

INCOME TAX MANAGEMENT (AMENDMENT) BILL.

SCHEDULE of the Amendments referred to in Message of 31st October, 1918.

Page 3, clause 5, line 8. *After* " on " *insert* " **such** "

Page 3, clause 5, line 9. *Omit* " which " *insert* " **not exceeding the taxable income**
" **actually received by such taxpayer during the year ending thirty-first**
" **day of December, one thousand nine hundred and eighteen, as** "

Page 4, clause 7, line 9. *Omit* " release " *insert* " **a lease** "

Page 4, clause 11. At end of clause *add* " **An information or complaint for the**
" **recovery of such penalty may be made or laid within six years after**
" **the matter of the information or complaint arose** "

This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

W. S. MOWLE,

Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 24 October, 1918.*

The LEGISLATIVE COUNCIL has this day agreed to this Bill with Amendments.

W. L. S. COOPER,
Clerk of the Parliaments.

*Legislative Council Chamber,
Sydney, 31st October, 1918.*

New South Wales.



ANNO NONO

GEORGIUS V REGIS.

Act No. , 1918.

An Act to amend the law with regard to the assessment and collection of a tax on incomes; to amend the Income Tax (Management) Act, 1912, the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914; and for purposes consequent thereon or incidental thereto.

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 New South Wales in Parliament assembled, and by the authority of
5 the same, as follows:—

1. (1) This Act may be cited as the "Income Tax Short title. Management (Amendment) Act, 1918."

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(2)

NOTE.—The words to be omitted are ruled through; those to be inserted are printed in black letter.

Income Tax Management (Amendment).

(2) The Income Tax (Management) Act, 1912, as amended by the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914, is hereinafter referred to as the
5 Principal Act.

Principal Act.

2. This Act shall commence and take effect on and from a day to be appointed by the Governor by proclamation in the Gazette. On the day so proclaimed the present
10 Commissioners of Taxation shall cease to hold office.

Commencement. Present Commissioners to cease to hold office.

3. (1) Section five of the Principal Act is amended—
15 (a) by omitting subsections one, five, six, and seven ;

Amendments of s. 5.

(b) by inserting the following subsection in lieu of subsection one :—

15 (1) The Governor may appoint for the administration of this Act a Commissioner of Taxation who may sue and be sued by that name ;

(c) by omitting in subsection two the words “ any Commissioner ” and inserting in lieu thereof
20 “ the Commissioner ” ; and

(d) by omitting in subsection eight the word “ Commissioners ” each time it occurs and inserting “ Commissioner.”

25 (2) The Principal Act is amended by omitting the words “ Commissioners,” and the words “ their,” and “ them ” (when referring to the Commissioners) whenever occurring, and inserting in lieu thereof respectively the words “ Commissioner,” “ his,” and “ him.”

General amendments.

30 4. Subsection one of section six of the Principal Act is amended by inserting after the word “ Commissioner,” where it occurs in the first paragraph, the words “ and Deputy Commissioner,” and by omitting in the second paragraph the expression “ a Commissioner ” and inserting in lieu thereof “ the Commissioner.”

Amendment of s. 6.

35 5. Section nine of the Principal Act is amended by omitting all the words after “ shall be paid,” and substituting therefor the words “ to the Commissioner in the year one thousand nine hundred and nineteen and in each subsequent year, in respect of taxable income which
40 has been received by any person during the period of twelve months ending on the thirtieth day of June preceding the year in which such tax is payable”:

Amendment of s. 9. Year of assessment to be financial year.

Provided

Income Tax Management (Amendment).

Provided that if any taxpayer satisfies the Commissioner that the taxable income received by him during the period of twelve months ending on the thirtieth day of June, one thousand nine hundred and
 5 eighteen, is in excess of such income received by him during the year ending on the thirty-first day of December, one thousand nine hundred and eighteen, the Commissioner may assess such taxpayer on such an amount of taxable income ~~which~~ not exceeding the
 10 taxable income actually received by such taxpayer during the year ending thirty-first day of December, one thousand nine hundred and eighteen, as in the opinion of the Commissioner is fair and reasonable :

Provided further that if the taxpayer is dissatisfied
 15 with such assessment, and an agreement with the Commissioner cannot be arrived at, the taxpayer may appeal in the prescribed manner from such assessment to the Court of Review.

