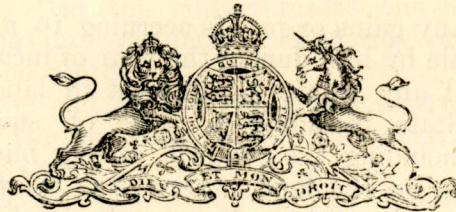


I certify that this PUBLIC BILL, which originated in the LEGISLATIVE ASSEMBLY, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.

RICHD. A. ARNOLD,
Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 8 April, 1914.*

New South Wales.



ANNO QUINTO

GEORGII V REGIS.

Act No. 9, 1914.

An Act to amend the Income Tax (Management) Act, 1912, and in particular to amend the definition of income so as to include certain gains and profits; to give a retrospective operation to certain of the amendments so made; and for purposes consequent thereon or incidental thereto. [Assented to, 16th April, 1914.]

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. This Act may be cited as the "Income Tax Short title. Management (Amendment) Act, 1914." **2.**

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

THOS. H. THROWER,
Chairman of Committees of the Legislative Assembly.

Income Tax Management (Amendment).

Amendment
of s. 4, Man-
agement Act,
1912.

“Income.”

2. (1) The definition of “absentee” in section four of the Income Tax (Management) Act, 1912, is repealed.

(2) In the same section, the definition of “income” is amended by inserting after “include” the word “capital.”

(3) The same definition is further amended by adding the following :—

Gains from
sale of
property.

“Any gains or profits accruing to a taxpayer on the sale by him during the year of income—

(i) of any estate or interest in land within the State including a lease of such land and including the goodwill of any business carried on on the land, where such estate or interest was bought by him, or the land was leased to him during such year or the four years next prior thereto ;

(ii) of shares in any company bought by him during such year or the two years next prior thereto ; or

(iii) of any other personal property of what kind soever, and of the value of fifty pounds or upwards, bought by him during such year,

where the buying or selling of such estate or interest or of such shares or property or the leasing of the land was not in the course of the business of the taxpayer, shall be deemed to be income derived during the year of income from a source in the State :

Provided that in assessing such gains or profits deduction may be made of any losses incurred during the year of income on the sale by the taxpayer during such year of any such estates or interests, shares or property bought or of any such lease granted as aforesaid.”

“Taxpayer.”

(4) In the same section the definition of “taxpayer” is amended by omitting “by whom income tax is payable” and inserting the words “receiving income”

Application
of section.

(5) This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

Amendment
of s. 10 of
Management
Act, 1912.

3. (1) Paragraph (g) of section ten of the same Act is amended by omitting “earned” and inserting the word “derived”

Income Tax Management (Amendment).

(2) The same section is amended by adding the following new paragraph at the end of the section :—

(h) Income derived from shares in a company.

This subsection shall apply to income for the year 1913 and for any subsequent year.

4. Paragraph (d) of subsection one of section eleven of the same Act is amended as follows :— Amendment of s. 11 (1) (d).

(a) After “in the State” insert the words “or being interest derived from any other source in the State.”

(b) At the end of the paragraph insert the words “or the person paying such interest, as the case may be.”

5. In subsection one, paragraph (a), of section sixteen of the same Act omit “three hundred” insert “two hundred and fifty” Amendment of s. 16 (1) (a). Exemption.

This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

6. (1) In the same Act—

(a) omit paragraph (f) of subsection one of section sixteen ; Further amendments to s. 16 and s. 19.

(b) omit paragraph (c) of subsection two of the same section ;

(c) add to the section a new subsection as follows :—
(3) Deduction shall not be made in respect of payments of income tax.

(d) in the last proviso to subsection two of section nineteen omit all after “(a), (b), (c), d,” to the end of the section.

(2) This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

7. Paragraph (e) of subsection one of section sixteen of the same Act is amended as follows :— Amendment of paragraph (e) of s. 16.

(a) Omit “including commission, discount, travelling expenses”

(b) After “owned by him” at the end of sub-paragraph (ii) insert new sub-paragraph as follows :—
(iia) commission, discount, and travelling expenses paid by the taxpayer, being expenses incurred by him in New South Wales in the production of his income. **8.**

Income Tax Management (Amendment).

Further amendment of s. 17.

8. Section seventeen of the same Act is further amended as follows:—

- (a) Omit “deductions (e) and (f) so far as they may be” insert “deduction (c) so far as it may be.”
- (b) Omit “and shall further deduct any sum paid or credited to a shareholder or policy-holder by the company during the year of income, as dividend or bonus.”
- (c) Omit “such deductions” insert “such deduction.”

Application of section.

