEVENTH PARLIAMENT.]

PERTH:

BY AUTHORITY: FRED. WM. SIMPSON, GOVERNMENT PRINTER.

—
1921.

THIRTEENTH ANNUAL REPORT OF THE COMMISSIONER OF TAXATION.

Perth, Western Australia,
21st September, 1921.

The Honourable the Colonial Treasurer, Perth.

I have the honour to submit the following Report and Tables showing the operation of the Taxation Department for the year ended the 30th June, 1921, together with corresponding figures for the previous year.

Table A.—Abstract of Revenue collected during the four Financial Years ended the 30th June, 1921.

Table B.—Expenditure during the four Financial Years ended the 30th June, 1921.

Table C.—Returns and Taxpayers, 1907 to 1920.

Table D.—Analysis of Income Tax Assessments for Years, 1917-18, 1918-19, and 1919-20.

Table E.—Income Taxed and Income Exempt, 1917-18, 1918-19, and 1919-20.

Table F.—Classification of 1917-18, 1918-19, and 1919-20 Incomes, according to occupation from which Income mainly derived.

Table G.—Amount per taxpayer of Income liable to Tax and of Income Tax imposed, for each occupation.

Table H.—Revenue under the Companies Duty and Dividend Duties Act, 1899-1900 to 1920-21.

Table I.—Classification of the Companies and Duty collected therefrom during the six Financial Years ended the 30th June, 1921.

Table J.—Totalisator Duty collected during the sixteen Financial Years ended the 30th June, 1921.

Table K.—Race Meetings at which Totalisator used during the last eight Financial Years.

Table L.—Tax on Stakes won at Horse-races during the fourteen years ended the 30th June, 1921.

Table M.—Analysis of Land Tax Assessments.

Table N.—Incidence of Land Tax.

REVENUE—TABLE "A."—As will be seen from Table "A," the revenue for 1920-21 is the highest on record, and shows a considerable increase over the Revenue of any previous year.

The increase over 1919-20 is £189,603, and is due principally to—

	£
Income Tax	62,272
Dividend Duty	100,092
Land Tax	11,371
Totalisator Duty	11,536

The balance being represented by sundry items.

The imposition of the 15 per cent. Super tax, in 1920-21, is responsible for about £38,000 of the above-mentioned increase in revenue from Income Tax and Land Tax.

EXPENDITURE—TABLE "B."—The expenditure for 1920-21, £32,519, is £8,605 in excess of the expenditure for the previous year, 1919-20. This arises principally from the following:—

	£
(a.) Increases in salaries, consequent upon the re-classification of the Public Service	4,860
(b.) Additional Temporary Staff engaged upon the compilation of Permanent Records of taxable and non-taxable land in the State	1,500
(c.) Additional Overtime due to the Civil Service Strike, and the lateness in passing the Taxing Bill	1,900

RETURNS AND TAXPAYERS—TABLE "C."—The Land Returns received for the years 1919, and 1920, respectively, show a considerable increase over the number of Returns for previous years. According to last year's Annual Report, the largest number of Land Returns received in any one year was 32,266, namely in 1918; whereas in 1920 the Returns received totalled 40,659, an increase of 8,393, equal to 26 per cent.

In May, 1920, a start was made to compile from Municipal and Road Board Books, departmental and other records, a Register (card) of the whole of the taxable and non-taxable land in the State.

This work is well advanced, and when completed, which I hope will be before the end of the current financial year, will be treated as the basis of assessment for land tax in future years, and so save taxpayers furnishing annual returns of their taxable land. The Register will also be of considerable value to other Taxing Authorities in the State.

As the result of the work already done, and the general system of internal check recently adopted by the department, 19,272 additional land returns, representing over 8,000 defaulting taxpayers, were accounted for during the financial year ended the 30th June, 1921. The arrears paid by these "defaulters" account, to some extent, for the increase of £11,371 in land tax for the year 1920-21, previously referred to under Table "A."

INCOME TAX RETURNS.—The increase in the number of income returns in 1920-21, *vide* Table "C," arises generally from increase in population due to the return of taxpayers from the War, and business prosperity.

DIVIDEND DUTY.—As will be seen from Table "C," the returns received under the Dividend Duties Act, 1920-21, show an increase of 204 over the previous year. This result is mainly attributable to the number of new companies created recently, and which were previously trading as partnerships, and individuals, and assessed under the Land and Income Tax Assessment Act, 1907; and also to the formation of new companies which had not previously operated in this State.

TABLE "H"—REVENUE FROM COMPANIES—(Assessed under the Dividend Duties Act).—It will be noticed from this Table that the Dividend Duty increased from £144,748 in 1919-20 to £245,331 in 1920-21, being an increase of £100,503—£29,700 of which is due to the imposition of the 15 per cent. Super-tax, and the balance to increased profits made by trading, manufacturing, banking, and other companies, and also to the formation of new companies, as will be seen from the classification in Table "I."

TOTALISATOR DUTY—TABLE "J."—Notwithstanding the financial stress, general decline in trade, and the increase in unemployment, the amount of money passed through the Totalisator in 1920-21 was a record, and totalled £956,979, being an increase of £191,307 over the previous year, 1919-20, and represents an increase in revenue to the State of £11,536. This result is to some extent due to the increase in horse-racing in country districts, as shown in Tables "K" and "L."

INVESTIGATION OF TAXPAYERS' RETURNS.—The work of investigation of taxpayers and companies' returns, books, and accounts, is the most important section of the whole work of the department, and calls for practical experience, skill, and ability on the part of the Investigating and Assessing Staff.

During the last two years special attention has been given to this class of work by the appointment of three Investigating Officers, and as the result of their labour the revenue has been considerably augmented. For instance, the additional income tax and dividend duty assessed over and above the amount shown as payable by the taxpayers' returns was £64,389 in 1919-20, and £105,780 in 1920-21.

While in the Eastern States in February and March last, on Official business, I took the opportunity of investigating returns, books, and accounts of several of the leading companies in Sydney, Melbourne, and Adelaide, which are carrying on business through their branches in this State.

In this work, I was assisted by the Federal Commissioner of Taxation, Mr. R. Ewing, who placed at my disposal several competent officers of the Investigating Staff. As the result of their labour, many breaches of the Act and evasions of tax were discovered, and it was found that many of the manufacturing companies were invoicing their goods to their branches in this State at prices much in excess of the cost price, thereby depriving the State of a considerable amount of profit, which it was entitled to assess for taxation. In several other cases, questionable and unsatisfactory methods were brought to light. In all such cases, amended returns were called for, and assessments made for arrears of duty, running into several thousands of pounds. In future, arrangements will be made for regular investigations of taxpayers and companies' accounts, whose Head Offices are in the Eastern States and who are trading in Western Australia through Branch Houses, with the view of preventing any loss of revenue to the State.

AGREEMENT BETWEEN THE FEDERAL AND STATE TAXATION DEPARTMENTS.

In December last, the Tax Collection Act, No. 36 of 1920, was assented to.

"This Act provides for the State to enter into an Agreement with the Commonwealth, for the collection by the Commonwealth, on behalf of the State, of the taxes and duties payable under the Land and Income Tax Assessment Act, 1907, and the Acts imposing Land Tax and Income Tax, the Dividend Duties Act, 1902, and the Totalisator Duties Act, 1905."

"Such Agreement shall commence on the 1st July, 1921, and shall be determinable by either party thereto by notice given to either party six months prior to the date upon which the agreement is to cease to have effect."

The Agreement came into operation on the 1st July last, on which date the State Taxation Department ceased to exist, and all the State Officers, including the State Commissioner, were transferred to the Commonwealth Public Service.

The Agreement provides, *inter alia* :—

- (1.) The State may from time to time appoint any person to be State Commissioner of Taxation, and may remove any person so appointed ;
- (2.) The State shall fix and pay the salary of the State Commissioner.
If the State appoints as State Commissioner the person for the time being holding the position of Deputy Federal Commissioner of Taxation for the State of Western Australia, the State shall pay to the Commonwealth an amount equal to the salary of the State Commissioner.
- (3.) If the Commonwealth appoints the State Commissioner as Deputy Federal Commissioner of Taxation for the State of Western Australia, the State shall pay the salary of the State Commissioner, and the Commonwealth shall appoint and pay any assistant officer to the Deputy Federal Commissioner deemed necessary by the Commonwealth Commissioner.
- (4.) The State Commissioner shall be responsible to the State for the due assessment and collection of State Taxes and the administration of the laws of the State relating thereto, and shall be free from interference or control by the Commonwealth or the Commonwealth Commissioner.
All matters arising in connection with the exercise by the State Commissioner of his powers and functions under the laws of the State shall be determined by him in accordance with those laws.
- (5.) The Commonwealth Commissioner shall be responsible to the Commonwealth for the due assessment and collection of the Commonwealth Taxes and the administration of the Laws of the Commonwealth relating thereto, and shall be free from interference or control by the State or the State Commissioner.
All matters arising in connection with the exercise by the Commonwealth Commissioner of his powers and functions under the laws of the Commonwealth shall be determined by him in accordance with those laws.
- (6.) The Commonwealth shall transfer to positions in the permanent service of the Commonwealth all officers who were in permanent or probationary positions in the Service of the State in the State Taxation Office at the 1st July, 1920, and who consent to be so transferred.
- (7.) The State shall pay to the Commonwealth each year during the continuance of this Agreement an amount equal to one-third of the total estimated cost (less the salary of the State Commissioner) to the State of the assessment and collection of the State Taxes during the financial year ending the thirtieth day of June, 1921.
The said estimated cost shall be determined by agreement between the Commonwealth Commissioner and the State Commissioner, or in default of agreement by the State Auditor General.
- (8.) The Commissioner shall provide all officers (other than the State Commissioner) and office accommodation and equipment, and do all things necessary or convenient for the purpose of the assessment and collection of the State Taxes.
- (9.) The Commonwealth Commissioner shall have full control of all officers (other than the State Commissioner) employed in the assessment and collection of the State Taxes, and may make such arrangements for the conduct of the work as in his opinion are best calculated to secure efficiency and economy.
- (10.) The State Commissioner shall from time to time supply to the State and its Ministers —
 - (a.) Information, advice, and assistance in connection with the Taxation Laws of the State ; and
 - (b.) Information necessary or convenient for the more efficient administration of other laws of the State, such as the " Stamp Act," the " Administration Act," and the " Mining Act," required by the State or its Ministers and which the State Commissioner is able and legally empowered to supply.

- (11.) In addition to or in lieu of the forms of returns respectively from time to time prescribed for State and Commonwealth Land and Income Tax purposes, there shall be prepared—
- (1.) A joint form of land return suitable for both State and Commonwealth land tax purposes in Western Australia; and
 - (2.) A joint form of income tax return suitable for both State and Commonwealth income tax purposes in Western Australia.
- (12.) Prosecution for offences against the laws of the State relating to the State taxes shall be conducted by and at the expense of the Commonwealth.
- (13.) The State will, by its government, take any action within its power to obtain such amendments, if any, of the laws of the State as may be necessary or advisable to enable this Agreement to be fully and effectively performed on its part.

The Commonwealth will, by its Government, take any action within its powers to obtain such amendments, if any, of the laws of the Commonwealth as may be necessary or advisable to enable this agreement to be fully and effectively performed on its part.

Such amendments shall, *inter alia*, include any amendments deemed necessary or advisable by the Commonwealth Commissioner to provide for the custody of documents and records relating to the assessment and collection of State and Commonwealth taxes, and the effective discipline and control of officers employed on such assessment and collection.

REMARKS ON THE AGREEMENT.—It is difficult at this stage to say what result will be achieved by the amalgamation of the two departments, but I am firmly of the opinion, that, when the machinery provisions of both the Federal and State Taxation laws (income) are brought more closely into line, so as to permit of the present income schedules being simplified, and when the combined staffs become more familiar with the provisions of both Acts, greater efficiency and effective administration will obtain, and much of the irritation, inconvenience, and difficulty now being experienced by taxpayers in filling in their income schedules will be removed.

Action has already been taken to amend the State law in the direction indicated by the amendments contained in the Land and Income Tax Bill now before Parliament.

From my experience of the advantages gained by investigations made by the Federal Officers under my control, when in the Eastern States recently, I am convinced that considerable financial benefit will be derived by the Federal and State Governments by similar investigations, now that amalgamation has taken place.

By a Departmental check, recently commenced with the Federal and State records, many defaulters have been located, and are being brought to book. This is another instance of the financial benefit to be derived by the amalgamation.

EVASION OF TAX. —The Federal Commissioner of Taxation in his seventh Annual Report, on page 58, states, "Notwithstanding the wide powers provided by the Commonwealth, it is to be regretted that many persons deliberately evade the payment of taxes by false names. Most of these persons are to be found amongst the wage earners whose occupation takes them into many parts of the Commonwealth within the year. These people are known to work under different names and addresses with each separate employer, so that it is impossible for the department to aggregate their total earnings in one assessment. The spirit which permits this life of falsehood is deplorable, and its national effects are certain to be injurious."

What applies in the Commonwealth equally obtains in Western Australia, and it has been found impossible in some hundreds of cases to bring such "defaulters" to book. Last year, on one large Government Construction work over 250 wage earners were found to be "defaulters," and the amount of income tax due on their wages totalled over £1,000. As all the men had left the work on its completion, and were scattered throughout the Commonwealth, and could not be located, only a few pounds of the income tax due was collected. If taxation is to be effective, then the law should be amended so that no person can escape paying his legal and moral dues to the State. There is only one remedy, as mentioned by the Federal Commissioner of Taxation, Mr. R. Ewing, and that is, to provide legislation for the taxation of incomes of all salary and wage earners, and others, at the source. This can be done by providing, tentatively, for a flat rate of tax, and by the appointment of the employer as an agent of the department to collect the tax. The State is losing anything from £10,000 to £15,000 per annum through not being able to tax these "Birds of Passage" at the source.

I have the honour to be,

Sir,

Your obedient servant,

EDWIN A. BLACK,
State Commissioner of Taxation.

TABLE A.—Abstract of Revenue collected during the four Financial Years ended 30th June, 1921.

Nature of Revenue.	1917-18.	1918-19.	1919-20.	1920-21.	The Four Years.
	£	£	£	£	£
Land Tax	63,388	34,182	46,414	57,790	201,774
Less Refunds	111	81	25	30	247
Net Amount	63,277	34,101	46,389	57,760	201,527
Income Tax	98,501	226,561	271,387	334,320	930,769
Less Refunds	555	337	1,072	1,733	3,697
Net Amount	97,946	226,224	270,315	332,587	927,072
Dividend Duty	109,462	133,062	144,747	244,969	632,240
Less Refunds	164	575	159	289	1,187
Net Amount	109,298	132,487	144,588	244,680	631,053
*Stamp Duty	80,719	112,103	173,541	177,403	543,766
Less Refunds ... ..	...	101	218	68	387
Net Amount	80,719	112,002	173,323	177,335	543,379
Totalisator Duty	18,713	42,499	45,911	57,447	164,570
Totalisator Licenses	614	626	779	896	2,915
Miscellaneous	154	331	385	588	1,458
Total	370,721	548,270	681,690	871,293	2,471,974

* On the 1st July, 1921, the administration of the Stamp Act was transferred to the Treasury.