6. Section ten of the Principal Act is amended by
 20 adding the following paragraph :—

(i) The incomes of Starr-Bowkett Building Societies. Exemption.

7. (1) Section sixteen, subsection one, of the Principal
 Act is amended by inserting the following sub-paragraphs
 after sub-paragraph (ii a) of paragraph (c) :—

25 (ii b) The annual sum necessary to recoup the expenditure on improvements made 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
 30 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.

35 (ii c) Any sums expended by the taxpayer on suckering or eradicating seedlings or prickly-pear on lands owned, held, or occupied by the taxpayer.

40 (ii d) A sum of fifty pounds in respect of the annual allowances of Members of the Legislative Assembly.

(2) Subsection three of the same section is repealed and the following subsection inserted in lieu thereof :—

45 (3) Deduction shall not be made in respect of—
 (a) any payment of income tax ; (b)

Income Tax Management (Amendment).

(b) any wastage or depreciation of lease or in respect of any loss occasioned by the expiration of any lease :

5 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 ~~release,~~ a lease
10 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
15 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.

8. Section nineteen of the Principal Act is amended by adding to the first paragraph of subsection two the
20 following words—" or, in the discretion of the Commissioner, as the total amount of sales in connection with the business effected in the State bears to the total amount of such sales effected both in and outside the State."

Amendment
of s. 19 (2).

25 9. Section twenty-one of the Principal Act is amended by the addition of the following paragraph :—

Amendment
of s. 21.

30 If the Commissioner is not satisfied with the return made by any person he may make an assessment of the amount upon which, in his judgment, income tax ought to be levied, and the person assessed shall, subject to his right of appeal, be liable to income tax thereon.

35 10. Subsections one, two, three, and four of section twenty-three of the Principal Act, and paragraph (a) of section thirty, are hereby repealed.

Repeal.

40 11. Section thirty-six of the Principal Act is amended by omitting the words "one hundred pounds and shall be guilty of perjury" and inserting in lieu thereof the words "five hundred pounds, and in addition
45 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. An information or complaint for the recovery of such penalty may be made or laid within six years after the
45 matter of the information or complaint arose."

Amendment
of s. 36.
Penalty.

This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

W. S. MOWLE,
Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 24 October, 1918.*

The LEGISLATIVE COUNCIL has this day agreed to this Bill with Amendments.

Clerk of the Parliaments.

*Legislative Council Chamber,
Sydney, October, 1918.*

New South Wales.



ANNO NONO

GEORGII V REGIS.

Act No. , 1918.

An Act to amend the law with regard to the assessment and collection of a tax on incomes; to amend the Income Tax (Management) Act, 1912, the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914; and for purposes consequent thereon or incidental thereto.

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 New South Wales in Parliament assembled, and by the authority of
5 the same, as follows:—

1. (1) This Act may be cited as the "Income Tax Short title. Management (Amendment) Act, 1918."

40421

174—

(2)

NOTE.—The words to be *omitted* are ruled through; those to be *inserted* are printed in **black letter**.

Income Tax Management (Amendment).

(2) The Income Tax (Management) Act, 1912, as amended by the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914, is hereinafter referred to as the Principal Act.

2. This Act shall commence and take effect on and from a day to be appointed by the Governor by proclamation in the Gazette. On the day so proclaimed the present Commissioners of Taxation shall cease to hold office.

3. (1) Section five of the Principal Act is amended—

(a) by omitting subsections one, five, six, and seven;

(b) by inserting the following subsection in lieu of subsection one:—

(1) The Governor may appoint for the administration of this Act a Commissioner of Taxation who may sue and be sued by that name;

(c) by omitting in subsection two the words "any Commissioner" and inserting in lieu thereof "the Commissioner"; and

(d) by omitting in subsection eight the word "Commissioners" each time it occurs and inserting "Commissioner."