This section shall apply to income for the year one thousand nine hundred and thirteen, and for any subsequent year.

Amendment of proviso to s. 17.

9. The two provisos to section seventeen of the same Act are repealed and the following is substituted for them:—

Provided that if a company pays or credits to any shareholder or policy-holder by way of dividend or bonus any sum upon which such company has previously paid tax for the year one thousand nine hundred and twelve or any previous year the amount of such tax shall be repaid to the company or allowed in account, by the commissioners:

Provided further that the commissioners shall not deduct any sum so paid or credited to a shareholder or policy-holder unless the company, before the expiration of two months from the commencement of the Income Tax Management (Amendment) Act, 1914, or such further time as the commissioners may allow, states to them the name, occupation, and address of such shareholder or policy-holder, and the amount paid or credited to him. Such deduction shall be made in the first place from income derived by the company from personal exertion.

Amendment of s. 19 (1).

10. Section nineteen of the same Act is amended as follows:—

Taxation of foreign shipowners.

- (a) In subsection one omit the words “The taxable income of any taxpayer engaged in the business of owner or charterer of ships trading from a port in the State to a port outside the State and”

(b)

Income Tax Management (Amendment).

(b) After subsection one insert the following new subsection :—

(1A) When a foreign company or a person whose principal place of business is out of the State carries passengers, live stock, or goods shipped in the State, either as owner or charterer of any vessel, such company or person shall by itself or himself or its or his agent in the State, within the prescribed time, make a return of the full amount payable to it or to him, whether such amount is payable in the State or beyond the State, in respect of the carriage of such passengers, live stock, and goods to the port of discharge.

See 2 Ed. VII,
No. 10, s. 33
(Queensland).

Such company, person, or agent shall be assessed thereon, and the taxable amount of the income derived therefrom shall, if such income cannot in the opinion of the Commissioners be otherwise satisfactorily determined, be assessed at an amount equal to five pounds for every one hundred pounds so payable as aforesaid.

11. Subsection three of section twenty of the same Act is amended as follows :— Amendment
of s. 20 (3).

- (a) Omit "or by his agent duly authorised in that behalf."
- (b) At the end of the subsection add the words "Provided that if the taxpayer is absent from the State, or is unable from physical or mental infirmity to make such return, the return may be signed and delivered by some person authorised by him."

12. Section twenty-one of the same Act is amended by adding thereto the words "and may rescind or amend any assessment so made." Amendment
of s. 21.

13. The following sections are inserted next after section twenty-four of the same Act :— New sections
24A, 24B, and
24C.

24A. (1) Notwithstanding the previous provisions of this Part the Commissioners at any time during a year of income— Taxation
during year
of income.

- (a) may, by notice served as prescribed, require any person who is a resident out of the State,

Income Tax Management (Amendment).

State, and who has not a fixed and permanent place of business in the State, to furnish, before the day in such notice mentioned, a return of his income during such year and during the previous three years of income ;

- (b) may assess the tax payable by any such person on his income during such year, whether such person has or has not been required to make any return under this section ;
- (c) may send to the taxpayer, through the post, an assessment notice assessing the tax payable by him, and in such notice may fix a day upon which the tax shall be paid to the Commissioners at their office.

(2) If any such person fails to pay such tax on the day so fixed, he shall be liable to pay by way of fine ten per centum upon the amount of the tax, and the Commissioners may forthwith sue him for the amount of the tax and of the fine, in any court of competent jurisdiction.

24B. The Commissioners may, by seven days' notice, require any person to produce, for examination by any person appointed in that behalf, and at any time and place fixed by the Commissioners, any deeds, instruments, books, accounts, vouchers, trade-lists, stock-sheets, documents, or writings that may be deemed by the Commissioners to be necessary for the purpose of obtaining information in respect of the income of any person or company.

If any person, without reasonable excuse, fails to comply with any requirement made under this section he shall be liable to a penalty not exceeding ten pounds, and to a further penalty not exceeding five pounds for every day after the first during which such default continues.

14. Section thirty-seven of the same Act is amended by omitting "twenty pounds" and inserting "one hundred pounds."

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

G. STRICKLAND,
Governor.
State Government House,
Sydney, 16th April, 1914.

Examination
of books, &c.,
2 Ed. VII,
No. 10, s. 42
(Queensland).

Amendment
of s. 37.

INCOME TAX MANAGEMENT (AMENDMENT) BILL.

SCHEDULE of the Amendments referred to in Message of 8th April, 1914.