TABLE B.—Expenditure during the four Financial Years ended 30th June, 1921.

Nature of Expenditure.	1917-18.	1918-19.	1919-20.	1920-21.	The Four Years.
	£	£	£	£	£
Salaries, overtime, etc.	13,398	16,562	20,380	29,650	80,490
Printing and Stationery	1,018	216	244	189	1,647
Advertising	33	9	9	85	136
Office Requisites	25	4	75	6	110
Postage	673	1,098	1,143	1,182	4,096
Travelling	234	268	294	397	1,193
Office Cleaning and Sundries	575	668	786	473	2,502
Stamp Duty (Paper, Printing, and Commission)	1,214	1,111	483	582	3,370
Total	17,170	19,936	23,914	32,524	93,544

TABLE C.—Returns and Taxpayers, 1907 to 1920.

Year.	Returns Received.			Persons or Companies actually Taxed.		
	Land Tax.	Income Tax.	Dividend Duty.	Land Tax.	Income Tax.	Dividend Duty.
	No.	No.	No.	No.	No.	No.
1907	24,292	21,242	360	16,469	9,434	166
1908	22,262	16,940	476	17,726	9,249	180
1909	22,817	17,092	466	18,055	9,498	221
1910	24,803	17,283	518	19,107	10,015	254
1911	25,721	18,196	530	19,602	10,767	277
1912	27,030	19,458	547	20,515	11,994	293
1913	28,557	20,981	510	22,200	13,417	309
1914	29,925	21,769	534	24,129	13,652	396
1915	32,189	22,794	633	26,958	13,821	449
1916	32,256	28,252	662	27,359	14,998	442
1917	33,122	32,617	656	27,440	*	425
1918	36,672	57,570	747	27,523	33,327	489
1919	38,665	57,334	773	27,279	34,067	500
1920	40,659	58,971	977	†23,018	37,856	617

* 1917 Assessments not tabulated, being for six months only.

† Assessment incomplete.

TABLE D.—Analysis of Income Tax Assessments for Years 1917-18, 1918-19, and 1919-20.

Grouped according to Total Income.	No. of Persons.			Total Income.	Income Tax.	
	Taxed.	Exempt.	Total.		Amount.	Per Person Taxed.
<i>1917-18, Twelfth Assessment—</i>	No.	No.	No.	£	£	£ s. d.
£101 to £199	13,687	6,093	20,680	3,346,528	20,113	1 9 5
£201 to £299	11,132	3,594	14,726	3,484,483	26,519	2 7 8
£300 to £499	5,227	112	5,339	1,975,909	22,725	4 6 11
£500 to £699	1,367	14	1,381	803,876	12,865	9 8 3
£700 to £999	830	7	837	694,338	14,423	17 7 7
£1,000 to £1,499	511	3	514	625,342	17,800	34 10 11
£1,500 to £4,999	484	1	485	1,223,295	74,371	153 13 2
£5,000 and over	89	...	89	1,000,447	103,742	1,165 12 10
Total	33,327	10,724	44,051	13,164,218	292,564	8 15 7
<i>1918-19, Thirteenth Assessment—</i>						
£101 to £199	13,762	6,634	20,396	3,204,598	20,016	1 9 1
£200 to £299	11,272	3,592	14,864	3,481,825	26,890	2 7 9
£300 to £499	5,503	138	5,641	2,071,132	23,423	4 5 2
£500 to £699	1,480	30	1,510	874,965	13,610	9 3 11
£700 to £999	884	11	895	744,906	15,121	17 2 1
£1,000 to £1,499	601	6	607	731,585	20,456	34 0 9
£1,500 to £4,999	494	9	503	1,205,882	63,211	127 19 2
£5,000 and over	71	...	71	729,073	65,130	917 8 2
Total	34,067	10,420	44,487	13,043,966	247,863	7 5 6
<i>1919-20, Fourteenth Assessment—</i>						
£101 to £199	13,642	4,846	18,488	2,976,325	20,029	1 9 4
£200 to £299	13,225	3,632	16,857	4,014,923	33,039	2 10 0
£300 to £499	6,265	125	6,390	2,383,567	32,057	5 2 4
£500 to £699	1,790	18	1,808	1,069,878	19,788	11 1 1
£700 to £999	1,219	18	1,237	1,027,368	24,749	20 6 1
£1,000 to £1,499	842	2	844	1,033,506	35,385	42 0 6
£1,500 to £4,999	786	6	792	1,850,630	116,305	147 19 5
£5,000 and over	87	...	87	743,900	121,723	1,399 2 4
Total	37,856	8,647	46,503	15,100,097	403,075	10 12 11

TABLE E.—Income Taxed and Income Exempt, 1917-18, 1918-19, and 1919-20.

Particulars.	Twelfth Assessment, 1917-18.		Thirteenth Assessment, 1918-19.		Fourteenth Assessment, 1919-20.	
	Amount.	%	Amount.	%	Amount.	%
Income taxed	£ 9,914,329	75.1	£ 9,856,280	75.6	£ 11,914,912	78.8
Income exempt from Tax on account of General Exemption of £200 ... ..	...	...	...	...	...	...
Incomes reduced by deductions below taxable minimum	1,155,567	8.8	1,060,672	8.1	978,659	6.5
£10 per child under 16 years of age (£26 in 1917-18)	1,392,125	10.5	1,321,023	10.1	1,359,588	9.0
Dividends from Companies	191,682	1.6	228,534	1.8	238,750	1.6
Life Assurance, etc., Premiums	172,962	1.4	186,990	1.4	207,744	1.4
Rates and Taxes	337,553	2.6	396,497	3.0	400,444	2.7
Total amount of exempt	3,249,889	24.69	3,187,686	24.43	3,185,185	21.9
Total Income... ..	13,164,218	100.	13,043,966	100.	15,100,097	100.

TABLE F.—Classification of 1917-18, 1918-19, and 1919-20 Incomes, according to Occupations from which Income mainly derived.

Occupation or Principal Source of Income.	No. of Persons Taxed.			Income Taxed.			Income Tax.		
	1917-18.	1918-19.	1919-20.	1917-18.	1918-19.	1919-20.	1917-18.	1918-19.	1919-20.
	£	£	£	£	£	£	£	£	\$
Builders and Contractors ...	110	145	156	39,408	53,391	66,276	773	1,039	1,580
Butchers and Bakers ...	299	300	322	132,294	121,332	167,033	3,500	2,784	6,191
Chemists ...	65	74	81	28,059	33,487	39,492	586	649	981
Dairymen ...	125	67	97	31,796	17,476	25,102	476	248	400
Doctors and Dentists ...	130	152	148	103,575	126,827	140,427	4,182	5,516	7,031
Engineers, Surveyors, etc. ...	50	60	113	21,919	29,394	59,585	507	732	2,141
Farmers and Orchardists ...	1,631	1,840	2,528	570,256	728,089	1,443,668	13,221	14,997	52,261
Fruiters, etc. ...	114	123	103	27,031	27,087	29,700	360	346	484
Grocers and Storekeepers ...	528	374	498	200,589	127,060	212,614	5,448	2,391	6,061
Hotelkeepers ...	428	442	382	236,202	253,944	285,199	8,115	8,974	14,327
Lawyers ...	91	94	92	71,127	69,455	67,322	3,219	2,526	3,274
Merchants and Manufacturers ...	209	185	182	305,945	219,757	309,531	25,764	17,336	40,241
Mine Owners and Tributaries ...	362	415	494	190,935	246,718	341,412	9,590	11,720	15,580
Pastoralists and Graziers ...	459	386	302	1,103,319	676,906	420,343	106,749	64,557	46,071
Pearlers ...	41	54	49	19,475	29,594	32,218	492	951	1,401
Restaurants and Lodging Houses ...	148	143	162	35,549	41,515	50,184	517	691	942
Salary and Wage-earners ...	24,788	25,663	28,138	5,362,980	5,583,513	6,384,986	76,013	74,313	126,507
Tailors and Drapers ...	298	303	361	136,845	140,672	208,444	4,805	4,848	11,450
Tobacconists, Stationers, etc. ...	246	238	177	75,517	85,353	117,338	1,510	2,083	4,377
Miscellaneous ...	3,205	3,009	3,471	1,201,448	1,246,110	1,514,038	34,302	40,757	72,399
Total ...	33,327	34,067	37,856	9,914,329	9,856,280	11,914,912	300,189	257,458	413,734

TABLE G.—Amount per Taxpayer of Income liable to Tax and of Income Tax imposed for each Occupation.

Occupation or Principal Source of Income.	Average Amount per Taxpayer of—					
	Income liable to Tax.			Income Tax imposed.		
	1917-18.	1918-19.	1919-20.	1917-18.	1918-19.	1919-20.
	£	£	£	£	£	£
Builders and Contractors ...	350.9	368.9	424.8	7.0	7.1	10.1
Butchers and Bakers ...	442.4	404.4	518.7	11.9	9.2	19.2
Chemists ...	431.6	452.5	493.1	9.0	8.7	12.1
Dairymen ...	254.3	260.8	258.8	3.8	3.7	4.1
Doctors and Dentists ...	796.7	847.5	948.8	32.1	36.3	47.5
Engineers, Surveyors, etc. ...	438.3	489.9	527.3	10.1	12.2	18.9
Farmers and Orchardists ...	349.6	394.7	571.0	8.1	8.1	20.6
Fruiters, etc. ...	237.1	225.1	288.3	3.1	2.8	4.7
Grocers and Storekeepers ...	379.9	339.7	426.9	10.3	6.3	12.1
Hotel-keepers ...	552.0	574.5	746.6	18.9	20.3	37.5
Lawyers ...	781.6	738.9	731.7	35.3	26.8	35.6
Life Assurance Companies ...	*	*	*	*	*	*
Merchants and Manufacturers ...	1,463.8	1,187.3	1,700.7	123.2	93.6	221.1
Mine Owners and Tributaries ...	527.4	594.5	691.1	28.4	28.2	31.5
Pastoralists and Graziers ...	2,403.7	1,753.6	1,411.7	232.5	167.2	154.5
Pearlers ...	475.0	548.0	657.5	12.0	17.6	28.7
Restaurants and Lodging-houses ...	240.2	290.3	309.7	3.5	4.8	5.2
Salary and Wage-earners ...	216.3	217.5	226.9	3.0	2.8	4.4
Tailors and Drapers ...	459.2	464.2	577.4	16.1	16.0	31.7
Tobacconists, Stationers, etc. ...	306.9	358.6	662.9	6.1	8.7	24.7
Miscellaneous ...	374.9	414.1	436.2	10.7	13.6	20.8

* See footnote to Table I.

TABLE H.—Revenue under the Companies Duty Act, 1899, and Dividend Duties Act, 1902, during the 22 years ended 30th June, 1921.

Financial Year.							Duty Collected.
							£
1899-1900	...	...	...	...	...	...	55,015
1900-1901	...	...	...	...	...	...	67,908
1901-1902	...	...	...	...	...	...	85,800
1902-1903	...	...	...	...	...	...	127,607
1903-1904	...	...	...	...	...	...	125,071
1904-1905	...	...	...	...	...	...	123,733
1905-1906	...	...	...	...	...	...	137,485
1906-1907	...	...	...	...	...	...	116,916
1907-1908	...	...	...	...	...	...	108,033
1908-1909	...	...	...	...	...	...	95,273
1909-1910	...	...	...	...	...	...	88,315
1910-1911	...	...	...	...	...	...	84,495
1911-1912	...	...	...	...	...	...	100,455
1912-1913	...	...	...	...	...	...	98,404
1913-1914	...	...	...	...	...	...	92,567
1914-1915	...	...	...	...	...	...	93,916
1915-1916	...	...	...	...	...	...	103,585
1916-1917	...	...	...	...	...	...	105,554
1917-1918	...	...	...	...	...	...	109,462
1918-1919	...	...	...	...	...	...	133,062
1919-1920	...	...	...	...	...	...	144,748
1920-1921	...	...	...	...	...	...	245,331
Total	...	...	...	...	...	...	2,442,975

TABLE I.—Classification of the Companies and Duty collected therefrom during the Six Financial Years ended 30th June, 1921.

Nature of Companies.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	The Six Years.
	£	£	£	£	£	£	£
Mining	47,709	36,092	37,548	30,844	26,239	41,174	219,606
Trading and Manufacturing	37,575	50,595	54,394	72,331	89,502	145,332	449,719
Banking and other Financial	8,309	8,194	8,714	9,955	10,800	24,911	69,983
Shipping	3,002	2,928	3,153	2,526	4,110	12,636	28,355
Life Assurance	*	*	*	7,888	5,663	6,586	20,137
Insurance (other than Life Assurance)	3,611	4,145	4,543	9,014	8,129	13,293	42,735
Miscellaneous	3,379	3,600	1,110	504	305	2,309	11,207
Total	103,585	105,554	109,462	133,062	144,748	245,331	841,742

* Prior to 1st July, 1917, Life Assurance Companies were liable to Income Tax. See Table G.

TABLE J.—Totalisator Duty collected during the Sixteen Financial Years ended 30th June, 1921.

Year.	No. of Meetings when Totalisator used.	Amount passed through Totalisator plus undistributed Fractions and Unclaimed Dividends.	Totalisator Duty Collected.
	No.	£	£
1905-6	65	223,200	5,580
1906-7	125	311,280	7,782
1907-8	125	316,680	7,917
1908-9	125	287,760	7,184
1909-10	128	286,137	7,153
1910-11	139	309,503	7,739
1911-12	153	361,640	9,042
1912-13	149	453,625	11,342
1913-14	201	482,653	12,071
1914-15	187	484,881	12,126
1915-16	261	497,534	12,439
1916-17	280	590,960	14,775
1917-18	200	580,842	18,713*
1918-19	226	708,233	42,499
1919-20	237	765,672	45,911
1920-21	283	956,979	57,447
Total	2,884	7,617,379	279,730

*On and after 28th March, 1918, the rate of Duty increased from 2½ to 6 per cent.

TABLE K.—Race Meetings and Number at which Totalisator used during last Eight Financial years.

Particulars.	Number of Race Meetings.								
	1913-14	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	
METROPOLITAN.									
<i>Totalisator Used :</i>									
Galloping Races ...	45	46	87	101	56	53	56	58	
Trotting Races ...	45	71	60	56	32	37	43	41	
Total ...	90	116	147	157	88	90	99	99	
<i>Totalisator not used :</i>									
Galloping Races ...	61	56	5	1	...	...	...	...
Total, Metropolitan Races	151	172	152	158	88	90	99	99	
EASTERN GOLDFIELDS.									
<i>Totalisator used :</i>									
Galloping Races ...	16	16	56	38	32	31	30	35	
Trotting Races ...	...	...	12	29	22	24	22	30
Total ...	16	16	68	67	54	55	52	65	
<i>Totalisator not used :</i>									
Galloping Races ...	49	48	9	...	...	...	...	...
Total, Eastern Goldfields Races	65	64	77	67	54	55	52	65	
COUNTRY.									
<i>Totalisator used :</i>									
Galloping Races ...	93	54	45	55	57	80	83	115	
Trotting Races ...	2	1	1	1	1	1	1	4	
Total ...	95	55	46	56	58	81	84	119	
<i>Totalisator not used :</i>									
Galloping Races ...	60	62	62	22	40	48	63	76	
Trotting Races ...	...	...	...	...	...	...	...	2
Total, Country Races	155	117	108	78	98	129	147	197	
THE WHOLE STATE.									
<i>Totalisator used :</i>									
Galloping Races ...	154	115	188	194	145	164	169	208	
Trotting Races ...	47	72	73	86	55	62	66	75	
Total ...	201	187	261	280	200	226	235	283	
<i>Totalisator not used :</i>									
Galloping Races ...	170	166	76	23	40	48	75	76	
Trotting Races ...	...	...	...	...	...	...	...	2
Total ...	371	353	337	303	240	274	310	78	
								Total	361

TABLE L.—Tax on Stakes won at Horse-races during the fourteen years ended 30th June, 1921.