(2) The Principal Act is amended by omitting the words "Commissioners," and the words "their," and "them" (when referring to the Commissioners) wherever occurring, and inserting in lieu thereof respectively the words "Commissioner," "his," and "him."

4. Subsection one of section six of the Principal Act is amended by inserting after the word "Commissioner," where it occurs in the first paragraph, the words "and Deputy Commissioner," and by omitting in the second paragraph the expression "a Commissioner" and inserting in lieu thereof "the Commissioner."

5. Section nine of the Principal Act is amended by omitting all the words after "shall be paid," and substituting therefor the words "to the Commissioner in the year one thousand nine hundred and nineteen and in each subsequent year, in respect of taxable income which has been received by any person during the period of twelve months ending on the thirtieth day of June preceding the year in which such tax is payable":

Provided

Income Tax Management (Amendment).

Provided that if any taxpayer satisfies the Commissioner that the taxable income received by him during the period of twelve months ending on the thirtieth day of June, one thousand nine hundred and 5 eighteen, is in excess of such income received by him during the year ending on the thirty-first day of December, one thousand nine hundred and eighteen, the Commissioner may assess such taxpayer on such an amount of taxable income which not exceeding the 10 taxable income actually received by such taxpayer during the year ending the thirty-first day of December, one thousand nine hundred and eighteen, as in the opinion of the Commissioner is fair and reasonable :

Provided further that if the taxpayer is dissatisfied 15 with such assessment, and an agreement with the Commissioner cannot be arrived at, the taxpayer may appeal in the prescribed manner from such assessment to the Court of Review.

6. Section ten of the Principal Act is amended by 20 adding the following paragraph :—

(i) The incomes of Starr-Bowkett Building Societies. Exemption.

7. (1) Section sixteen, subsection one, of the Principal Act is amended by inserting the following sub-paragraphs 25 after sub-paragraph (ii a) of paragraph (e) :—

(ii b) The annual sum necessary to recoup the expenditure on improvements made 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 30 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.

(ii c) Any sums expended by the taxpayer on suckering or eradicating seedlings or prickly-pear on lands owned, held, or occupied by the taxpayer. 35

(ii d) A sum of fifty pounds in respect of the annual allowances of Members of the Legislative Assembly. 40

(2) Subsection three of the same section is repealed and the following subsection inserted in lieu thereof :—

(3) Deduction shall not be made in respect of— 45 (a) any payment of income tax ; (b)

Income Tax Management (Amendment).

(b) any wastage or depreciation of lease or in respect of any loss occasioned by the expiration of any lease :

5 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 ~~release,~~ a lease
10 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
15 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.

8. Section nineteen of the Principal Act is amended Amendment of s. 19 (2). by adding to the first paragraph of subsection two the
20 following words—" or, in the discretion of the Commissioner, as the total amount of sales in connection with the business effected in the State bears to the total amount of such sales effected both in and outside the State."

9. Section twenty-one of the Principal Act is amended Amendment of s. 21. by the addition of the following paragraph :—

30 If the Commissioner is not satisfied with the return made by any person he may make an assessment of the amount upon which, in his judgment, income tax ought to be levied, and the person assessed shall, subject to his right of appeal, be liable to income tax thereon.

10. Subsections one, two, three, and four of section Repeal. twenty-three of the Principal Act, and paragraph (a) of
35 section thirty, are hereby repealed.

11. Section thirty-six of the Principal Act is Amendment of s. 36. Penalty. amended by omitting the words "one hundred pounds and shall be guilty of perjury" and inserting in lieu thereof the words "five hundred pounds, and in addition
40 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. **An information or complaint for the recovery of such penalty may be made or laid within six years after the**
45 **matter of the information or complaint arose."**

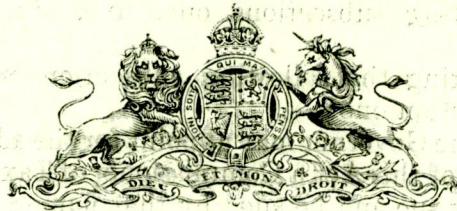
This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

W. S. MOWLE.

Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 24 October, 1918.*

New South Wales.