- Page 2, clause 2, lines 8 and 9. *Omit* " who is a resident in the State "
- Page 2, clause 2, line 11. *After* " land " *insert* " **within the State** "
- Page 3, clause 4, line 8. *After* " or " *insert* " **being interest** "
- Page 4, clause 8. *Omit* paragraph (d).
- Page 4. *Omit* clause 9, *insert* new clause 9.
- Page 6, clause 13, line 12. *Omit* " any " *insert* " **the** "
- Page 6, clause 13, line 12. *After* " previous " *insert* " **three** "
- Page 6, clause 13, line 46. *After* " pounds " *omit* remainder of clause.
-

INCOME TAX MANAGEMENT (AMENDMENT) BILL

SECTION 13 of the Income Tax Act, 1922 (Act No. 18 of 1922)

13. Section 13 of the Income Tax Act, 1922 (Act No. 18 of 1922) is amended as follows:—

(a) In clause (a) of section 13, the words "and the" shall be omitted.

(b) In clause (b) of section 13, the words "and the" shall be omitted.

(c) In clause (c) of section 13, the words "and the" shall be omitted.

(d) In clause (d) of section 13, the words "and the" shall be omitted.

(e) In clause (e) of section 13, the words "and the" shall be omitted.

(f) In clause (f) of section 13, the words "and the" shall be omitted.

(g) In clause (g) of section 13, the words "and the" shall be omitted.

(h) In clause (h) of section 13, the words "and the" shall be omitted.

(i) In clause (i) of section 13, the words "and the" shall be omitted.

(j) In clause (j) of section 13, the words "and the" shall be omitted.

(k) In clause (k) of section 13, the words "and the" shall be omitted.

(l) In clause (l) of section 13, the words "and the" shall be omitted.

(m) In clause (m) of section 13, the words "and the" shall be omitted.

(n) In clause (n) of section 13, the words "and the" shall be omitted.

(o) In clause (o) of section 13, the words "and the" shall be omitted.

(p) In clause (p) of section 13, the words "and the" shall be omitted.

(q) In clause (q) of section 13, the words "and the" shall be omitted.

(r) In clause (r) of section 13, the words "and the" shall be omitted.

(s) In clause (s) of section 13, the words "and the" shall be omitted.

(t) In clause (t) of section 13, the words "and the" shall be omitted.

(u) In clause (u) of section 13, the words "and the" shall be omitted.

(v) In clause (v) of section 13, the words "and the" shall be omitted.

(w) In clause (w) of section 13, the words "and the" shall be omitted.

(x) In clause (x) of section 13, the words "and the" shall be omitted.

(y) In clause (y) of section 13, the words "and the" shall be omitted.

(z) In clause (z) of section 13, the words "and the" shall be omitted.

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.

RICHD. A. ARNOLD,
Clerk of the Legislative Assembly.

Legislative Assembly Chamber,
Sydney, 7 April, 1914, A.M.

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

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

Legislative Council Chamber,
Sydney, 8th April, 1914.

New South Wales.



ANNO QUINTO

GEORGII V REGIS.

Act No. , 1914.

An Act to amend the Income Tax (Management) Act, 1912, and in particular to amend the definition of income so as to include certain gains and profits; to give a retrospective operation to certain of the amendments so made; 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 the same, as follows:—

1. This Act may be cited as the "Income Tax Short title. Management (Amendment) Act, 1914."

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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. (1) The definition of "absentee" in section four of the Income Tax (Management) Act, 1912, is repealed. Amendment of s. 4, Management Act, 1912.

(2) In the same section, the definition of "income" is amended by inserting after "include" the word "Income." 1912.
5 "capital."

(3) The same definition is further amended by adding the following :—

"Any gains or profits accruing to a taxpayer ~~who~~ Gains from sale of property.
10 ~~is a resident in the State~~ on the sale by him during the year of income—

(i) of any estate or interest in land **within the State**, including a lease of **such** land and including the goodwill of any business carried on on the land, where such estate or interest was bought by him, or the land was leased to him during such year or the four years next prior thereto ;

(ii) of shares in any company bought by him during such year or the two years next prior thereto ; or

20 (iii) of any other personal property of what kind soever, and of the value of fifty pounds or upwards, bought by him during such year,

where the buying or selling of such estate or interest or of such shares or property or the leasing of the land was not in the course of the business of the taxpayer, shall be deemed to be income derived during the year of income from a source in the State :

25 Provided that in assessing such gains or profits deduction may be made of any losses incurred during the year of income on the sale by the taxpayer during such year of any such estates or interests, shares or property bought or of any such lease granted as aforesaid."

(4) In the same section the definition of "tax- "Taxpayer."
35 payer" is amended by omitting "by whom income tax is payable" and inserting the words "receiving income"

(5) This section shall apply to income for the year Application of section.
one thousand nine hundred and thirteen and for any subsequent year.