Year.	Stakes won.	Income Tax collected thereon.
1907-8	£ 32,752	£ 273
1908-9	63,531	1,059
1909-10	63,402	1,057
1910-11	60,105	1,002
1911-12	64,204	1,070
1912-13	87,497	1,458
1913-14	101,036	1,684
1914-15	107,847	1,798
1915-16	96,722	1,612
1916-17	89,513	1,492
1917-18	70,361	1,173
1918-19	82,267	1,371
1919-20	102,340	1,706
1920-21	123,564	2,059
Total ...	1,145,161	18,814

TABLE M.—Analysis of Land Tax Assessments.

Classification of Land.	Area Assessed.	At Improved Rate, $\frac{1}{2}$ d. in the £.	At Unimproved Rate $\frac{1}{2}$ d. in the £.	Of Area exempt from Tax.	Of Total Area.
	acres.	£	£	£	£
Metropolitan Land from Midland Junction to Fremantle	54,206	7,008,967	1,633,066	371,234	9,013,266
Goldfields Towns	1,481	114,762	10,541	14,567	139,870
Other Towns	18,743	915,985	269,633	82,821	1,268,439
Country land alienated, or in process of alienation	17,609,037	7,328,038	778,351	2,871,338	10,977,727
Total alienated or in process of alienation	17,683,467	15,367,752	2,691,590	3,339,060	21,399,302
Crown Leases with no right of purchase	161,880,830	251,838	42,507	36,220	330,565
Total of Land Assessed ...	179,564,297	15,619,590	2,734,097	3,376,180	21,729,867

TABLE N.—Incidence of Land Tax.

Classification of the Land.	Percentage of Land Tax imposed.
Metropolitan and Suburban	per cent. 48.73
Goldfields Towns	64.
Other Towns	6.90
Country Rural	42.13
Pastoral Leases	1.60
Total	100.00

1922.

WESTERN AUSTRALIA.

FOURTEENTH ANNUAL REPORT

OF THE

STATE COMMISSIONER OF
TAXATION

for the Year ended 30th June, 1922.

Presented to both Houses of Parliament by His Excellency's Command.

[SECOND SESSION OF THE ELEVENTH PARLIAMENT.]

PERTH :

BY AUTHORITY : FRED. WM. SIMPSON, GOVERNMENT PRINTER.

—
1922.

FOURTEENTH ANNUAL REPORT OF THE STATE COMMISSIONER OF TAXATION.

Perth, Western Australia,
7th October, 1922.

The Honourable the Colonial Treasurer, Perth.

I have the honour to submit the following Report and Tables showing the operation of the Taxation Department for the year ended the 30th June, 1922, together with corresponding figures for the previous years.

Table A.—Abstract of Revenue collected during the four Financial Years ended the 30th June, 1922.

Table B.—Expenditure during the four Financial Years ended the 30th June, 1922.

Table C.—Returns and Taxpayers, 1907 to 1921.

Table D.—Analysis of Income Tax Assessments for Years 1919-20, 1920-21, and 1921-22.

Table E.—Income Taxed and Income Exempt, 1919-20, 1920-21, and 1921-22.

Table F.—Classification of 1918-19, 1919-20, and 1920-21 Incomes, according to occupation from which Income mainly derived.

Table F1.—Classification of 1921-22 Incomes, according to occupation from which Income mainly derived. (Arranged to Federal Grouping.)

Table G.—Amount per taxpayer of Income liable to Tax and of Income Tax imposed, for each occupation.

Table G1.—Amount per taxpayer of Income liable to Tax and of Income Tax imposed, for each occupation. (Arranged according to Federal Groups.)

Table H.—Revenue under the Companies Duty and Dividend Duties Act, 1899-1900 to 1921-22.

Table I.—Classification of the Companies and Duty collected therefrom during the six Financial Years ended the 30th June, 1922.

Table J.—Totalisator Duty collected during the seventeen Financial Years ended the 30th June, 1922.

Table K.—Race Meetings at which Totalisator used during the last eight Financial Years.

Table L.—Tax on Stakes won at Horse-races during the fifteen years ended the 30th June, 1922.

Table M.—Analysis of Land Tax Assessments.

Table N.—Incidence of Land Tax.

Revenue—Table "A."—As will be seen from the figures in the table, the revenue for the year 1921-22, when compared with the year 1920-21, reveals a difference of £285,058, which is due to the transfer of the Stamp Revenue (£177,335 for 1920-21) to the State Treasury and to shortages in:—

	£
Land Tax	15,375
Income Tax	23,051
Dividend Duty	69,195
	£107,621

The deficiency of Land and Income Tax is due principally to the incompleteness of the assessment at 30th June, 1922, and which was caused through the late passing by Parliament of the amendments to the Land and Income Tax Assessment Act, 1907. The shortage of Dividend Duty arose from the decrease in profits earned in 1921 as compared with 1920.

Expenditure—Table "B."—Since the amalgamation of the Federal and State Taxation Departments in this State on 1st July, 1921, and in accordance with the provisions of Clause 7 of the agreement between the State and the Commonwealth for the collection by the Commonwealth of the State taxes, the State pays to the Commonwealth annually one-third of the total estimated cost to the State of the State Taxation Department for the year ended 30th June, 1921. This sum is set down at £12,199 by the Federal and State Commissioners of Taxation, and represents an annual saving to the State of about £20,400. The total of £12,993 paid for 1921-22 includes the salary of the State Commissioner of Taxation, which is payable by the State.

Returns and Taxpayers—Table "C."—Since the inception of the Department in 1908, up to the 30th June, 1920, Annual Returns of land owned have been furnished, but for the year 1920-21 no returns were required where there had been no change in the ownership of the land, Returns being necessary only in cases where land had been acquired or disposed of. This alteration has resulted in a considerable saving of expense to taxpayers generally and a reduction in departmental work.

When the Register (card) of the taxable and non-taxable lands of the State, which was commenced in May, 1920, is completed, annual returns of taxable land will not be required in future. The completion of the Register is hoped for by the 30th June, 1923. This record should be of considerable value to other taxing authorities in the State.

Income Tax Returns.—Since amalgamation and for the first time composite returns (Federal and State) totalling 70,298 were furnished for the year ended 30th June, 1921, and owing to the late passing of the amendments to the State Land and Income Tax Assessment Act, 1907, only 22,447 assessments were issued at the 30th June, 1922.

Table "H"—Revenue from Companies—(Assessed under the Dividend Duties Act).—It will be noticed from this Table that the Dividend Duty increased from £144,748 in 1919-20 to £244,969 in 1920-21, being an increase of £100,221—£29,700 of which is due to the imposition of the 15 per cent. supertax, and the balance to increased profits made by trading, manufacturing, banking, and other companies, and also to the formation of new companies, as will be seen from the classification in Table "I." The abnormal profits made in 1920-21 were not maintained in 1921-22, with the result the revenue dropped by £67,964 in the latter year.

Totalisator Duty—Table "J."—Notwithstanding the financial stress, general decline in trade, and the increase of unemployment, the amount of money passed through the Totalisator in 1921-22 was a record, and totalled £963,173, being an increase of £197,521 and £6,624 over the years 1919-20 and 1920-21 respectively. This result is to some extent due to the increase in horse-racing in country districts, as shown in Tables "K" and "L."

Investigation of Taxpayers' Returns.—The work of investigation of taxpayers and companies' returns, books, and accounts, which I reported on last year, is the most important section of the whole work of the department, and calls for practical experience, skill, and ability on the part of the Investigating and Assessing Staff.

During the last three years special attention has been given to this class of work by the appointment of three Investigating Officers, and as the result of their labour the revenue has been considerably augmented. For instance, the additional income tax and dividend duty assessed over and above the amount shown as payable by the taxpayers' returns was £64,389 in 1919-20, and £105,780 in 1920-21, and during 1921-22 (the first year of amalgamation) good work has been done and splendid results attained by the Investigating Staff.

While in the Eastern States in February and March, 1921, and March and April last, on official business, I took the opportunity of investigating returns, books, and accounts of several of the leading companies in Sydney, Melbourne, and Adelaide, which are carrying on business through their branches in this State.

In this work, I was assisted by the Federal Commissioner of Taxation, Mr. R. Ewing, who placed at my disposal several competent officers of the Investigating Staff. As the result of their labour, many breaches of the Act and evasions of tax were discovered; and it was found that many of the manufacturing companies were invoicing their goods to their branches in this State at prices much in excess of the cost price, thereby depriving the State of a considerable amount of profit which it was entitled to assess for taxation. In several other cases, questionable and unsatisfactory methods were brought to light. In all such cases, amended returns were called for, and assessments made for arrears of duty running into several thousands of pounds. Arrangements have been made with the Federal Commissioner of Taxation for investigations of taxpayers and companies' accounts, whose Head Offices are in the Eastern States and who are trading in Western Australia through Branch Houses, with the view of preventing any loss of revenue to the State. Recently, the Chief Investigating Officer visited Adelaide and made a very satisfactory examination, which will result in additional revenue being paid to both Federal and State Treasuries.

AGREEMENT BETWEEN THE FEDERAL AND STATE TAXATION DEPARTMENTS.

In December, 1920, the Tax Collection Act, No. 36 of 1920, was assented to.

"This Act provides for the State to enter into an Agreement with the Commonwealth, for the collection by the Commonwealth, on behalf of the State, of the taxes and duties payable under the Land and Income Tax Assessment Act, 1907, and the Acts imposing Land Tax and Income Tax, the Dividend Duties Act, 1902, and the Totalisator Duties Act, 1905."

"Such Agreement shall commence on the 1st July, 1921, and shall be determinable by either party thereto by notice given to either party six months prior to the date upon which the Agreement is to cease to have effect."

The Agreement came into operation on the 1st July, 1921, on which date the State Taxation Department ceased to exist, and all the State Officers, including the State Commissioner, were transferred to the Commonwealth Public Service.

The Agreement provides, *inter alia*:—

- (1.) The State may from time to time appoint any person to be State Commissioner of Taxation, and may remove any person so appointed;
- (2.) The State shall fix and pay the salary of the State Commissioner—
If the State appoints as State Commissioner the person for the time being holding the position of Deputy Federal Commissioner of Taxation for the State of Western Australia, the State shall pay to the Commonwealth an amount equal to the salary of the State Commissioner.
- (3.) If the Commonwealth appoints the State Commissioner as Deputy Federal Commissioner of Taxation for the State of Western Australia, the State shall pay the salary of the State Commissioner, and the Commonwealth shall appoint and pay any assistant officer to the Deputy Federal Commissioner deemed necessary by the Commonwealth Commissioner.
- (4.) The State Commissioner shall be responsible to the State for the due assessment and collection of State Taxes and the administration of the laws of the State relating thereto, and shall be free from interference or control by the Commonwealth or the Commonwealth Commissioner.
All matters arising in connection with the exercise by the State Commissioner of his powers and functions under the laws of the State shall be determined by him in accordance with those laws.
- (5.) The Commonwealth Commissioner shall be responsible to the Commonwealth for the due assessment and collection of the Commonwealth Taxes and the administration of the laws of the Commonwealth relating thereto, and shall be free from interference or control by the State or the State Commissioner.
All matters arising in connection with the exercise by the Commonwealth Commissioner of his powers and functions under the laws of the Commonwealth shall be determined by him in accordance with those laws.
- (6.) The Commonwealth shall transfer to positions in the permanent service of the Commonwealth all officers who were in permanent or probationary positions in the Service of the State in the State Taxation Office at the 1st July, 1920, and who consent to be so transferred.
- (7.) The State shall pay to the Commonwealth each year during the continuance of this Agreement an amount equal to one-third of the total estimated cost (less the salary of the State Commissioner) to the State of the assessment and collection of the State Taxes during the financial year ending the thirtieth day of June, 1921.
The said estimated cost shall be determined by agreement between the Commonwealth Commissioner and the State Commissioner, or in default of agreement by the State Auditor General.
- (8.) The Commissioner shall provide all officers (other than the State Commissioner) and office accommodation and equipment, and do all things necessary or convenient for the purpose of the assessment and collection of the State Taxes.
- (9.) The Commonwealth Commissioner shall have full control of all officers (other than the State Commissioner) employed in the assessment and collection of the State Taxes, and may make such arrangements for the conduct of the work as in his opinion are best calculated to secure efficiency and economy.
- (10.) The State Commissioner shall from time to time supply to the State and its Ministers—
(a) Information, advice, and assistance in connection with the Taxation Laws of the State; and
(b) Information necessary or convenient for the more efficient administration of other laws of the State, such as the "Stamp Act," the "Administration Act," and the "Mining Act" required by the State or its Ministers and which the State Commissioner is able and legally empowered to supply.
- (11.) In addition to or in lieu of the forms of returns respectively from time to time prescribed for State and Commonwealth Land and Income Tax purposes, there shall be prepared:—
(1.) A joint form of land return suitable for both State and Commonwealth land tax purposes in Western Australia; and
(2.) A joint form of income tax return suitable for both State and Commonwealth income tax purposes in Western Australia.
- (12.) Prosecution for offences against the laws of the State relating to the State taxes shall be conducted by and at the expense of the Commonwealth.
- (13.) The State will, by its Government, take any action within its power to obtain such amendments, if any, of the laws of the State as may be necessary or advisable to enable this Agreement to be fully and effectively performed on its part.

The Commonwealth will, by its Government, take any action within its powers to obtain such amendments, if any, of the laws of the Commonwealth as may be necessary or advisable to enable this Agreement to be fully and effectively performed on its part.

Such amendments shall, *inter alia*, include any amendments deemed necessary or advisable by the Commonwealth Commissioner to provide for the custody of documents and records relating to the assessment and collection of State and Commonwealth taxes, and the effective discipline and control of officers employed on such assessment and collection.

Remarks on the Agreement.—In my last annual report I stated:—"It is difficult at this stage to say what result will be achieved by the amalgamation of the two departments, but I am firmly of the opinion that, when the machinery provisions of both the Federal and State Taxation laws (income) are brought more closely into line, so as to permit of the present income schedules being simplified, and when the combined staffs become more familiar with the provisions of both Acts, greater efficiency and effective administration will obtain, and much of the irritation, inconvenience, and difficulty now being experienced by taxpayers in filling in their income schedules will be removed."