ANNO NONO

GEORGI V REGIS.

Act No. 15, 1918.

An Act to amend the law with regard to the assessment and collection of a tax on incomes; to amend the Income Tax (Management) Act, 1912, the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914; and for purposes consequent thereon or incidental thereto.

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 New South Wales in Parliament assembled, and by the authority of 5 the same, as follows:—

1. (1) This Act may be cited as the "Income Tax Short title Management (Amendment) Act, 1918."

Income Tax Management (Amendment).

(2) The Income Tax (Management) Act, 1912, as amended by the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914, is hereinafter referred to as the Principal Act.
5 Principal Act.

2. This Act shall commence and take effect on and from a day to be appointed by the Governor by proclamation in the Gazette. On the day so proclaimed the present Commissioners of Taxation shall cease to hold office. Commencement. Present Commissioners to cease to hold office.

3. (1) Section five of the Principal Act is amended— Amendments of s. 5.

(a) by omitting subsections one, five, six, and seven ;

(b) by inserting the following subsection in lieu of subsection one :—

(1) The Governor may appoint for the administration of this Act a Commissioner of Taxation who may sue and be sued by that name ;

(c) by omitting in subsection two the words " any Commissioner " and inserting in lieu thereof " the Commissioner " ; and

(d) by omitting in subsection eight the word " Commissioners " each time it occurs and inserting " Commissioner."

(2) The Principal Act is amended by omitting the words " Commissioners," and the words " their," and " them " (when referring to the Commissioners) wherever occurring, and inserting in lieu thereof respectively the words " Commissioner," " his," and " him." General amendments.

4. Subsection one of section six of the Principal Act is amended by inserting after the word " Commissioner," where it occurs in the first paragraph, the words " and Deputy Commissioner," and by omitting in the second paragraph the expression " a Commissioner " and inserting in lieu thereof " the Commissioner." Amendment of s. 6.

5. Section nine of the Principal Act is amended by omitting all the words after " shall be paid," and substituting therefor the words " to the Commissioner in the year one thousand nine hundred and nineteen and in each subsequent year, in respect of taxable income which has been received by any person during the period of twelve months ending on the thirtieth day of June preceding the year in which such tax is payable": Amendment of s. 9. Year of assessment to be financial year.

Provided

Income Tax Management (Amendment).

Provided that if any taxpayer satisfies the Commissioner that the taxable income received by him during the period of twelve months ending on the thirtieth day of June, one thousand nine hundred and
 5 eighteen, is in excess of such income received by him during the year ending on the thirty-first day of December, one thousand nine hundred and eighteen, the Commissioner may assess such taxpayer on an amount of taxable income which in the opinion of the Commis-
 10 sioner is fair and reasonable :

Provided further that if the taxpayer is dissatisfied with such assessment, and an agreement with the Commissioner cannot be arrived at, the taxpayer may appeal in the prescribed manner from such assessment
 15 to the Court of Review.

6. Section ten of the Principal Act is amended by adding the following paragraph :— Amendment of s. 10.

(i) The incomes of Starr-Bowkett Building Societies. Exemption.

7. (1) Section sixteen, subsection one, of the Principal Act is amended by inserting the following sub-paragraphs
 20 after sub-paragraph (ii a) of paragraph (e) :— Amendment of s. 16. Deductions.

(ii b) The annual sum necessary to recoup the expenditure on improvements made under covenant with the lessor on land by a lessee
 25 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
 30 the date the improvements were effected.

(ii c) Any sums expended by the taxpayer on suckering or eradicating seedlings or prickly-pear on lands owned, held, or occupied by the taxpayer.

(ii d) A sum of fifty pounds in respect of the annual allowances of Members of the Legislative
 35 Assembly.

(2) Subsection three of the same section is repealed and the following subsection inserted in lieu
 40 thereof :—

(3) Deduction shall not be made in respect of—

(a) any payment of income tax ; (b)

Income Tax Management (Amendment).