40 3. (1) Paragraph (g) of section ten of the same Act Amendment of s. 10 of Management Act, 1912.
is amended by omitting "earned" and inserting the word "derived"

(2)

Income Tax Management (Amendment).

(2) The same section is amended by adding the following new paragraph at the end of the section :—

(h) Income derived from shares in a company.

This subsection shall apply to income for the year 1913 and for any subsequent year.

4. Paragraph (d) of subsection one of section eleven of the same Act is amended as follows :— Amendment of s. 11 (1) (d).

(a) After "in the State" insert the words "or **being interest** derived from any other source in the State."

(b) At the end of the paragraph insert the words "or the person paying such interest, as the case may be."

5. In subsection one, paragraph (a), of section sixteen of the same Act omit "three hundred" insert "two hundred and fifty" Amendment of s. 16 (1) (a). Exemption.

This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

6. (1) In the same Act—

(a) omit paragraph (f) of subsection one of section sixteen ; Further amendments to s. 16 and s. 19.

(b) omit paragraph (c) of subsection two of the same section ;

(c) add to the section a new subsection as follows :—
(3) Deduction shall not be made in respect of payments of income tax.

(d) in the last proviso to subsection two of section nineteen omit all after "(a), (b), (c), d)," to the end of the section.

(2) This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

7. Paragraph (e) of subsection one of section sixteen of the same Act is amended as follows :— Amendment of paragraph (e) of s. 16.

(a) Omit "including commission, discount, travelling expenses"

(b) After "owned by him" at the end of sub-paragraph (ii) insert new sub-paragraph as follows :—

(iia) commission, discount, and travelling expenses paid by the taxpayer, being expenses incurred by him in New South Wales in the production of his income.

8.

Income Tax Management (Amendment).

8. Section seventeen of the same Act is further amended as follows:—

- (a) Omit "deductions (e) and (f) so far as they may be" insert "deduction (e) so far as it may be."
- 5 (b) Omit "and shall further deduct any sum paid or credited to a shareholder or policy-holder by the company during the year of income, as dividend or bonus."
- (c) Omit "such deductions" insert "such deduction."
- 10 (d) ~~Omit the two provisos.~~

This section shall apply to income for the year one thousand nine hundred and thirteen, and for any subsequent year.

9. The second proviso to section seventeen of the same Act is, in its application to income for the year one thousand nine hundred and twelve, and for any previous year, amended by omitting the words "in its return of income states" and inserting the words "before the expiration of one month from the commencement of the Income Tax Management (Amendment) Act, 1914, or such further time as the Commissioners may allow, states to them."

9. The two provisos to section seventeen of the same Act are repealed and the following is substituted for them:—

Provided that if a company pays or credits to any shareholder or policy-holder by way of dividend or bonus any sum upon which such company has previously paid tax for the year one thousand nine hundred and twelve or any previous year the amount of such tax shall be repaid to the company, or allowed in account, by the commissioners:

Provided further that the commissioners shall not deduct any sum so paid or credited to a shareholder or policy-holder unless the company, before the expiration of two months from the commencement of the Income Tax Management (Amendment) Act, 1914, or such further time as the commissioners may allow, states to them the name, occupation, and address of such shareholder or policy-holder, and the amount paid or credited to him. Such deduction shall be made in the first place from income derived by the company from personal exertion. **10.**

Income Tax Management (Amendment).

10. Section nineteen of the same Act is amended as follows :— Amendment of s. 19 (1).

(a) In subsection one omit the words " The taxable income of any taxpayer engaged in the business of owner or charterer of ships trading from a port in the State to a port outside the State and" Taxation of foreign shipowners.

(b) After subsection one insert the following new subsection :—

(1A) When a foreign company or a person whose principal place of business is out of the State carries passengers, live stock, or goods shipped in the State, either as owner or charterer of any vessel, such company or person shall by itself or himself or its or his agent in the State, within the prescribed time, make a return of the full amount payable to it or to him, whether such amount is payable in the State or beyond the State, in respect of the carriage of such passengers, live stock, and goods to the port of discharge. See 2 Ed. VII, No. 10, s. 33 (Queensland).

Such company, person, or agent shall be assessed thereon, and the taxable amount of the income derived therefrom shall, if such income cannot in the opinion of the Commissioners be otherwise satisfactorily determined, be assessed at an amount equal to five pounds for every one hundred pounds so payable as aforesaid.

11. Subsection three of section twenty of the same Act is amended as follows :— Amendment of s. 20 (3).

(a) Omit "or by his agent duly authorised in that behalf."