Many amendments were made to both the Federal and State Taxation laws last financial year, and instead of these bringing both Acts more into harmony with each other, they have widened and increased the differences between them and created additional work in the Department, as well as adding further confusion and irritation to taxpayers generally. It is to be regretted that the provisions of the Agreement have not been complied with. ¶

If amalgamation is to be really beneficial and economical and bring about efficiency and effectiveness in administration, which is desired, then both Acts (Federal and State) must be put into the melting pot and a new machinery Act recast on simple and practical lines, which should embody all the requirements common to both Federal and State Governments.

The housing of the Department in two separate buildings since amalgamation, which could not be obviated, does not tend to economy and efficiency in working. This will, however, be overcome when the Department is housed in the new Post Office building at the end of the financial year, viz., at the 30th June, 1923.

Evasion of Tax.—Amalgamation has already been beneficial in bringing to light many evasions of the laws by a comparison of Federal and State Income returns; 6,200 defaulters for State Income tax were discovered and 6,070 defaulters for Federal Income tax, and the amount of additional income collectible being about £12,000 for State and £10,000 for Federal, but on account of the whereabouts of many taxpayers not being known, a considerable amount of tax will not be collected.

AMENDMENTS TO THE FEDERAL INCOME TAX ACT.

System of Averaging.—The Royal Commission on Taxation submitted a report, signed by a majority of the Commissioners, who recommended the adoption of an *average rate of tax* to be applied to the incomes of Primary Producers and others—*vide* page 16, paragraph 6, of the First Report of the Commission. This recommendation forms one of the principal amendments to the Federal Income Tax Act, which was assented to by the Federal Government in December last.

The basis for arriving at the *average rate of income tax* is set out in Section 4, 10A, of the Federal Income Tax Assessment Act, 1921, which reads:—

"10A. (1.) For the purpose of ascertaining the rates applicable to the income of primary producers, the amount of so much of the taxable income of the taxpayer as is derived from primary production shall be taken to be—

- (a) for the year ending the thirtieth day of June, One thousand nine hundred and twenty-three, the average of the amounts of taxable income derived by the taxpayer during the last two preceding financial years from primary production;
- (b) for the year ending the thirtieth day of June, One thousand nine hundred and twenty-four, the average of the amounts of taxable income derived by the taxpayer during the last three preceding financial years from primary production;
- (c) for the year ending the thirtieth day of June, One thousand nine hundred and twenty-five, the average of the amounts of taxable income derived by the taxpayer during the last four preceding financial years from primary production; and
- (d) for all subsequent financial years the average of the amounts of taxable income derived by the taxpayer during the last five preceding financial years from primary production.

(2.) The rates so ascertained shall be applied to the actual taxable income of the taxpayer for the financial year.

(3.) Where a primary producer has not been engaged in primary production for the number of consecutive years in respect of which the rate of income tax upon his income from primary production is required to be ascertained for the financial year next succeeding those years, the rate may be ascertained from the average of the number of consecutive years the primary producer has been so engaged immediately preceding that financial year."

On page 20, paragraph 77, of the Royal Commission's First Report, two examples, as set out hereunder, are given of the operation of the average rate of tax.

"The scheme recommended by your Commissioners is easily understood. For instance, taking two of the examples in paragraph 75, let us trace the steps in determining the tax in (say) the twelfth year on the income of the eleventh year in:—

	B.	K
	£	£
Income of the 7th year	Loss 246	Income 8,915
Income of the 8th year	" 572	" 13,003
Income of the 9th year	Income 141	6,686
Income of the 10th year	655	2,754
Income of the 11th year	558	1,195
Total income for five years	536	32,553
Average (Total divided by 5) .. .	107	6,511
Rate of tax applicable to Average ..	5.8034	46.7790
Tax payable (5.8034 x 558)	£13 9s. 10d. (46.7790 x 1195) = £232 18s. 5d."	

In Example "B" the total income for five years is £536, and the average £107; whereas the actual income for the year of assessment (11th year) is £558, on which sum income tax is payable, but at the rate (5.8034d. in the £) applicable to the average income, namely, £107. This example shows that where losses have occurred in previous years, they have been brought into account and deducted in arriving at the average income, or where the rate of tax is based on increasing incomes, the taxpayer derives a benefit in his assessment for income tax. This fact is clearly demonstrated in Tables 2 and 3 hereunder.

In Example "K" the position is reversed. The total revenue for the five years is £32,553, and the average income £6,511; whereas the actual income for the year of assessment is only £1,195, and on this sum tax is assessed at the rate applicable to an income of £6,511, equal to a tax of £232 18s. 5d. The rate of tax applicable to an income of £1,195 is only 12.769d. in the £, equal to a tax of £63 11s. 2d. It will, therefore, be seen that the taxpayer by being assessed at the average rate of tax pays £169 7s. 3d. more than he would have paid had he been assessed at the graduated rate of tax applicable to the income earned in the year of assessment.

The Commissioners state in their report that "the method (referred to above) is simple and uninvolved, and such as when explained the ordinary taxpayer can understand and follow." The method may be simple, which I question, but is it fair and equitable in its incidence?

The Tables "1," "2," "3," and "4," as set out hereunder, further illustrate the application of the Federal system of assessing incomes each year at the average rate of tax.

TABLE 1.
FEDERAL INCOME TAX.

Application of Section 10a of the Income Tax Assessment Act, 1921, showing Rate of Tax on Income from Primary Production.

ON RISING INCOMES.

Sub-clause.	Income earned.		Total income over averaging period.	Amount of average income.	Income assessed.	At rate for average income.	Amount of tax payable.	Rate of tax applicable to annual income.	Amount of tax payable on annual income at the rate applicable thereto.	Saving in tax to taxpayer.
	Year.	Amount.								
a	1921	£ 500	1,500	750	1,000	5.9	24 11 8	7.4	30 16 8	6 5 0
	1922	1,000								
b	1921	500	2,700	900	1,200	6.8	34 0 0	8.6	43 0 0	0 0 0
	1922	1,000								
	1923	1,200								
c	1921	500	4,200	1,050	1,500	7.7	48 2 6	10.4	65 0 0	16 17 6
	1922	1,000								
	1923	1,200								
	1924	1,500								
d	1921	500	6,200	1,240	2,000	8.84	74 10 0	13.4	111 13 4	37 3 4
	1922	1,000								
	1923	1,200								
	1924	1,500								
	1925	2,000								

NOTE.—These figures are calculated at the income rates under the State Land and Income Tax Act, and are exclusive of the 15 per cent. super tax.

TABLE 2.
FEDERAL INCOME TAX.

Application of Section 10a of the Income Tax Assessment Act, 1921, showing Rate of Tax on Income from Primary Production.

ON DECREASING INCOME.

Sub-clause.	Income earned.		Total income over averaging period.	Amount of average income.	Income assessed.	At rate for average income.	Amount of tax payable.	Rate of tax applicable to annual income.	Amount of tax payable on annual income at the rate applicable thereto.	Additional tax payable by taxpayer on account of adoption of averaging system.
	Year.	Amount.								
a	1921	£ 2,000	£ 3,500	£ 1,750	£ 1,500	d. 11.9	£ s. d. 74 7 6	d. 10.4	£ s. d. 65 0 0	£ s. d. 9 7 6
	1922	1,500								
b	1921	2,000	4,700	1,567	1,200	10.802	54 0 2	8.6	43 0 0	11 0 2
	1922	1,500								
	1923	1,200								
c	1921	2,000	5,700	1,425	1,000	9.95	41 9 2	7.4	30 16 8	10 12 6
	1922	1,500								
	1923	1,200								
	1924	1,000								
d	1921	2,000	6,200	1,240	500	8.84	18 8 4	4.4	9 3 4	9 5 0
	1922	1,500								
	1923	1,200								
	1924	1,000								
	1925	500								

NOTE.—These figures are calculated at the income rates under the State Land and Income Tax Act, and are exclusive of the 15 per cent. supertax. The figures shown in the second column "Income earned" are the reverse of the figures shown in Table "1"; that is to say, that for the year 1921 I have taken the income of 1925, namely, £2,000; for the year 1922 the income of 1924, £1,500, and so on.

TABLE 3.
ON FALLING PROFITS.

Sub-clause.	Income earned.		Total income over averaging period.	Amount of average income.	Income assessed.	Rate of tax for average income.	Amount of tax payable.	Rate of tax applicable to annual income.	Amount of tax payable on annual income at the rate applicable thereto.	Additional tax payable by taxpayer on account of adoption of averaging system.
	Year.	Amount								
a	1921	£ 6,000	£ 11,600	£ 5,800	£ 5,600	36.2	849 13 4	35	816 13 4	33 0 0
	1922	5,600								
b	1921	6,000	16,800	5,600	5,200	35	758 6 8	32.6	706 6 8	52 0 0
	1922	5,600								
	1923	5,200								
c	1921	6,000	20,400	5,100	3,600	32	480 0 0	23	345 0 0	135 0 0
	1922	5,600								
	1923	5,200								
	1924	3,600								
d	1921	6,000	22,000	4,400	1,600	27.8	185 6 8	11	73 6 8	112 0 0
	1922	5,600								
	1923	5,200								
	1924	3,600								
	1925	1,600								

NOTE.—These figures are calculated at the income rates under the State Land and Income Tax Act, and are exclusive of the 15 per cent. supertax.

TABLE 4.
ON RISING INCOMES.

Sub-clause.	Income earned.		Total income over averaging period.	Amount of average income.	Income assessed.	Rate of tax for average income.	Amount of tax payable.	Rate of tax applicable to annual income.	Amount of tax payable on annual income at the rate applicable thereto.	Saving in tax to taxpayer.
	Year.	Amount								
a	1921	£ 1,600	5,200	2,600	3,600	17	255 0 0	23	345 0 0	90 0 0
	1922	3,600								
b	1921	1,600	10,400	3,467	5,200	22.202	481 0 10	32.6	706 6 8	225 5 10
	1922	3,600								
	1923	5,200								
c	1921	1,600	16,000	4,000	5,600	25.4	592 13 4	35	816 13 4	224 0 0
	1922	3,600								
	1923	5,200								
	1924	5,600								
d	1921	1,600	22,000	4,400	6,000	27.8	695 0 0	37.4	935 0 0	240 0 0
	1922	3,600								
	1923	5,200								
	1924	5,800								
	1925	6,000								

NOTE.—These figures are calculated at the income rates under the State Land and Income Tax Act, and are exclusive of the 15 per cent. super tax. The figures shown in the second column "Income earned" are the reverse of the figures shown in Table "3." For example, for the year 1921, I have taken the income for 1925 of Table "3," namely, £1,600; for the year 1922, the income of 1924, £3,600, and so on.

AMENDMENTS OF THE STATE LAW.

One of the principal amendments, as contained in the Land and Income Tax Assessment Amendment Act, 1921, is the provision under Section 7, subsection (2), to allow net trading, prospecting, or business losses incurred in any one or more years, during the three years preceding the year of assessment, as a deduction from the taxable income.

The system of carrying forward of losses of one or more years (not exceeding three) until extinguished by subsequent profits is fair and equitable and more satisfactory and beneficial to taxpayers than any system of averaging.

The three Royal Commissioners on Taxation (Messrs. W. Warren Kerr (Chairman), S. Mills, and M. B. Duffy) in their (minority) report state (*vide* p. 58, paragraph 59):—

"The system of carrying forward of losses—

- (a) Would supply an element of equity which is lacking in the existing system, as it makes full allowance for the losses which that system ignores.
- (b) Would not act to the pecuniary detriment of the taxpayer (as any averaging system frequently would), while at the same time it would secure to the revenue its just share.
- (c) Is much simpler than the averaging system, and consequently will be understood by a much larger body of taxpayers.
- (d) Would, as compared with an averaging system, involve much less trouble to taxpayers in checking their assessments.
- (e) Would free taxpayers from payment of tax or reduce the payments during the years of greatest stress.
- (f) Is in consonance with recognised business and accountancy methods, and would be applicable without any change of method to all classes of taxpayers.
- (g) Would be much less difficult and expensive in administration than an averaging system. Official evidence showed that, for the first few years at least, there would be very great difficulty in obtaining the additional competent officers who would be required if an averaging system were adopted.
- (h) Would operate normally from the first year. The averaging system as recommended in the Report does not operate normally for five years.

I agree entirely with the opinions of these gentlemen.

CONFERENCE WITH ROAD BOARDS' REPRESENTATIVES.

As a result of a circular, set out hereunder, which was issued to all the Road Boards in the State with the exception of those in the North and Nor'-West and the remote districts, conferences were held at the following places during October, 1921:—

Perth, 10th	Narrogin, 25th
Geraldton, 14th	Katanning, 26th
Northam, 18th	Bunbury, 28th

Taxation Department,
Perth, 15th September, 1921.
Please quote No. L. 2/32.

Conference of Road Boards to meet the Federal Commissioner and State Commissioner of Taxation.

"The Federal Commissioner of Taxation, Mr. R. Ewing, is due to arrive in this State early next month, and during his visit it is proposed to meet representatives of Road Boards in conference at certain country centres, and in Perth, with the object of discussing the following matters:—

- (1) The valuation of all city, suburban, and country lands, and the cost thereof;
- (2) The assessing of all such land on a definite principle, namely, on the unimproved value;
- (3) The keeping of accurate and full records in one central department of all land liable to taxation;
- (4) The consideration of any other matters of common interest to Road Boards and taxation generally.

The following itinerary has been prepared, and I shall be pleased if you will arrange for two or three representatives of your Board to meet the Federal Commissioner and myself at the most convenient place mentioned therein:—

Narrogin—Tuesday, 11th October, at 10 a.m.	Perth—Monday, 17th October, at 5 p.m.
Katanning—Wednesday, 12th October, at 2.30 p.m.	Northam—Tuesday, 18th October, at 3 p.m.
Bunbury—Friday, 14th October, at 3 p.m.	Geraldton—Friday, 21st October, at 2.30 p.m.

If it is the intention of your Board to be represented at the conference, I shall be pleased if you will communicate with the secretary of the Road Board of the town where your representative intends to meet, informing him accordingly. This is essential in order that the necessary accommodation can be arranged.

With regard to the meeting to be held in Perth on Monday, the 17th October, please communicate with Mr. E. H. Rosman, Road Boards Association, 9 Dalgety Buildings, William Street, Perth, who has agreed to arrange the place of meeting in Perth.

Will you please give this matter early attention, and advise me whether your Board is sending representatives to the conference, and if so, the name of the place of meeting.

(Signed) E. A. BLACK,
State Commissioner of Taxation.

ADDRESSES BY THE FEDERAL AND STATE COMMISSIONERS OF TAXATION.

Mr. R. Ewing, the Federal Commissioner of Taxation, set out in a very clear and concise manner the provisions in the Federal and State Taxation laws in respect to Land Tax and Land values which the Federal and State Commissioners were bound to follow in the administration of the laws under their control, and he further referred to the principles laid down by the Courts, which the Commissioners were bound to observe in their administration of the Taxation Acts.

Mr. Ewing furthermore made it clear that the calling of the conferences of Road Boards and the proposal set out in the department's circular of the 15th September, 1921, addressed to Road Boards, and which was now the subject of discussion, originated with the State Commissioner of Taxation and before there was any thought of amalgamation of the Federal and State Taxation Departments in this State.

The subject of the conference is, therefore, more a State than a Federal matter, but Mr. Ewing stated that as the executive head of the amalgamated Federal and State Taxation Department, he was directly concerned with the scheme before the meeting, and was present as the representative of the Federal Government.