(b) any wastage or depreciation of lease or in respect of any loss occasioned by the expiration of any lease :

5 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 release, or a
10 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
15 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.

8. Section nineteen of the Principal Act is amended by adding to the first paragraph of subsection two the
20 following words—" or, in the discretion of the Commissioner, as the total amount of sales in connection with the business effected in the State bears to the total amount of such sales effected both in and outside the State."

Amendment
of s. 19 (2).

25 9. Section twenty-one of the Principal Act is amended by the addition of the following paragraph :—

Amendment
of s. 21.

30 If the Commissioner is not satisfied with the return made by any person he may make an assessment of the amount upon which, in his judgment, income tax ought to be levied, and the person assessed shall, subject to his right of appeal, be liable to income tax thereon.

35 10. Subsections one, two, three, and four of section twenty-three of the Principal Act, and paragraph (a) of section thirty, are hereby repealed.

Repeal.

40 11. Section thirty-six of the Principal Act is amended by omitting the words "one hundred pounds and shall be guilty of perjury" and inserting in lieu thereof the words "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."

Amendment
of s. 36.
Penalty.

No. , 1918.

A BILL

To amend the law with regard to the assessment and collection of a tax on incomes; to amend the Income Tax (Management) Act, 1912, the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914; and for purposes consequent thereon or incidental thereto.

[MR. J. C. L. FITZPATRICK;—17 *October*, 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 New South Wales in Parliament assembled, and by the authority of the same, as follows:—

1. (1) This Act may be cited as the "Income Tax Short title. Management (Amendment) Act, 1918."

Principal Act.

(2) The Income Tax (Management) Act, 1912, as amended by the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914, is hereinafter referred to as the Principal Act.

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Commencement. Present Commissioners to cease to hold office.

2. This Act shall commence and take effect on and from a day to be appointed by the Governor by proclamation in the Gazette. On the day so proclaimed the present Commissioners of Taxation shall cease to hold office.

10

Amendments of s. 5.

3. (1) Section five of the Principal Act is amended—

(a) by omitting subsections one, five, six, and seven;

(b) by inserting the following subsection in lieu of subsection one:—

15

(1) The Governor may appoint for the administration of this Act a Commissioner of Taxation who may sue and be sued by that name;

(c) by omitting in subsection two the words “any Commissioner” and inserting in lieu thereof “the Commissioner”; and

20

(d) by omitting in subsection eight the word “Commissioners” each time it occurs and inserting “Commissioner.”

25

General amendments.

(2) The Principal Act is amended by omitting the words “Commissioners,” and the words “their,” and “them” (when referring to the Commissioners) wherever occurring, and inserting in lieu thereof respectively the words “Commissioner,” “his,” and “him.”

30

Amendment of s. 6.

4. Subsection one of section six of the Principal Act is amended by inserting after the word “Commissioner,” where it occurs in the first paragraph, the words “and Deputy Commissioner,” and by omitting in the second paragraph the expression “a Commissioner” and inserting in lieu thereof “the Commissioner.”

35

Amendment of s. 9. Year of assessment to be financial year.

5. Section nine of the Principal Act is amended by omitting all the words after “shall be paid,” and substituting therefor the words “to the Commissioner in the year one thousand nine hundred and nineteen and in each subsequent year, in respect of taxable income which

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has

has been received by any person during the period of twelve months ending on the thirtieth day of June preceding the year in which such tax is payable”:

5 Provided that if any taxpayer satisfies the Com-
missioner that the taxable income received by him
during the period of twelve months ending on the
thirtieth day of June, one thousand nine hundred and
eighteen, is in excess of such income received by him
10 during the year ending on the thirty-first day of Decem-
ber, one thousand nine hundred and eighteen, the
Commissioner may assess such taxpayer on an amount
of taxable income which in the opinion of the Commis-
sioner is fair and reasonable :

15 Provided further that if the taxpayer is dissatisfied
with such assessment, and an agreement with the
Commissioner cannot be arrived at, the taxpayer may
appeal in the prescribed manner from such assessment
to the Court of Review.