(b) At the end of the subsection add the words " Provided that if the taxpayer is absent from the State, or is unable from physical or mental infirmity to make such return, the return may be signed and delivered by some person authorised by him."

12. Section twenty-one of the same Act is amended by adding thereto the words "and may rescind or amend any assessment so made." Amendment of s. 21.

Income Tax Management (Amendment).

13. The following sections are inserted next after section twenty-four of the same Act :—

New sections
24A, 24B, and
24C.

24A. (1) Notwithstanding the previous provisions of this Part the Commissioners at any time during a year of income—

Taxation
during year
of income.

- 5 (a) may, by notice served as prescribed, require any person who is a resident out of the State, and who has not a fixed and permanent place of business in the State, to furnish, before the day in such notice mentioned, a return of his income during such year and during ~~any~~ the previous three years of income ;
- 10 (b) may assess the tax payable by any such person on his income during such year, whether such person has or has not been required to make any return under this section ;
- 15 (c) may send to the taxpayer, through the post, an assessment notice assessing the tax payable by him, and in such notice may fix a day upon which the tax shall be paid to the Commissioners at their office.
- 20

(2) If any such person fails to pay such tax on the day so fixed, he shall be liable to pay by way of fine ten per centum upon the amount of the tax, and the Commissioners may forthwith sue him for the amount of the tax and of the fine, in any court of competent jurisdiction.

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24B. The Commissioners may, by seven days' notice, require any person to produce, for examination by any person appointed in that behalf, and at any time and place fixed by the Commissioners, any deeds, instruments, books, accounts, vouchers, trade-lists, stock-sheets, documents, or writings that may be deemed by the Commissioners to be necessary for the purpose of obtaining information in respect of the income of any person or company.

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Examination
of books, &c.,
2 Ed. VII,
No. 10, s. 42
(Queensland).

If any person, without reasonable excuse, fails to comply with any requirement made under this section he shall be liable to a penalty not exceeding ten pounds, and to a further penalty not exceeding five pounds for every day after the first during which such default continues.

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14. Section thirty-seven of the same Act is amended by omitting "twenty pounds" and inserting "one hundred pounds ~~and not less than two pounds.~~"

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Amendment
of s. 37.

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.

RICHD. A. ARNOLD,
Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 7 April, 1914, A.M.*

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

*For the Clerk of the Parliaments.
Legislative Council Chamber,
Sydney, April, 1914.*

New South Wales.



ANNO QUINTO

GEORGII V REGIS.

Act No. , 1914.

An Act to amend the Income Tax (Management) Act, 1912, and in particular to amend the definition of income so as to include certain gains and profits; to give a retrospective operation to certain of the amendments so made; 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. This Act may be cited as the "Income Tax Short title. Management (Amendment) Act, 1914."

91445

95—A

2.

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

Income Tax Management (Amendment).

2. (1) The definition of "absentee" in section four of the Income Tax (Management) Act, 1912, is repealed. Amendment of s. 4, Management Act, 1912.
- (2) In the same section, the definition of "income" is amended by inserting after "include" the word "Income." "Income."
- 5 "capital."
- (3) The same definition is further amended by adding the following :—
- " Any gains or profits accruing to a taxpayer ~~who~~ Gains from sale of property.
~~is a resident in the State~~ on the sale by him during
 10 the year of income—
- (i) of any estate or interest in land **within the State**, including a **such** lease of land and including the goodwill of any business carried on on the land, where such estate or interest
 15 was bought by him, or the land was leased to him during such year or the four years next prior thereto ;
- (ii) of shares in any company bought by him during such year or the two years next prior thereto ; or
- 20 (iii) of any other personal property of what kind soever, and of the value of fifty pounds or upwards, bought by him during such year, where the buying or selling of such estate or interest or of such shares or property or the leasing of the
 25 land was not in the course of the business of the taxpayer, shall be deemed to be income derived during the year of income from a source in the State :
- Provided that in assessing such gains or profits deduction may be made of any losses incurred during
 30 the year of income on the sale by the taxpayer during such year of any such estates or interests, shares or property bought or of any such lease granted as aforesaid."
- (4) In the same section the definition of "tax- "Taxpayer."
 35 payer" is amended by omitting "by whom income tax is payable" and inserting the words "receiving income"
- (5) This section shall apply to income for the year Application of section.
 one thousand nine hundred and thirteen and for any subsequent year.
- 40 3. (1) Paragraph (g) of section ten of the same Act Amendment of s. 10 of Management Act, 1912.
 is amended by omitting "earned" and inserting the word
 "derived" (2)

Income Tax Management (Amendment).