Land Tax Records.

The Federal Commissioner then called upon the State Commissioner, who was responsible for the issuing of the circular, to explain it, and to set out the reasons for calling a Conference of Road Boards representatives.

The State Commissioner stated that, at the time he was appointed to take charge of the State Taxation Department in October, 1919, there were no records of the non-taxable land in existence, and the existing records of taxable land, which had been compiled from the taxpayers' land returns and information obtained from the Titles Office, Lands Department, and other sources was not sufficiently accurate to enable a proper record being established, and therefore it was considered necessary to set to work to put these records on a satisfactory basis.

When considering the system of Land Records the Commissioner stated he had in mind the provisions of the Valuation Bill which was passed by the Legislative Assembly but rejected by the Legislative Council in 1913.

The Bill provided, *inter alia*, for the establishment of a Valuation Department, which would value and record all lands for the whole of the Taxing Authorities of the State. The Bill appealed to him as being essential and economical, and he saw no reason, seeing that there was little prospect of a Valuation Department being established in the near future, why the State Taxation Department could not carry out all the provisions of the Bill in regard to land records and values, etc.

Economy.

The Commissioner emphasised the need for economy and stated that in these days of financial stress through which the Commonwealth, the States, and the world in general are passing, economy is of the utmost importance and should be effected wherever possible by all Taxation Authorities working together on a common basis. This fact had already been realised by the Federal and State Governments, as is evidenced by the amalgamation of the Federal and State Taxation Departments in this State.

In 1917-18 an Economy Conference of Municipal Council and Road Board representatives was held in the Town Hall, Perth, and on the Agenda Paper one of the principal subjects set down for consideration was the adoption of one valuation for Federal-State, Municipal and Road Board purposes. If economy was necessary in 1917-18 it is absolutely essential to-day, and every effort should be put forward by every Taxing Authority to economise in administration with the intention of achieving this object. This and the other reasons already mentioned led to the Department issuing its circular of the 15th September last, and calling a Conference of Road Board representatives.

Before starting to discuss the circular the State Commissioner pointed out that at the present time the Department was compiling a system of records of taxable and non-taxable lands throughout the State, and which was known departmentally as the "Block Order System."

The system consists of the keeping of a Lot or Location card for each block of land and an owner's card showing the particulars of the land owned. It was estimated about 250,000 Lot or Location cards would be required and about 60,000 to 70,000 owner's cards.

The creation of a permanent and accurate record of all the taxable and non-taxable land throughout the State is most essential, and the need of such a record has been felt in the past. Time and again the Government and Parliament have unsuccessfully applied for information in respect to land values throughout the State, which I regret to state the Department was unable to supply.

A permanent record of the whole of the land, taxable and non-taxable, of the State should be of the greatest value to all Taxing Authorities.

Economy in Administration.

Up to the 30th June, 1919, the Commissioner stated that land taxpayers were called upon to furnish annually a return of their taxable land. The number of returns received per annum totalled nearly 40,000, and when it is considered that these returns have to be recorded, numbered, stamped, checked, and filed with previous returns and are handled many times during the year, it will be realised that considerable economy will be effected by the abolition of such returns when the "Block Order System" is completed and brought into use.

The economy to taxpayers is a matter of consideration, for the furnishing of over 40,000 returns annually costs much time and money. Several thousands of taxpayers pay a considerable sum each year to have their returns prepared by agents who, in many cases, charge fees far in excess of the Land Tax payable.

The introduction of the "Block Order System" will effect a considerable saving to taxpayers in this direction.

Co-ordination of Land Values.

The State Commissioner pointed out that the Federal Land Tax Act, the State Land and Income Tax Assessment Act, and also the Road Board Act provide that the land shall be taxed on the "unimproved value."

The definition of "unimproved value" in the three Acts, although slightly different in wording, is identical in principle and there should, therefore, be no difficulty whatever in the two Departments and the Road Boards coming to a proper agreement and assessing on one uniform basis. The land liable for Federal and State Land Tax will, under the scheme of amalgamation, be assessed on a common basis, namely, on the same "unimproved value." If such a basis can be agreed to by the Federal and State Governments, surely a similar basis can be adopted for Road Boards, seeing as I have stated before that the Road Board Act in its definition of "unimproved value" is the same as the definition under the Federal and State laws.

The need for co-ordination of values is absolutely essential, as has been proved from experience and comparison of values between Road Boards, and the Department support this view. Road Boards alone have no uniform system of valuation. Many of their appraisements of land have been arrived at by arbitrary methods which have been found unsatisfactory and created many anomalies.

Recently, when in the Dowerin, Wyalcatchem, and Goomalling districts a comparison of the unimproved values adopted by these Road Boards proved that there were endless anomalies. For instance, first class land in one district had a value of £1 per acre. Similar land in another district, 10s. per acre, and in another 15s. per acre, and so on. Right through the values anomalies were to be found.

Several of the representatives present at the conferences admitted the correctness of this statement and gave instances of the discrepancies between the values in the different Road Boards districts, especially where they were adjoining.

In the Taxation Department we have competent trained and experienced Valuers; men who have an intimate knowledge from their own practical experience and training of the land values throughout the State, who can be relied upon to assess and apply a fair average valuation to all lands for taxation purposes, and if the Road Boards would come into line and adopt the one common valuation, many of their difficulties, which they experience with their own taxpayers, would be obviated.

Uniform Basis of Assessment of Land Values.

The State Commissioner stated that there was some misconception in the minds of some of the delegates as to what is meant by valuing the land on a common or "uniform basis," and he desired to explain that the term "uniform basis" does not mean that the Chief Valuer and his staff will value from the Taxation Office in Perth; that is to say, make an office valuation of the whole of the land in the State, and apply such valuations generally irrespective of where the land is situated. What is meant by the term "uniform basis" is, that as the three Acts, Federal, State, and Road Board, provide for one and the same principle for arriving at the "unimproved value" of land, therefore the land in each district throughout the State would be valued according to its classification, distance from railway station, siding or port of shipment, and after taking into consideration all conditions appertaining to the sale or purchase of land, rainfall, water supply, and every other factor which influences the value of land. For example: the Chief Valuer or his assistant would not apply the conditions existing, say, in the Northam District to the land in the Narrogin or Katanning Districts. His duty would be to ascertain all the facts concerning the sale or purchase price of the land in each district separately, and to apply these conditions in arriving at the unimproved value of the land, but in so doing, the Valuer would adopt one uniform principle and arrive at the "unimproved value."

General Land Values.

It has been suggested that the Department should value land jointly with the Road Boards, that is to say, Departmental Valuers would appraise the land jointly with the Road Board Valuer and both would work together. The Federal and State Commissioners are agreed that such an arrangement would be most unsatisfactory, for many reasons. But apart entirely from this aspect of the question, the Commissioners could not consent to the powers and responsibilities imposed upon them by their respective Taxation laws being handed over or shared by Road Boards. The Department must, therefore, value independently of any Road Board, and any Road Board agreeing to adopt the proposals set out in the Department's Circular of the 15th September must accept and recognise this fact.

The Chief Valuer and his District Valuers would undoubtedly obtain the fullest information from any Road Board or from any person connected with Road Boards who is competent to give reliable information in regard to land values. The Departmental officers are out to get all the facts, no matter from what source, that would assist them in arriving at the correct "unimproved value" of the land in each Road Board or Municipal District.

Interests of Federal and State Governments.

As Mr. Ewing stated at the commencement of his address, the State is more concerned in the proposals set out in the circular than the Federal Government. This fact should always be kept in mind, and you will realise the position better when I tell you that out of 42,000 odd land returns that are sent to the Department annually, about 2,000 are Federal and over 40,000 State. The principal part of the cost of re-valuation of the lands in this State will, therefore, be borne by the State Government. Should the Road Boards or any of them accept the Department's proposals and agree to share the cost of re-valuing the land, they will be assisting the State and not the Federal Government.

Under the present Amendment Bill of the State Taxation law now before Parliament, it is proposed to re-value for State Land Tax purposes land once in every five years. With the present staff available this work can be accomplished within that time, but if Road Boards adopt the Department's proposals, and desire a re-valuation of the land in the respective districts at an early date, additional valuers and staff will have to be provided to carry out the work. This, as you will realise, means increased expenditure, but it is not proposed to charge the Road Boards more than a reasonable amount to cover the cost of transit of the Valuer through each Road Board district, plus incidental expenses (office) incurred in supplying the information or preparing any statement of values.

You will remember that the Department paid the Road Boards recently for information supplied. The Department will, therefore, in turn ask the Road Boards to pay for any information supplied to them, that is if you come under this scheme now before you. The Federal Commissioner and I think that a charge of about 5s. per day would be sufficient to cover the cost of transit of a Valuer through each Road Board District. This is a matter, however, that can be determined later on, and when it is known what number of Road Boards are prepared to come in and adopt the Department's scheme.

Assistance to Road Boards.

Mr. Ewing and I desire to make it clear to you all that we are anxious to assist Road Boards to the fullest extent and help them to arrive at a common basis whereby we would all be valuing land for State and Federal Taxation purposes on a co-ordinated basis and in accordance with the provisions of the Taxation laws.

If such a basis can be accepted, and I see no reason for its non-acceptance, the whole of the anomalies in respect to land values that exist so generally throughout Road Board Districts to-day will be removed, and the disposal of appeals against joint valuations rendered easy and less costly to the taxpayers.

Appeals.

The question of dealing with appeals on the acceptance of the Department's proposals would require consideration. The procedure adopted by the Department in respect to taxpayers' appeals against the State assessments is not generally understood, and many taxpayers have a wrong idea of the course followed by the Department in dealing with and finalising appeals.

It is, therefore, necessary that the position should be made clear to you. In the first place, by stating that State Land and Income Tax Assessment Act provides for all appeals being submitted to a Court of Review. The Court of Review, as constituted at present, consists of the Local Court Magistrate in Perth. The State Commissioner of Taxation, however, may arrange for the Court of Review to sit in any part of the State and hear appeals, and he may arrange for a Local Court Magistrate in any district of the State being appointed and constituted a Court of Review. This course would be followed in those cases where it was necessary to save the Department and taxpayers expense. On questions of fact there is no appeal from the Court of Review, but on questions of law the Magistrate constituting the Court of Review may exercise his discretion and refer the matter to a higher Court for consideration. As few points of law arise in connection with State Land Tax appeals, very few taxpayers indeed would be put to the expense and inconvenience of going to a Higher Court.

The procedure in dealing with appeals is as follows:—

- (a.) A Taxpayer on receipt of his Notice of Assessment for Land Tax has 30 days from the due date shown in the Notice of Assessment in which to pay the tax and lodge his appeal. If the amount of tax is more than £1 he can pay the same in two equal moieties, and it is only necessary for him to pay the first moiety and lodge an appeal within 30 days if he is dissatisfied with the assessment made.
- (b.) On the receipt of a Notice of Appeal from a taxpayer, it is passed by the Chief Valuer on to the Appraiser who assessed the land, with the request that he review the valuation made and consider the objections raised by the taxpayer to the valuation. If the Appraiser is satisfied that his value is a fair and equitable one, he makes a recommendation to the Chief Valuer to that effect, and that he considers that it should stand, and the taxpayer is informed accordingly. On the other hand, if the Valuer thinks the taxpayer's reasons for appeal are satisfactory and that an over-valuation has been made, an amended valuation is put up and amended notice of assessment issued after approval by the State Commissioner of Taxation. If the taxpayer is still dissatisfied, he may request that his case be sent on to the Court of Review.
- (c.) Every facility and consideration is given the taxpayer in regard to their appeals before they are sent on to the Court of Review, and the Chief Valuer and his Appraisers are always willing to discuss with taxpayers at any time their objections to assessments made. Almost every week appeals are submitted to me by the Chief Valuer for consideration, and if I am satisfied that the taxpayer has made out a good case, and the Chief Valuer agrees, he receives all the consideration he is entitled to under the law.

Finally, I wish to state that the acceptance of the Department's scheme is purely voluntary. If you wish to discard it and go on as you have been doing, well and good, but, on the other hand, if the Road Board adopt the scheme, I am fully convinced that the best interests of all Taxing Authorities in the State, as well as the taxpayers themselves, will be served, and the anomalies that now exist and which create much friction and endless trouble, will be removed, and an advance will have been made in taxation matters that will prove of the utmost benefit, not only to the Taxing Authorities concerned, but to the taxpayers themselves.

A free and general discussion took place at each conference, and it was agreed that the Road Board representatives should confer with their respective Boards and submit their decision to the Department direct. So far, I am pleased to state, that something like 20 Road Boards have agreed to adopt the Department's proposals. Some of the Boards in the Metropolitan area that were opposed to the Department's scheme have recently come in and adopted the departmental values and expressed satisfaction with the values given to them, which have been found fair and reasonable. It is hoped in time that the rest of the Boards will follow suit and adopt what Mr. Ewing and I conscientiously believe to be a fair, equitable, and reasonable basis of assessment for all land tax values.

Comparison of State and Federal Values.

A considerable amount of detail work has been performed since amalgamation in the comparison and adjusting of the Federal and State Land Tax values. This work was necessary, as it was found that there were considerable differences in the values adopted by the two Departments before amalgamation. When this work is complete, the assessing of land values will be greatly facilitated in future. It has, however, been found necessary to have a re-valuation made of the whole of the State lands, it being about 10 years since any general re-valuation was made. Since this time, prices have risen considerably in respect to business, residential and agricultural and other lands.

Arrangements are almost completed for the appointment of three additional temporary Valuers for valuing country lands, and for the appointment of temporary Valuers in the principal country towns of the State, who will be engaged from time to time on checking Land Tax values for Probate and Estate Duty.

I have the honour to be,

Sir,

Your obedient servant,

EDWIN A. BLACK,
State Commissioner of Taxation.

TABLE A.—Abstract of Revenue collected during the Four Financial Years ended 30th June, 1922.

Nature of Revenue.	1918-19.	1919-20.	1920-21.	1921-22.	The Four Years.
	£	£	£	£	£
Land Tax	34,182	46,414	57,790	42,549	180,935
Less—Refunds	81	25	30	164	300
Net Amount	34,101	46,389	57,760	42,385	180,635
Income Tax	226,561	271,387	334,320	320,874	1,153,142
Less Refunds	337	1,072	1,733	11,338	14,480
Net Amount	226,224	270,315	332,587	309,536	1,138,662
Dividend Duty	133,062	144,747	244,969	177,005	699,783
Less Refunds	575	159	289	1,520	2,543
Net Amount	132,487	144,588	244,680	175,485	697,240
*Stamp Duty	112,103	173,541	177,403	...	463,047
Less Refunds	101	218	68	...	387
Net Amount	112,002	173,323	177,335	...	462,660
Totalisator Duty	42,409	45,911	57,447	57,792	203,649
Totalisator Licenses	626	779	896	1,026	3,327
Miscellaneous	331	385	588	11	1,315
Total	548,270	681,690	871,293	586,235	2,687,488

*On the 1st July, 1921, the administration of the Stamp Act was transferred to the Treasury.

TABLE B.—Expenditure during the Four Financial Years ended 30th June, 1922.