20 **6.** Section ten of the Principal Act is amended by
adding the following paragraph :—

Amendment
of s. 10.

(i) The incomes of Starr-Bowkett Building Societies. Exemption.

25 **7.** (1) Section sixteen, subsection one, of the Principal
Act is amended by inserting the following sub-paragraphs
after sub-paragraph (ii a) of paragraph (e) :—

Amendment
of s. 16.
Deductions.

30 (ii b) The annual sum necessary to recoup the
expenditure on improvements made 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.

35 (ii c) Any sums expended by the taxpayer on
suckering or eradicating seedlings where the
taxpayer has not a tenant's right to improve-
ments.

40 (2) Subsection three of the same section is
repealed and the following subsection inserted in lieu
thereof :—

(3) Deduction shall not be made in respect of—
(a) any payment of income tax ; (b)

- (b) 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 release, 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.

Amendment
of s. 19 (2).

8. Section nineteen of the Principal Act is amended by adding to the first paragraph of subsection two the following words—" or, in the discretion of the Commissioner, as the total amount of sales in connection with the business effected in the State bears to the total amount of such sales effected both in and outside the State."

Amendment
of s. 21.

9. Section twenty-one of the Principal Act is amended by the addition of the following paragraph :—

If the Commissioner is not satisfied with the return made by any person he may make an assessment of the amount upon which, in his judgment, income tax ought to be levied, and the person assessed shall, subject to his right of appeal, be liable to income tax thereon.

Repeal.

10. Subsections one, two, three, and four of section twenty-three of the Principal Act, and paragraph (a) of section thirty, are hereby repealed.

Amendment
of s. 36.
Penalty.

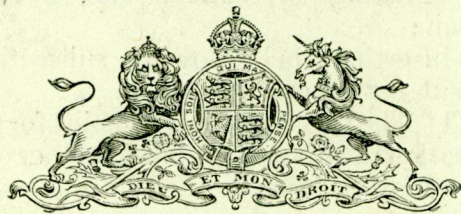
11. Section thirty-six of the Principal Act is amended by omitting the words "*one hundred* pounds and shall be guilty of perjury" and inserting in lieu thereof the words "*five hundred* pounds, and in addition an amount equal to treble the amount of income tax which would have been avoided if the income stated in the return had been accepted as the correct income."

I certify that this PUBLIC BILL, which originated in the LEGISLATIVE ASSEMBLY, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.

W. S. MOWLE,
Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 6 November, 1918.*

New South Wales.



ANNO NONO

GEORGII V REGIS.

Act No. 27, 1918.

An Act to amend the law with regard to the assessment and collection of a tax on incomes; to amend the Income Tax (Management) Act, 1912, the Income Tax Management (Amendment) Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914; and for purposes consequent thereon or incidental thereto. [Assented to, 15th November, 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 New South Wales in Parliament assembled, and by the authority of the same, as follows:—

1. (1) This Act may be cited as the "Income Tax Short title. Management (Amendment) Act, 1918."

(2) The Income Tax (Management) Act, 1912, as Principal amended by the Income Tax Management (Amendment) Act. Act, 1914, and the Income Tax Management (Further Amendment) Act, 1914, is hereinafter referred to as the Principal Act. **2.**

I have examined this Bill, and find it to correspond in all respects with the Bill as finally passed by both Houses.

DANIEL LEVY,
Chairman of Committees of the Legislative Assembly.

Income Tax Management (Amendment).