(2) The same section is amended by adding the following new paragraph at the end of the section :—

(h) Income derived from shares in a company.

This subsection shall apply to income for the year 5 1913 and for any subsequent year.

4. Paragraph (d) of subsection one of section eleven Amendment of s. 11 (1) (d).
of the same Act is amended as follows :—

(a) After "in the State" insert the words "or
10 **being interest** derived from any other source
in the State."

(b) At the end of the paragraph insert the words
"or the person paying such interest, as the case
may be."

5. In subsection one, paragraph (a), of section sixteen Amendment of s. 16 (1) (a).
15 of the same Act omit "three hundred" insert "two
hundred and fifty" Exemption.

This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

20 6. (1) In the same Act—

(a) omit paragraph (f) of subsection one of section Further amendments to s. 16 and s. 19.
sixteen ;

(b) omit paragraph (c) of subsection two of the same section ;

25 (c) add to the section a new subsection as follows :—
(3) Deduction shall not be made in respect of payments of income tax.

(d) in the last proviso to subsection two of section
30 nineteen omit all after "(a), (b), (c), d)," to the end of the section.

(2) This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

35 7. Paragraph (e) of subsection one of section sixteen Amendment of paragraph (e) of s. 16.
of the same Act is amended as follows :—

(a) Omit "including commission, discount, travelling expenses"

(b) After "owned by him" at the end of sub-paragraph (ii) insert new sub-paragraph as follows :—
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(ia) commission, discount, and travelling expenses paid by the taxpayer, being expenses incurred by him in New South Wales in the production of his income. **8.**

Income Tax Management (Amendment).

8. Section seventeen of the same Act is further amended as follows:— Further amendment of s. 17.

- (a) Omit "deductions (e) and (f) so far as they may be" insert "deduction (e) so far as it may be."
 5 (b) Omit "and shall further deduct any sum paid or credited to a shareholder or policy-holder by the company during the year of income, as dividend or bonus."
 (c) Omit "such deductions" insert "such deduction."
 10 (d) ~~Omit the two provisos.~~

This section shall apply to income for the year one thousand nine hundred and thirteen, and for any subsequent year. Application of section.

9. The second proviso to section seventeen of the same Act is, in its application to income for the year one thousand nine hundred and twelve, and for any previous year, amended by omitting the words "in its return of income states" and inserting the words "before the expiration of one month from the commencement of the Income Tax Management (Amendment) Act, 1914, or such further time as the Commissioners may allow, states to them." Amendment of proviso to s. 17.

9. The two provisos to section seventeen of the same Act are repealed and the following is substituted for them:— Amendment of proviso to s. 17.

30 Provided that if a company pays or credits to any shareholder or policy-holder by way of dividend or bonus any sum upon which such company has previously paid tax for the year one thousand nine hundred and twelve or any previous year the amount of such tax shall be repaid to the company, or allowed in account, by the commissioners:

35 Provided further that the commissioners shall not deduct any sum so paid or credited to a shareholder or policy-holder unless the company, before the expiration of two months from the commencement of the Income Tax Management (Amendment) Act, 1914, or such further time as the commissioners may allow, states to them the name, occupation, and address of such shareholder or policy-holder, and the amount paid or credited to him. Such deduction shall be made in the first place from income derived by the company from personal exertion. **10.**

Income Tax Management (Amendment).

10. Section nineteen of the same Act is amended as follows :— Amendment of s. 19 (1).

(a) In subsection one omit the words "The taxable income of any taxpayer engaged in the business of owner or charterer of ships trading from a port in the State to a port outside the State and" Taxation of foreign shipowners.

(b) After subsection one insert the following new subsection :—

(1A) When a foreign company or a person whose principal place of business is out of the State carries passengers, live stock, or goods shipped in the State, either as owner or charterer of any vessel, such company or person shall by itself or himself or its or his agent in the State, within the prescribed time, make a return of the full amount payable to it or to him, whether such amount is payable in the State or beyond the State, in respect of the carriage of such passengers, live stock, and goods to the port of discharge. See 2 Ed. VII, No. 10, s. 33 (Queensland).

Such company, person, or agent shall be assessed thereon, and the taxable amount of the income derived therefrom shall, if such income cannot in the opinion of the Commissioners be otherwise satisfactorily determined, be assessed at an amount equal to five pounds for every one hundred pounds so payable as aforesaid.

11. Subsection three of section twenty of the same Act is amended as follows :— Amendment of s. 20 (3).

(a) Omit "or by his agent duly authorised in that behalf."

(b) At the end of the subsection add the words "Provided that if the taxpayer is absent from the State, or is unable from physical or mental infirmity to make such return, the return may be signed and delivered by some person authorised by him."