Nature of Expenditure.	1918-19.	1919-20.	1920-21.	The Three Years.	1921-22.
	£	£	£	£	£
Salaries, overtime, etc.	16,562	20,880	29,650	67,092	...
Printing and Stationery	216	244	109	629	...
Advertising	9	9	85	103	a 1,493
Office Requisites	4	75	6	85	...
Postage	1,098	1,143	1,182	3,423	b 12,993
Travelling	268	294	397	959	...
Office Cleaning and Sundries	668	786	473	1,927	...
Stamp Duty (Paper, Printing and Commission)	1,111	483	562	2,156	...
Total	19,936	23,914	32,524	76,374	14,486

a. Computation of Long Service Leave, Arrears of Salary on re-classifications by Appeal Board, and Incidental expenses incurred prior to, but not paid before 30th June, 1921.

b. Amount paid to Federal Government in terms of the agreement.

TABLE C.—Returns and Taxpayers, 1907 to 1921.

Year.	Returns Received.			Persons or Companies actually Taxed.		
	Land Tax.	Income Tax.	Dividend Duty.	Land Tax.	Income Tax.	Dividend Duty.
	No.	No.	No.	No.	No.	No.
1907	24,292	21,242	360	16,469	9,434	166
1908	22,262	16,940	476	17,726	9,249	180
1909	22,817	17,092	466	18,055	9,498	221
1910	24,803	17,283	518	19,107	10,015	254
1911	25,721	18,196	530	19,602	10,767	277
1912	27,030	19,458	547	20,515	11,994	293
1913	28,557	20,981	510	22,200	13,417	309
1914	29,925	21,769	534	24,129	13,652	306
1915	32,189	22,794	633	26,958	13,821	449
1916	32,256	28,252	662	27,359	14,992	446
1917	33,122	32,617	656	27,440	*	425
1918	36,672	57,570	747	27,523	33,327	489
1919	38,665	58,274	773	27,879	34,597	500
1920	40,659	60,727	977	29,260	39,421	617
1921	†	a 70,298	801	†11,085	†22,447	643

* 1917 Assessments not tabulated, being for six months only.

† Assessment incomplete.

a. Amalgamated Returns.

† Returns not called for except in cases of change of ownership.

TABLE D.—Analysis of Income Tax Assessments for Years 1919-20, 1920-21, and 1921-22.

Grouped according to Total Income.	Number of Persons.			Total Income.	Income Tax.	
	Taxed.	Exempt.	Total.		Amount.	Per Person Taxed.
<i>1919-20, Thirteenth Assessment—</i>	No.	No.	No.	£	£	£ s. d.
£101 to £200	14,073	6,635	20,708	3,247,865	20,428	1 9 0
£201 to £300	11,373	3,592	14,965	3,501,813	27,104	2 7 8
£301 to £500	5,566	138	5,704	2,086,522	23,627	4 4 11
£501 to £700	1,503	30	1,533	883,498	13,791	9 3 6
£701 to £1,000	894	11	905	747,604	15,204	17 0 2
£1,001 to £1,500	610	6	616	733,895	20,514	33 12 7
£1,501 to £5,000	507	9	516	1,216,949	63,977	126 3 0
£5,001 and over	71	...	71	729,073	65,136	917 8 2
Total	34,597	10,421	45,018	13,149,019	249,779	7 4 5
<i>1920-21, Fourteenth Assessment—</i>						
£101 to £200	14,247	4,848	19,095	3,045,702	20,859	1 9 3
£201 to £300	13,473	3,633	17,106	4,061,208	33,582	2 0 10
£301 to £500	6,503	125	6,628	2,436,277	32,893	5 1 2
£501 to £700	1,912	18	1,930	1,116,201	21,359	11 3 5
£701 to £1,000	1,333	18	1,351	1,066,776	25,203	18 19 9
£1,001 to £1,500	942	2	944	1,076,107	37,077	39 7 2
£1,501 to £5,000	898	6	904	1,939,213	123,202	137 4 0
£5,001 and over	113	...	113	789,715	131,549	1,164 3 0
Total	39,421	8,650	48,079	15,531,199	425,784	10 16 1
<i>*1921-22, Fifteenth Assessment—</i>						
£101 to £200	3,460	1,008	4,468	740,439	5,471	1 11 7
£201 to £300	8,906	2,277	11,183	2,984,329	24,429	2 14 10
£301 to £500	6,698	506	7,204	2,709,549	32,056	4 15 9
£501 to £700	1,441	17	1,458	878,882	14,464	10 0 9
£701 to £1,000	833	8	841	711,603	15,332	18 8 1
£1,001 to £1,500	538	8	546	669,882	20,046	37 5 2
£1,501 to £5,000	529	4	533	1,291,566	78,295	148 0 1
£5,001 and over	42	1	43	351,779	50,073	1,192 4 3
Total	22,447	3,829	26,276	10,337,929	240,166	10 14 0

* Figures for this year incomplete.

TABLE E.—Income Taxed and Income Exempt 1919-20, 1920-21, and 1921-22.

Particulars.	Thirteenth Assessment, 1919-20.		Fourteenth Assessment, 1920-21.		Fifteenth Assessment, 1921-22.	
	Amount.	%	Amount.	%	Amount.	%
Income Taxed	£ 9,952,610	75.7	£ 12,325,730	79.4	£ 7,796,905	75.4
Incomes reduced by Deduction to below minimum	1,060,763	8.1	979,164	6.3	400,602	4.5
Children	1,322,899	10.1	1,369,270	8.8	1,300,206	12.6
Dividends from Companies	228,534	1.7	239,230	1.6	159,110	1.5
Life Assurance, etc., Premiums	187,088	1.4	209,290	1.4	169,232	1.6
Rates and Taxes	397,125	3.0	408,515	2.6	451,874	4.4
Total amount of exempt	3,196,469	24.3	3,205,469	20.6	2,541,024	24.6
Total Income	13,149,019	100.0	15,531,199	100.0	*10,337,929	100.0

* Figures incomplete.

TABLE F.—Classifications of 1918-19, 1919-20, and 1920-21 Incomes, according to occupations from which Income mainly derived.

Occupation or Principal Source of Taxation.	No. of Persons Taxed.			Income Taxed.			Income Tax.		
	1918-19.	1919-20.	1920-21.	1918-19.	1919-20.	1920-21.	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£	£	£	£
Builders and Contractors ...	110	148	162	39,408	53,906	67,557	773	1,046	1,604
Butchers and Bakers ...	299	300	322	132,294	121,332	167,033	3,560	2,784	6,195
Chemists ...	65	74	81	228,059	33,487	39,492	586	649	981
Dairymen ...	125	67	97	31,796	17,476	25,102	476	248	400
Doctors and Dentists ...	130	156	161	103,575	128,876	144,427	4,182	5,576	7,639
Engineers, Surveyors, etc. ...	50	62	119	21,919	29,738	60,866	507	737	2,169
Farmers and Orchardists ...	1,631	1,932	2,950	570,256	747,434	1,590,779	13,221	15,435	58,099
Fruiters, etc. ...	114	123	103	27,031	27,687	29,700	360	346	484
Grocers and Storekeepers ...	528	409	571	200,589	136,603	241,813	5,448	2,632	9,246
Hotelkeepers ...	428	454	430	236,262	257,342	296,141	8,115	9,168	14,906
Lawyers ...	91	96	102	71,127	70,479	70,567	3,219	2,556	3,862
Merchants and Manufacturers ...	209	186	184	305,945	220,089	310,504	25,764	17,342	40,687
Mine Owners and Tributaries ...	362	419	512	190,935	247,371	360,242	9,590	11,771	19,830
Pastoralists and Graziers ...	459	386	330	1,103,319	676,906	433,940	106,749	64,557	49,742
Pearlers ...	41	54	49	19,475	29,594	32,218	492	951	1,405
Restaurants and Lodging Houses ...	148	143	162	35,549	41,515	50,184	517	691	942
Salary and Wage-earners ...	24,788	26,020	28,999	5,362,980	5,638,097	6,533,736	76,013	75,079	127,567
Tailors and Drapers ...	298	306	365	136,845	141,188	209,727	4,805	4,856	11,481
Tobacconists, Stationers, etc. ...	246	238	177	75,517	85,353	117,338	1,510	2,083	4,377
Miscellaneous ...	3,205	3,024	3,545	1,201,448	1,248,138	1,544,364	34,302	40,932	75,447
Total ...	33,327	34,597	39,421	9,914,329	9,952,610	12,325,730	300,189	259,439	437,163

TABLE F1.—Classification of 1921-22 Incomes according to occupations from which Income mainly derived.

(Arranged according to Federal Groups).

Occupation or Principal Source of Income.	No. of Persons taxed.	Income Taxed.	Income Tax.
		£	£
Farmers ...	1,557	914,617	37,986
Pastoralists ...	103	132,207	12,344
Mining Businesses ...	105	108,203	7,923
Shipping Businesses ...	6	3,254	86
Manufacturers, other than Boot and Clothing ...	30	29,315	1,514
Artisans, not in receipt of Salary or Wages ...	506	242,882	10,570
Clergymen ...	84	23,188	341
Salary and Wages ...	16,693	4,405,904	79,007
Professional Persons ...	278	211,723	10,569
Insurance Businesses ...	2	1,092	24
Financiers, etc. ...	7	4,032	121
Hotelkeepers ...	238	205,578	11,042
Brewers ...	1	1,117	43
Timber Merchants ...	12	32,924	4,923
Wholesale Hardware Merchants ...	...	...	...
Soft Goods Merchants ...	...	...	...
Boot Manufacturers ...	4	2,903	93
Clothing Manufacturers ...	...	...	...
Retail Stores other than Soft Goods ...	661	303,345	14,359
Soft Goods Retail Stores ...	...	...	...
Miscellaneous ...	434	327,275	23,718
Property ...	1,726	787,346	54,700
Total ...	22,447	7,796,905	269,363

TABLE G. Amount per Taxpayer of Income liable to Tax, and of Income Tax imposed for each Occupation.

Occupation or Principal Source of Income.	Average Amount per Taxpayer of—					
	Income liable to Tax.			Income Tax Imposed.		
	1918-19.	1919-20.	1920-21.	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
Builders and Contractors	350.9	364.2	417.0	7.0	7.0	9.0
Butchers and Bakers... ..	442.4	404.4	518.7	11.9	9.2	19.2
Chemists	431.6	452.5	493.1	9.0	8.7	12.1
Dairymen	254.3	260.8	258.8	3.8	3.7	4.1
Doctors and Dentists	796.7	820.1	807.0	32.1	35.7	47.4
Engineers, Surveyors, etc.	438.3	479.6	511.5	10.1	11.8	18.2
Farmers and Orchardists	349.6	386.8	539.2	8.1	7.9	19.7
Fruiters, etc.	237.1	225.1	288.3	3.1	2.8	4.7
Grocers and Storekeepers	379.9	334.0	423.5	10.3	6.4	16.2
Hotelkeepers	552.0	566.8	688.7	18.9	20.1	34.6
Lawyers	781.6	737.0	691.6	35.3	26.6	37.8
Merchants and Manufacturers	1,463.8	1,183.3	1,687.5	123.2	93.2	221.1
Mine Owners and Tributary... ..	527.4	590.3	703.6	26.4	28.0	38.7
Pastoralists and Graziers	2,403.7	1,753.6	1,315.0	232.5	167.2	150.7
Pearlers	475.0	548.0	657.5	12.0	17.6	28.7
Restaurants and Lodging Houses	240.2	290.3	309.7	3.5	4.8	5.2
Salary and Wage-earners	216.3	216.7	225.3	3.0	2.8	4.4
Tailors and Drapers	459.2	461.4	574.6	16.1	15.8	31.4
Tobacconists, Stationers, etc.	306.9	358.6	662.9	6.1	8.7	24.7
Miscellaneous	374.9	412.7	435.6	10.7	13.5	21.3

TABLE G1.—Amount per Taxpayer of Income liable to Tax and of Income Tax Imposed for each Occupation.

(Arranged according to Federal Groups).

Group.	Average Amount per Taxpayer of—	
	Income liable to Tax.	Income Tax Imposed.
	£	£
Farmers	587.4	24.4
Pastoralists	1,283.5	119.8
Mining Businesses	1,030.5	75.4
Shipping Businesses	543.3	14.3
Manufacturers other than Boots and Clothing	977.2	50.5
Artisans not in receipt of Salary or Wages	480.0	20.9
Clergymen	276.0	4.0
Salary and Wages	263.9	4.7
Professional Persons	761.6	38.0
Insurance Businesses	546.0	12.0
Financiers, etc.	576.0	17.3
Hotelkeepers	863.7	46.4
Brewers	1,117.0	43.0
Timber Merchants	2,743.7	410.2
Wholesale Hardware Merchants ... ..	...	...
Soft Goods Merchants ... ..	...	...
Boot Manufacturers	725.7	23.2
Clothing Manufacturers ... ..	...	...
Retail Stores other than Soft Goods	549.6	21.7
Soft Goods Retail Stores ... ..	...	...
Miscellaneous	754.0	54.6
Property Holders	456.1	31.7

* Figures in this Statement incomplete.

TABLE H.—Revenue under the Companies Duty Act, 1899, and Dividend Duties Act, 1902, during the 23 years ended 30th June, 1922.

Financial Year.							Duty Collected.
							£
1899-1900	...	...	...	...	...	...	55,015
1900-1901	...	...	...	...	...	...	67,998
1901-1902	...	...	...	...	...	...	85,890
1902-1903	...	...	...	...	...	...	127,607
1903-1904	...	...	...	...	...	...	125,071
1904-1905	...	...	...	...	...	...	123,733
1905-1906	...	...	...	...	...	...	137,485
1906-1907	...	...	...	...	...	...	116,916
1907-1908	...	...	...	...	...	...	108,033
1908-1909	...	...	...	...	...	...	95,273
1909-1910	...	...	...	...	...	...	88,315
1910-1911	...	...	...	...	...	...	84,495
1911-1912	...	...	...	...	...	...	100,455
1912-1913	...	...	...	...	...	...	98,464
1913-1914	...	...	...	...	...	...	92,567
1914-1915	...	...	...	...	...	...	93,916
1915-1916	...	...	...	...	...	...	103,585
1916-1917	...	...	...	...	...	...	105,554
1917-1918	...	...	...	...	...	...	109,462
1918-1919	...	...	...	...	...	...	133,062
1919-1920	...	...	...	...	...	...	144,748
1920-1921	...	...	...	...	...	...	244,969
1921-1922	...	...	...	...	...	...	177,005
Total							2,619,618

TABLE I.—Classification of the Companies and Duty collected therefrom during the Six Financial Years ended 30th June, 1922.

Nature of Companies.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	The Six Years.
	£	£	£	£	£	£	£
Mining	36,092	37,548	30,844	26,239	40,840	42,191	213,754
Trading and Manufacturing	50,595	54,304	72,331	89,502	145,294	80,740	492,856
Banking and other Financial	8,194	8,714	9,955	10,800	24,011	16,327	78,001
Shipping	2,928	3,153	2,526	4,110	12,636	11,980	37,333
Life Assurance	*	*	7,888	5,663	6,586	3,251	23,388
Insurance (other than Life Assurance)	4,145	4,543	9,014	8,129	13,293	14,963	54,087
Miscellaneous	3,600	1,110	504	305	2,309	7,553	15,381
Total	105,554	109,462	133,062	144,748	244,969	177,005 ¹	914,800

* Prior to 1st July, 1917, Life Assurance Companies were liable to Income Tax.