- Commencement.
Present Commissioners to
cease to hold
office.
- 2.** This Act shall commence and take effect on and from a day to be appointed by the Governor by proclamation in the Gazette. On the day so proclaimed the present Commissioners of Taxation shall cease to hold office.
- Amendments
of s. 5.
- 3.** (1) Section five of the Principal Act is amended—
- (a) by omitting subsections one, five, six, and seven;
 - (b) by inserting the following subsection in lieu of subsection one :—
 - (1) The Governor may appoint for the administration of this Act a Commissioner of Taxation who may sue and be sued by that name;
 - (c) by omitting in subsection two the words "any Commissioner" and inserting in lieu thereof "the Commissioner"; and
 - (d) by omitting in subsection, eight the word "Commissioners" each time it occurs and inserting "Commissioner."
- (2) The Principal Act is amended by omitting the words "Commissioners," and the words "their," and "them" (when referring to the Commissioners) wherever occurring, and inserting in lieu thereof respectively the words "Commissioner," "his," and "him."
- General
amendments.
- Amendment
of s. 6.
- 4.** Subsection one of section six of the Principal Act is amended by inserting after the word "Commissioner," where it occurs in the first paragraph, the words "and Deputy Commissioner," and by omitting in the second paragraph the expression "a Commissioner" and inserting in lieu thereof "the Commissioner."
- Amendment
of s. 9.
Year of
assessment to
be financial
year.
- 5.** Section nine of the Principal Act is amended by omitting all the words after "shall be paid," and substituting therefor the words "to the Commissioner in the year one thousand nine hundred and nineteen and in each subsequent year, in respect of taxable income which has been received by any person during the period of twelve months ending on the thirtieth day of June preceding the year in which such tax is payable":
- Provided that if any taxpayer satisfies the Commissioner that the taxable income received by him during the period of twelve months ending on the thirtieth day of June, one thousand nine hundred and eighteen, is in excess of such income received by him during

Income Tax Management (Amendment).

during the year ending on the thirty-first day of December, one thousand nine hundred and eighteen, the Commissioner may assess such taxpayer on such an amount of taxable income not exceeding the taxable income actually received by such taxpayer during the year ending thirty-first day of December, one thousand nine hundred and eighteen, as in the opinion of the Commissioner is fair and reasonable :

Provided further that if the taxpayer is dissatisfied with such assessment, and an agreement with the Commissioner cannot be arrived at, the taxpayer may appeal in the prescribed manner from such assessment to the Court of Review.

6. Section ten of the Principal Act is amended by adding the following paragraph :—

Amendment
of s. 10.

(i) The incomes of Starr-Bowkett Building Societies.

Exemption.

7. (1) Section sixteen, subsection one, of the Principal Act is amended by inserting the following sub-paragraphs after sub-paragraph (ii a) of paragraph (e) :—

Amendment
of s. 16.

Deductions.

(ii b) The annual sum necessary to recoup the expenditure on improvements made 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.

(ii c) Any sums expended by the taxpayer on suckering or eradicating seedlings or prickly-pear on lands owned, held, or occupied by the taxpayer.

(ii d) A sum of fifty pounds in respect of the annual allowances of Members of the Legislative Assembly.

(2) Subsection three of the same section is repealed and the following subsection inserted in lieu thereof :—

(3) Deduction shall not be made in respect of—

(a) any payment of income tax ;

(b) any wastage or depreciation of lease or in respect of any loss occasioned by the expiration of any lease :

Provided

Income Tax Management (Amendment).

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 of the unexpired period of the lease at the date the amount was so paid.

Amendment
of s. 19 (2).

8. Section nineteen of the Principal Act is amended by adding to the first paragraph of subsection two the following words—"or, in the discretion of the Commissioner, as the total amount of sales in connection with the business effected in the State bears to the total amount of such sales effected both in and outside the State."

Amendment
of s. 21.

9. Section twenty-one of the Principal Act is amended by the addition of the following paragraph:—

If the Commissioner is not satisfied with the return made by any person he may make an assessment of the amount upon which, in his judgment, income tax ought to be levied, and the person assessed shall, subject to his right of appeal, be liable to income tax thereon.

Repeal.

10. Subsections one, two, three, and four of section twenty-three of the Principal Act, and paragraph (a) of section thirty, are hereby repealed.

Amendment
of s. 36.
Penalty.

11. Section thirty-six of the Principal Act is amended by omitting the words "one hundred pounds and shall be guilty of perjury" and inserting in lieu thereof the words "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. An information or complaint for the recovery of such penalty may be made or laid within six years after the matter of the information or complaint arose."

In the name and on behalf of His Majesty I assent to this Act.

Government House,
Sydney, 15th November, 1918.

W. E. DAVIDSON,
Governor.