12. Section twenty-one of the same Act is amended by adding thereto the words "and may rescind or amend any assessment so made." Amendment of s. 21.

Income Tax Management (Amendment).

13. The following sections are inserted next after section twenty-four of the same Act :—

New sections
24A, 24B, and
24C.

24A. (1) Notwithstanding the previous provisions of this Part the Commissioners at any time during a year of income—

Taxation
during year
of income.

(a) may, by notice served as prescribed, require any person who is a resident out of the State, and who has not a fixed and permanent place of business in the State, to furnish, before the day in such notice mentioned, a return of his income during such year and during ~~any~~ the previous three years of income ;

(b) may assess the tax payable by any such person on his income during such year, whether such person has or has not been required to make any return under this section ;

(c) may send to the taxpayer, through the post, an assessment notice assessing the tax payable by him, and in such notice may fix a day upon which the tax shall be paid to the Commissioners at their office.

(2) If any such person fails to pay such tax on the day so fixed, he shall be liable to pay by way of fine ten per centum upon the amount of the tax, and the Commissioners may forthwith sue him for the amount of the tax and of the fine, in any court of competent jurisdiction.

24B. The Commissioners may, by seven days' notice, require any person to produce, for examination by any person appointed in that behalf, and at any time and place fixed by the Commissioners, any deeds, instruments, books, accounts, vouchers, trade-lists, stock-sheets, documents, or writings that may be deemed by the Commissioners to be necessary for the purpose of obtaining information in respect of the income of any person or company.

Examination
of books, &c.,
2 Ed. VII,
No. 10, s. 42
(Queensland).

If any person, without reasonable excuse, fails to comply with any requirement made under this section he shall be liable to a penalty not exceeding ten pounds, and to a further penalty not exceeding five pounds for every day after the first during which such default continues.

14. Section thirty-seven of the same Act is amended by omitting "twenty pounds" and inserting "one hundred pounds ~~and not less than two pounds.~~"

Amendment
of s. 37.

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.

RICHD. A. ARNOLD,
Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 7 April, 1914, A.M.*

New South Wales.



ANNO QUINTO

GEORGI V REGIS.

Act No. , 1914.

An Act to amend the Income Tax (Management) Act, 1912, and in particular to amend the definition of income so as to include certain gains and profits ; to give a retrospective operation to certain of the amendments so made ; 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 the same, as follows :—

1. This Act may be cited as the "Income Tax Short title. Management (Amendment) Act, 1914."

2. (1) The definition of "absentee" in section four of the Income Tax (Management) Act, 1912, is repealed.

Amendment
of s. 4, Man-
agement Act,
1912.

Income Tax Management (Amendment).

(2) In the same section, the definition of "income" ^{"Income."} is amended by inserting after "include" the word "capital."

(3) The same definition is further amended by adding the following :—

"Any gains or profits accruing to a taxpayer who is a resident in the State on the sale by him during the year of income— ^{Gains from sale of property.}

10 (i) of any estate or interest in land, including a lease of land and including the goodwill of any business carried on on the land, where such estate or interest was bought by him, or the land was leased to him during such year or the four years next prior thereto ;

15 (ii) of shares in any company bought by him during such year or the two years next prior thereto ; or

(iii) of any other personal property of what kind soever, and of the value of fifty pounds or upwards, bought by him during such year,

20 where the buying or selling of such estate or interest or of such shares or property or the leasing of the land was not in the course of the business of the taxpayer, shall be deemed to be income derived during the year of income from a source in the State :

25 Provided that in assessing such gains or profits deduction may be made of any losses incurred during the year of income on the sale by the taxpayer during such year of any such estates or interests, shares or property bought or of any such lease granted as aforesaid."

30 (4) In the same section the definition of "taxpayer" is amended by omitting "by whom income tax is payable" and inserting the words "receiving income"

(5) This section shall apply to income for the year ^{Application of section.} one thousand nine hundred and thirteen and for any subsequent year.

3. (1) Paragraph (g) of section ten of the same Act is amended by omitting "earned" and inserting the word ^{Amendment of s. 10 of Management Act, 1912.} "derived"

Income Tax Management (Amendment).

(2) The same section is amended by adding the following new paragraph at the end of the section :—

(h) Income derived from shares in a company.

This subsection shall apply to income for the year 5 1913 and for any subsequent year.

4. Paragraph (d) of subsection one of section eleven Amendment of s. 11 (1) (d).
of the same Act is amended as follows :—

(a) After “in the State” insert the words “or derived from any other source in the State.”

10 (b) At the end of the paragraph insert the words “or the person paying such interest, as the case may be.”