TABLE J.—Totalisator Duty collected during the seventeen Financial Years ended 30th June, 1922.

Year.	No. of Meetings when Totalisator used.	Amount passed through Totalisator plus undistributed Fractions and Unclaimed Dividends.	Totalisator Duty Collected.
	No.	£	£
1905-6	65	223,200	5,580
1906-7	125	311,280	7,782
1907-8	125	316,680	7,917
1908-9	125	287,760	7,194
1909-10	128	286,137	7,153
1910-11	139	309,503	7,739
1911-12	153	361,640	9,042
1912-13	149	453,625	11,342
1913-14	201	482,653	12,071
1914-15	187	484,881	12,126
1915-16	261	497,534	12,439
1916-17	280	590,960	14,775
1917-18	200	580,642	18,713*
1918-19	226	708,233	42,499
1919-20	237	765,672	45,911
1920-21	283	956,979	57,447
1921-22	278	963,193	57,792
Total	3,162	8,580,572	337,522

*On and after 28th March, 1918, the rate of Duty increased from 2½ to 6 per cent.

TABLE K.—Race Meetings and Number at which Totalisator used during last Eight Financial years.

Particulars.	Number of Race Meetings.							
	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
METROPOLITAN.								
<i>Totalisator Used :</i>								
Galloping Races ...	45	87	101	56	53	56	58	58
Trotting Races ...	71	60	56	32	37	43	41	40
Total ...	116	147	157	88	90	99	99	98
<i>Totalisator not used :</i>								
Galloping Races ...	56	5	1	...	...	...	...	...
Trotting Races ...	...	...	...	...	...	...	...	9
Total, Metropolitan Races	172	152	158	88	90	99	99	107
EASTERN GOLDFIELDS.								
<i>Totalisator used :</i>								
Galloping Races ...	16	56	38	32	31	30	35	29
Trotting Races ...	...	12	29	22	24	22	30	27
Total ...	16	68	67	54	55	52	65	56
<i>Totalisator not used :</i>								
Galloping Races ...	48	9	...	...	...	...	...	...
Total, Eastern Goldfields Races	64	77	67	54	55	52	65	56
COUNTRY.								
<i>Totalisator used :</i>								
Galloping Races ...	54	45	55	57	80	83	115	102
Trotting Races ...	1	1	1	1	1	1	4	22
Total ...	55	46	56	58	81	84	119	124
<i>Totalisator not used :</i>								
Galloping Races ...	62	62	22	40	48	63	76	110
Trotting Races ...	...	...	...	...	...	...	2	8
Total ...	...	...	...	...	...	...	78	118
Total, Country Races	117	108	78	98	129	147	197	242
THE WHOLE STATE.								
<i>Totalisator used :</i>								
Galloping Races ...	115	188	194	145	164	169	208	189
Trotting Races ...	72	73	86	55	62	66	75	89
Total ...	187	261	280	200	226	235	283	278
<i>Totalisator not used :</i>								
Galloping Races ...	166	76	23	40	48	75	76	110
Trotting Races ...	...	...	...	...	...	...	2	17
Total ...	353	337	303	240	274	310	78	127
						Total ...	361	405

TABLE L.—Tax on Stakes won at Horse-races during the fifteen years ended 30th June, 1922.

Year.	Stakes won.	Income Tax collected thereon.
	£	£
1907-8	32,752	273
1908-9	63,531	1,059
1909-10	63,402	1,057
1910-11	60,105	1,002
1911-12	64,204	1,070
1912-13	87,497	1,458
1913-14	101,056	1,684
1914-15	107,847	1,798
1915-16	96,722	1,612
1916-17	89,513	1,492
1917-18	70,361	1,173
1918-19	82,267	1,371
1919-20	102,340	1,706
1920-21	123,564	2,059
1921-22	127,039	2,117
Total	1,272,200	20,931

TABLE M.—Analysis of Land Tax Assessments.

Classification of Land.	Area Assessed.	Unimproved Value.			Of Total Area.
		Of Area liable to Tax.		Of Area exempt from Tax.	
		At Improved Rate $\frac{1}{2}$ d. in £.	At Unimproved Rate, 1d. in £.		
	acres.	£	£	£	£
Metropolitan Land from Midland Junction to Fremantle	54,206	7,008,967	1,633,065	371,234	9,013,266
Goldfields Towns	1,481	114,782	10,541	14,567	139,870
Other Towns	18,743	915,985	269,633	82,821	1,268,439
Country land alienated or in process of alienation	17,809,037	7,328,038	778,351	2,871,338	10,977,727
Total alienated or in process of alienation	17,883,467	15,367,752	2,691,590	3,339,960	21,399,302
Crown leases with no right of purchase	161,880,830	251,838	42,507	36,220	330,565
Total of Land Assessed	179,564,297	15,619,590	2,734,097	3,376,180	21,729,867

TABLE N.—Incidence of Land Tax.

Classification of Land.	Percentage of Land Tax imposed.
	per cent.
Metropolitan and Suburban	48.73
Goldfields Towns ... ..	.64
Other Towns	6.90
Country	42.13
Pastoral Leases	1.60
Total	100.00

1923.
—
WESTERN AUSTRALIA.

FIFTEENTH
ANNUAL REPORT

OF THE
STATE COMMISSIONER OF
TAXATION

for the Year ended 30th June, 1923.

Presented to both Houses of Parliament by His Excellency's Command.

[THIRD SESSION OF THE ELEVENTH PARLIAMENT.]

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FIFTEENTH ANNUAL REPORT OF THE STATE COMMISSIONER OF TAXATION.

Perth, Western Australia,
18th October, 1923.

The Honourable the Colonial Treasurer, Perth,

I have the honour to submit the following Report and Tables showing the operation of the Taxation Department for the year ended the 30th June, 1923, together with corresponding figures for the previous years.

Table A.—Abstract of Revenue collected during the four Financial Years ended the 30th June, 1923.

Table B.—Expenditure during the four Financial Years ended the 30th June, 1923.

Table C.—Returns and Taxpayers, 1907 to 1922.

Table D.—Analysis of Income Tax Assessments for Years 1920-21, 1921-22, and 1922-23.

Table E.—Income Taxed and Income Exempt, 1920-21, 1921-22, 1922-23.

Table F.—Classification of 1918-19, 1919-20, and 1920-21 Incomes, according to occupation from which Income mainly derived.

Table G.—Classification of 1921-22 and 1922-23 Incomes, according to occupation from which Income mainly derived. (Arranged to Federal Grouping.)

Table H.—Amount per taxpayer of Income liable to Tax and of Income Tax imposed, for each occupation for years 1918-19, 1919-20, and 1920-21.

Table I.—Amount per taxpayer of Income liable to Tax and of Income Tax imposed, for each occupation for years 1921-22 and 1922-23. (Arranged according to Federal Groups.)

Table J.—Revenue under the Companies Duty and Dividend Duties Act, 1899-1900 to 1922-23.

Table K.—Classification of the Companies and Duty collected therefrom during the six Financial Years ended the 30th June, 1923.

Table L.—Totalisator Duty collected during the eighteen Financial Years ended the 30th June, 1923.

Table M.—Race Meetings at which Totalisator used during the last eight Financial Years.

Table N.—Tax on Stakes won at Horse-races during the sixteen years ended the 30th June, 1923.

Table O.—Analysis of Land Tax Assessments.

Table P.—Incidence of Land Tax.

I have the honour to be,

Sir,

Your obedient servant,



State Commissioner of Taxation.

TABLE A.—Abstract of Revenue collected during the Four Financial Years ended 30th June, 1923.

Nature of Revenue.	1919-20.	1920-21.	1921-22.	1922-23.	The Four Years.
	£	£	£	£	£
Land Tax	46,414	57,790	42,549	79,983	226,736
Less — Refunds	25	30	164	607	826
Net Amount	46,389	57,760	42,385	79,376	225,910
Income Tax	271,387	334,320	320,874	390,003	1,316,584
Less Refunds	1,072	1,733	11,338	8,581	22,724
Net Amount	270,315	332,587	309,536	381,422	1,293,860
Dividend Duty	144,747	244,969	177,005	189,057	755,778
Less Refunds	159	289	1,520	3,310	5,278
Net Amount	144,588	244,680	175,485	185,747	750,500
*Stamp Duty	173,541	177,403	...	...	350,944
Less Refunds	218	68	...	...	286
Net Amount	173,323	177,335	...	...	350,658
Totalisator Duty	45,911	57,447	57,792	54,411	215,561
Totalisator Licences	779	896	1,026	934	3,635
Miscellaneous	385	588	11	13	997
Total	681,690	871,293	586,235	701,903	2,841,121

*On the 1st July, 1921, the administration of the Stamp Act was transferred to the Treasury.

TABLE B.—Expenditure during the Four Financial Years ended 30th June, 1923.

Nature of Expenditure.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£
Salaries, overtime, etc.	20,880	29,650	...	...
Printing and Stationery	244	169	...	...
Advertising	9	85	a 1,493	...
Office Requisites	75	6	...	...
Postage	1,143	1,182	b 12,993	b 12,993
Travelling	294	397	...	...
Office Cleaning and Sundries	786	473	...	...
Stamp Duty (Paper, Printing and Commission)	483	562	...	...
Total	23,914	32,524	14,486	12,993

a. Computation of Long Service Leave, Arrears of Salary on re-classifications by Appeal Board, and Incidental expenses incurred prior to, but not paid before 30th June, 1921.

b. Amount paid to Federal Government in terms of the agreement.

TABLE C.—Returns and Taxpayers, 1907 to 1922.

Year.	Returns Received.			Persons or Companies actually Taxed.		
	Land Tax.	Income Tax.	Dividend Duty.	Land Tax.	Income Tax.	Dividend Duty.
	No.	No.	No.	No.	No.	No.
1907	24,292	21,242	360	16,469	9,434	166
1908	22,262	16,940	476	17,726	9,249	180
1909	22,817	17,092	466	18,055	9,498	221
1910	24,803	17,283	518	19,107	10,015	254
1911	25,721	18,196	530	19,602	10,767	277
1912	27,030	19,458	547	20,515	11,094	293
1913	28,557	20,981	510	22,200	13,417	309
1914	29,925	21,769	534	24,129	13,652	396
1915	32,189	22,794	633	26,958	13,821	449
1916	32,256	28,252	662	27,359	14,992	446
1917	33,122	32,617	656	27,440	*	425
1918	36,652	57,570	747	27,523	33,327	489
1919	38,665	58,274	773	27,879	34,597	500
1920	40,659	63,380	977	28,260	40,284	617
1921	†	a 72,679	801	28,494	47,897	643
1922	†	a 70,374	732	†19,366	†21,325	645

* 1917 Assessments not tabulated, being for six months only.

† Assessment incomplete.

a. Amalgamated Returns.

‡ Returns not called for except in cases of change of ownership.

TABLE D.—Analysis of Income Tax Assessments for Years 1920-1921, 1921-22, and 1922-23.

Grouped according to Total Income.	Number of Persons.			Total Income.	Income Tax.	
	Taxed.	Exempt.	Total.		Amount.	Per Person Taxed.
1920-21, Fourteenth Assessment—	No.	No.	No.	£	£	£ s. d.
£101 to £200	14,756	4,848	19,604	3,121,003	21,582	1 9 3
£201 to £300	13,650	3,633	17,283	4,105,267	34,122	2 10 0
£301 to £500	6,612	125	6,737	2,478,193	33,579	5 1 7
£501 to £700	1,942	18	1,960	1,133,620	21,731	11 3 10
£701 to £1,000	1,366	18	1,384	1,094,627	26,103	19 2 2
£1,001 to £1,500	944	2	946	1,078,421	37,168	39 7 5
£1,501 to £5,000	900	6	906	1,942,622	123,392	137 2 1
£5,001 and over	114	...	114	795,152	132,346	1,160 18 7
Total	40,284	8,650	48,934	16,748,905	430,023	10 13 6
1921-22, Fifteenth Assessment—						
£101 to £200	13,426	5,279	18,705	2,356,388	20,393	1 10 5
£201 to £300	19,400	6,888	26,288	5,678,318	51,062	2 12 8
£301 to £500	9,984	810	10,794	3,908,445	47,061	4 14 3
£501 to £700	2,219	44	2,263	1,347,878	22,386	10 1 4
£701 to £1,000	1,283	27	1,310	1,092,471	24,045	18 14 10
£1,001 to £1,500	787	13	800	975,521	30,197	38 7 5
£1,501 to £5,000	737	9	746	1,794,884	105,519	143 3 6
£5,001 and over	61	1	62	527,561	88,933	1,457 18 4
Total	47,897	13,071	60,968	17,681,466	389,546	8 2 9
*1922-23, Sixteenth Assessment—						
£101 to £200	1,607	27	1,634	246,719	2,108	1 6 3
£201 to £300	9,437	684	10,121	2,518,475	18,220	1 18 7
£301 to £500	6,257	84	6,341	2,385,427	28,860	4 12 3
£501 to £700	1,789	5	1,794	1,065,424	19,392	10 16 9
£701 to £1,000	1,043	5	1,048	869,217	20,558	19 14 2
£1,001 to £1,500	613	2	615	745,245	24,760	40 7 10
£1,501 to £5,000	547	5	552	1,280,408	84,981	155 7 2
£5,001 and over	32	...	32	255,265	41,904	1,309 10 0
Total	21,325	812	22,137	9,366,180	£40,783	11 5 10

* Figures for this year incomplete.

TABLE E.—Income Taxed and Income Exempt 1920-21, 1921-22, and 1922-23.

Particulars.	Fourteenth Assessment, 1920-21.		Fifteenth Assessment, 1921-22.		Sixteenth Assessment, 1922-23.	
	Amount.	%	Amount.	%	Amount.	%
Income Taxed	£ 12,530,085	79.6	£ 14,136,755	73.5	£ 6,918,784	73.87
Incomes reduced by Deduction to below minimum	9,9164	6.2	1,270,516	6.6	150,586	1.61
Children	1,372,278	8.7	2,690,707	13.8	563,673	6.02
Dividends from Companies	239,240	1.5	243,319	1.3	137,115	1.46
Life Assurance, etc., Premiums	209,640	1.4	28,084	1.5	144,998	1.55
Rates and Taxes	408,978	2.6	640,675	3.3	381,832	4.08
Calls to Companies ... ..	...	...	...	...	12,226	.13
Repairs to Residence ... ..	...	...	...	...	30,267	.32
Medical Expenses ... ..	...	...	...	...	5,215	.05
Travelling Expenses ... ..	...	...	...	...	14,963	.16
Contributions to Dependents ... ..	...	...	...	...	35,656	.38
Statutory Deduction ... ..	...	...	...	...	970,865	10.37
Total amount of exempt Income	3,209,220	20.4	5,101,301	26.5	2,447,396	26.13
Total Income	15,748,905	100.0	19,238,056	100.00	9,336,180	100.00

† Figures incomplete.

TABLE F.—Classifications of 1918-19, 1919-20, and 1920-21 Incomes, according to Occupations from which Income mainly derived.

Occupation or Principal Source of Taxation.	No. of Persons Taxed.			Income Taxed.			Income Tax.		
	1918-19.	1919-20.	1920-21.	1918-19.	1919-20.	1920-21.	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£	£	£	£
Builders and Contractors ...	110	148	162	39,408	53,905	67,557	773	1,046	1,804
Butchers and Bakers ...	299	300	324	132,294	121,332	167,588	3,560	2,784	6,207
Chemists ...	65	74	81	228,059	33,487	39,492	586	649	981
Dairymen ...	125	67	97	31,796	17,476	25,102	476	248	400
Doctors and Dentists ...	130	156	169	103,575	128,876	147,547	4,182	5,576	7,706
Engineers, Surveyors, etc. ...	50	62	148	21,919	29,738	68,242	507	737	2,291
Farmers and Orchardists ...	1,631	1,932	3,164	570,256	747,434	1,673,640	13,221	15,435	59,083
Fruiters, etc. ...	114	123	103	27,031	27,687	29,700	360	346	484
Grocers and Storekeepers ...	528	409	598	200,589	136,603	250,056	5,448	2,632	9,395
Hotelkeepers ...	428	454	434	236,262	257,342	297,447	8,115	9,168	14,928
Lawyers ...	91	96	102	71,127	70,479	70,567	3,219	2,556	3,802
Merchants and Manufacturers ...	209	186	186	305,945	220,089	311,245	25,764	17,342	40,699
Mine Owners and Tributors ...	262	419	520	190,935	247,371	362,695	9,590	11,771	19,874
Pastoralists and Graziers ...	459	386	331	1,103,319	678,906	434,528	106,749	64,557	49,756
Pearlers ...	41	54	49	19,475	29,594	32,218	492	951	1,405
Restaurants and Lodging Houses ...	148	143	162	35,549	41,515	50,184	517	691	942
Salary and Wage-earners ...	24,788	26,020	29,532	5,362,980	5,638,097	6,623,703	76,013	75,079	128,411
Tailors and Drapers ...	298	306	365	136,845	141,188	209,727	4,805	4,856	11,481
Tobacconists, Stationers, etc. ...	246	238	177	75,517	85,353	117,338	1,510	2,083	4,377
Miscellaneous ...	3,205	3,024	3,580	1,201,448	1,248,138	1,561,109	34,302	40,932	76,591
Total ...	33,327	34,507	40,284	9,914,329	9,952,610	12,539,685	300,189	269,439	441,377

TABLE G.—Classification of 1921-22 and 1922-23 Incomes, according to Occupations from which Income mainly derived (Arranged according to Federal Groups).

Occupation or Principal Source of Income.	No. of persons Taxed.		Income Taxed.		Income Tax.	
	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.
	£	£	£	£	£	£
Farmers ...	3,233	1,515	1,579,197	986,001	52,846	40,366
Pastoralists ...	193	126	306,930	400,392	44,227	53,929
Mining Businesses ...	155	78	146,752	59,616	9,816	3,169
Shipping Businesses ...	6	8	3,254	7,215	86	649
Manufacturers, other than Boots and Clothing	30	26	29,315	20,835	1,514	1,046
Artisans, not in receipt of Salary or Wages	922	352	390,127	196,512	15,682	9,477
Clergymen ...	90	25	24,852	6,307	367	134
Salary and Wages	37,645	16,578	8,736,645	3,714,343	131,757	66,962
Professional Persons ...	516	367	362,886	271,441	15,315	13,011
Insurance Businesses ...	2	...	1,092	...	24	...
Financiers, etc. ...	7	34	4,032	26,755	121	2,074
Hotelkeepers ...	375	188	300,904	173,172	14,409	10,987
Brewers ...	2	2	1,532	1,732	51	78
Timber Merchants ...	15	25	35,502	24,164	5,006	2,899
Wholesale Hardware Merchants	...	1	...	1,137	...	50
Soft Goods Merchants	...	...	...	...	...	...
Boot Manufacturers ...	4	3	2,903	1,655	93	60
Clothing Manufacturers ...	1	...	3,074	...	292	...
Retail Stores other than Soft Goods	1,436	722	633,598	323,927	19,721	10,404
Soft Goods Retail Stores ...	2	46	1,060	30,243	29	1,141
Miscellaneous ...	1,054	612	591,861	426,643	29,770	24,014
Property ...	2,209	617	981,239	246,694	58,441	7,162
Total ...	47,897	21,325	14,136,755	6,918,784	399,567	247,522

1922-23 figures incomplete.

TABLE H.—Amount per Taxpayer of Income liable to Tax, and of Income Tax imposed for each Occupation for years 1918-19, 1919-20, and 1920-21.

Occupation or Principal Source of Income.	Average Amount per Taxpayer of—					
	Income liable to Tax.			Income Tax Imposed.		
	1918-19.	1919-20.	1920-21.	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
Builders and Contractors	350.9	364.2	417.0	7.0	7.0	9.9
Butchers and Bakers... ..	442.4	404.4	517.2	11.0	9.2	19.1
Chemists	431.6	452.5	487.6	9.0	8.7	12.1
Dairymen	254.3	260.8	258.8	3.8	3.7	4.1
Doctors and Dentists	796.7	826.1	873.0	32.1	35.7	45.6
Engineers, Surveyors, etc.	438.3	479.6	461.0	10.1	11.8	15.5
Farmers and Orchardists	349.6	386.8	528.9	8.1	7.9	18.9
Fruiterers, etc.	237.1	225.1	288.3	3.1	2.8	4.7
Grocers and Storekeepers	379.9	334.0	418.1	10.3	6.4	15.7
Hotelkeepers	552.0	566.8	685.3	18.9	20.1	34.4
Lawyers	781.6	737.0	691.8	35.3	26.6	37.9
Merchants and Manufacturers	1,463.8	1,183.3	1,673.4	123.2	93.2	48.8
Mine Owners and Tributaries... ..	527.4	590.3	697.5	26.4	28.0	38.2
Pastoralists and Graziers	2,403.7	1,753.6	1,312.8	232.5	167.2	150.3
Pearlers	475.0	548.0	657.5	12.0	17.6	28.7
Restaurants and Lodging Houses	240.2	290.3	309.8	3.5	4.8	5.8
Salary and Wage-earners	216.3	216.7	224.3	3.0	2.8	4.3
Tailors and Drapers	459.2	461.4	574.6	16.1	15.8	31.5
Tobacconists, Stationers, etc.	306.9	358.6	662.9	6.1	8.7	24.7
Miscellaneous	374.9	412.7	436.1	10.7	13.5	21.4

TABLE I.—Amount per Taxpayer of Income liable to Tax and of Income Tax imposed for each Occupation for years 1921-22 and 1922-23.

(Arranged according to Federal Groups).

Group.	Average Amount per Taxpayer of—			
	Income liable to Tax.		Income Tax Imposed.	
	1921-22.	1922-23.	1921-22.	1922-23.
	£	£	£	£
Farmers	488.4	650.8	16.3	26.6
Pastoralists	1,590.3	3,177.7	229.1	428.0
Mining Businesses	946.7	764.3	63.3	40.6
Shipping Businesses	542.3	901.8	14.3	81.1
Manufacturers other than Boots and Clothing	977.2	801.3	50.5	40.2
Artisans not in receipt of Salary or Wages	423.1	558.2	17.0	26.9
Clergymen	276.1	252.2	4.0	5.3
Salary and Wages	232.0	224.0	3.4	4.0
Professional Persons	703.2	739.6	29.6	35.4
Insurance Businesses	546.0	...	12.0	...
Financiers, etc.	576.0	786.9	17.3	61.0
Hotelkeepers	802.4	924.0	38.4	58.4
Brewers	768.0	866.0	25.5	39.0
Timber Merchants	2,366.8	966.5	333.7	112.3
Wholesale Hardware Merchants ... ..	...	1,137.0	...	50.0
Soft Goods Merchants ... ..	...	...	...	...
Boot Manufacturers	725.7	551.6	23.2	20.0
Clothing Manufacturers	3,074.0	...	292.0	...
Retail Stores other than Soft Goods	441.2	448.6	13.7	14.4
Soft Goods Retail Stores	530.0	657.4	14.5	24.8
Miscellaneous	561.5	697.1	28.2	39.2
Property Holders	444.2	399.8	26.4	11.6

1922-23 figures incomplete.

TABLE J.—Revenue under the Companies Duty Act, 1899, and Dividend Duties Act, 1902, during the 24 years ended 30th June, 1923.

Financial Year.	Duty Collected.
	£
1899-1900	55,015
1900-1901	67,998
1901-1902	85,890
1902-1903	127,007
1903-1904	125,071
1904-1905	123,733
1905-1906	137,485
1906-1907	116,916
1907-1908	108,033
1908-1909	95,273
1909-1910	88,315
1910-1911	84,495
1911-1912	100,455
1912-1913	98,464
1913-1914	92,567
1914-1915	93,916
1915-1916	103,585
1916-1917	105,554
1917-1918	109,462
1918-1919	133,002
1919-1920	144,748
1920-1921	244,969
1921-1922	177,005
1922-1923	189,057
Total	2,808,675

TABLE K.—Classification of the Companies and Duty collected therefrom during the Six Financial Years ended 30th June, 1923.

Nature of Companies.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	The Six Years.
	£	£	£	£	£	£	£
Mining	37,548	30,844	26,239	40,840	42,191	16,757	194,419
Trading and Manufacturing	54,394	72,331	89,502	145,294	80,740	121,550	563,811
Banking and other Financial	8,714	9,955	10,800	24,011	16,327	18,566	88,373
Shipping	3,153	2,526	4,110	12,636	11,980	9,576	43,981
Life Assurance	*	7,888	5,663	6,586	3,251	5,575	28,963
Insurance (other than Life Assurance)	4,543	9,014	8,129	13,293	14,963	12,241	62,183
Miscellaneous	1,110	504	305	2,309	7,553	4,792	16,573
Total	109,462	133,062	144,748	244,969	177,005	189,057	998,303

* Prior to 1st July, 1917, Life Assurance Companies were liable to Income Tax.

TABLE L.—Totalisator Duty collected during the Eighteen Financial Years ended 30th June, 1923.

Year.	No. of Meetings when Totalisator used.	Amount passed through Totalisator plus undistributed Fractions and Unclaimed Dividends.	Totalisator Duty Collected.
	No.	£	£
1905-6	65	223,200	5,580
1906-7	125	311,280	7,782
1907-8	125	316,680	7,917
1908-9	125	287,760	7,194
1909-10	128	286,137	7,153
1910-11	139	309,503	7,739
1911-12	153	361,640	9,042
1912-13	149	453,625	11,342
1913-14	201	482,653	12,071
1914-15	187	484,881	12,126
1915-16	261	497,534	12,439
1916-17	280	590,960	14,775
1917-18	200	590,842	18,713†
1918-19	226	708,233	42,499
1919-20	237	765,672	45,911
1920-21	283	956,979	57,447
1921-22	278	963,193	57,792
1922-23	307	906,868	54,411
Total	3,469	9,487,440	391,933

† On and after 28th March, 1918, the rate of Duty increased from 2½ to 6 per cent.

TABLE M.—Race Meetings and Number at which Totalisator used during last Eight Financial years.

Particulars.	Number of Race Meetings.							
	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
METROPOLITAN.								
<i>Totalisator Used :</i>								
Gallopings Races ...	87	101	56	58	56	58	58	64
Trotting Races ...	60	56	32	37	43	41	40	39
Total ...	147	157	88	90	99	99	98	103
<i>Totalisator not used :</i>								
Gallopings Races ...	5	1	...	...	...	...	...	...
Trotting Races ...	...	...	...	...	...	...	0	3
Total, Metropolitan Races	152	158	88	90	99	99	107	3
EASTERN GOLDFIELDS.								
<i>Totalisator used :</i>								
Gallopings Races ...	56	38	32	31	30	35	29	35
Trotting Races ...	12	29	22	24	22	30	27	26
Total ...	68	67	54	55	52	65	56	61
<i>Totalisator not used :</i>								
Gallopings Races ...	9	...	...	...	...	...	...	...
Total, Eastern Goldfields Races	77	67	54	55	52	65	56	61
COUNTRY.								
<i>Totalisator used :</i>								
Gallopings Races ...	45	55	57	80	83	115	102	108
Trotting Races ...	1	1	1	1	1	4	22	35
Total ...	46	56	58	81	84	119	124	143
<i>Totalisator not used :</i>								
Gallopings Races ...	62	22	40	48	63	76	110	76
Trotting Races ...	...	...	...	...	...	2	8	3
Total ...	...	...	...	...	...	78	118	79
Total, Country Races	108	78	98	129	147	197	242	222
THE WHOLE STATE.								
<i>Totalisator used :</i>								
Gallopings Races ...	188	194	145	164	169	208	180	207
Trotting Races ...	73	86	55	62	66	75	89	100
Total ...	261	280	200	226	235	283	278	307
<i>Totalisator not used :</i>								
Gallopings Races ...	76	23	40	48	75	76	110	76
Trotting Races ...	...	...	...	...	...	2	17	6
Total ...	337	303	240	274	310	78	127	82
Total ...						361	405	389

TABLE N.—Tax on Stakes won at Horse-races during the Sixteen years ended 30th June, 1923.

Year.	Stakes won.	Income Tax collected thereon.
	£	£
1907-8	32,752	273
1908-9	63,631	1,059
1909-10	63,402	1,067
1910-11	60,105	1,002
1911-12	64,204	1,070
1912-13	87,497	1,458
1913-14	101,056	1,684
1914-15	107,847	1,798
1915-16	90,722	1,612
1916-17	89,613	1,492
1917-18	70,361	1,173
1918-19	82,267	1,371
1919-20	102,340	1,706
1920-21	123,564	2,059
1921-22	127,039	2,117
1922-23	128,135	2,135
Total	1,400,335	23,066

TABLE O.—Analysis of Land Tax Assessments.

Classification of Land.	Area Assessed.	Unimproved Value.			Of Total Area.
		Of Area liable to Tax.		Of Area exempt from Tax.	
		At Improved Rate <i>½</i> d. in £.	At Unimproved Rate, <i>1</i> d. in £.		
	acres.	£	£	£	£
Metropolitan Land from Midland Junction to Fremantle	54,206	7,008,967	1,633,065	371,234	9,013,206
Goldfields Towns	1,481	114,762	10,541	14,567	139,870
Other Towns	18,743	916,985	260,633	82,821	1,268,439
Country land alienated or in process of alienation	17,609,037	7,328,038	778,351	2,871,338	10,977,727
Total alienated or in process of alienation	17,683,467	15,367,752	2,691,590	3,339,960	21,399,302
Crown leases with no right of purchase	161,880,830	251,838	42,507	36,220	330,565
Total of Land Assessed	179,564,297	15,619,590	2,734,097	3,376,180	21,729,867

TABLE P.—Incidence of Land Tax.

Classification of Land.	Percentage of Land Tax imposed.
	per cent.
Metropolitan and Suburban	48.73
Goldfields Towns ... ..	.64
Other Towns	6.90
Country	42.13
Pastoral Leases	1.60
Total	100.00