5. In subsection one, paragraph (a), of section sixteen Amendment of s. 16 (1) (a).
of the same Act omit “three hundred” insert “two Exemption.
15 hundred and fifty”

This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

6. (1) In the same Act—

20 (a) omit paragraph (f) of subsection one of section sixteen ; Further amendments to s. 16 and s. 19.

(b) omit paragraph (c) of subsection two of the same section ;

(c) add to the section a new subsection as follows :—

25 (3) Deduction shall not be made in respect of payments of income tax.

(d) in the last proviso to subsection two of section nineteen omit all after “(a), (b), (c), d),” to the end of the section.

30 (2) This section shall apply to income for the year one thousand nine hundred and thirteen and for any subsequent year.

7. Paragraph (e) of subsection one of section sixteen Amendment of paragraph (e) of s. 16.
of the same Act is amended as follows :—

35 (a) Omit “including commission, discount, travelling expenses”

(b) After “owned by him” at the end of sub-paragraph (ii) insert new sub-paragraph as follows :—

40 (ia) commission, discount, and travelling expenses paid by the taxpayer, being expenses incurred by him in New South Wales in the production of his income.

8.

Income Tax Management (Amendment).

8. Section seventeen of the same Act is further amended as follows :— Further amendment of s. 17.

- (a) Omit "deductions (e) and (f) so far as they may be" insert "deduction (e) so far as it may be."
 5 (b) Omit "and shall further deduct any sum paid or credited to a shareholder or policy-holder by the company during the year of income, as dividend or bonus."
 (c) Omit "such deductions" insert "such deduction."
 10 (d) Omit the two provisos.

This section shall apply to income for the year one thousand nine hundred and thirteen, and for any subsequent year. Application of section.

- 9.** The second proviso to section seventeen of the same Act is, in its application to income for the year one thousand nine hundred and twelve, and for any previous year, amended by omitting the words "in its return of income states" and inserting the words "before the expiration of one month from the commencement of the Income Tax Management (Amendment) Act, 1914, or such further time as the Commissioners may allow, states to them." Amendment of proviso to s. 17.
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10. Section nineteen of the same Act is amended as follows :— Amendment of s. 19 (1).

- 25 (a) In subsection one omit the words "The taxable income of any taxpayer engaged in the business of owner or charterer of ships trading from a port in the State to a port outside the State and"
Taxation of foreign shipowners.
- 30 (b) After subsection one insert the following new subsection :—

- (1A) When a foreign company or a person whose principal place of business is out of the State carries passengers, live stock, or goods shipped in the State, either as owner or charterer of any vessel, such company or person shall by itself or himself or its or his agent in the State, within the prescribed time, make a return of the full amount payable to it or to him, whether such amount is payable in the State See 2 Ed. VII, No. 10, s. 3 (Queensland).
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Income Tax Management (Amendment).

State or beyond the State, in respect of the carriage of such passengers, live stock, and goods to the port of discharge.

5 Such company, person, or agent shall be assessed thereon, and the taxable amount of the income derived therefrom shall, if such income cannot in the opinion of the Commissioners be otherwise satisfactorily determined, be assessed at an amount equal to five pounds for every one hundred pounds so payable as aforesaid.

10 **11.** Subsection three of section twenty of the same Act is amended as follows:— Amendment of s. 20 (3).

(a) Omit "or by his agent duly authorised in that behalf."

15 (b) At the end of the subsection add the words "Provided that if the taxpayer is absent from the State, or is unable from physical or mental infirmity to make such return, the return may be signed and delivered by some person authorised by him."

20 **12.** Section twenty-one of the same Act is amended by adding thereto the words "and may rescind or amend any assessment so made." Amendment of s. 21.

25 **13.** The following sections are inserted next after section twenty-four of the same Act:— New sections 24A, 24B, and 24C.

24A. (1) Notwithstanding the previous provisions of this Part the Commissioners at any time during a year of income— Taxation during year of income.

30 (a) may, by notice served as prescribed, require any person who is a resident out of the State, and who has not a fixed and permanent place of business in the State, to furnish, before the day in such notice mentioned, a return of his income during such year and during any previous year of income;

35 (b) may assess the tax payable by any such person on his income during such year, whether such person has or has not been required to make any return under this section;

Income Tax Management (Amendment).

(c) may send to the taxpayer, through the post, an assessment notice assessing the tax payable by him, and in such notice may fix a day upon which the tax shall be paid to the Commissioners at their office.

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(2) If any such person fails to pay such tax on the day so fixed, he shall be liable to pay by way of fine ten per centum upon the amount of the tax, and the Commissioners may forthwith sue him for the amount of the tax and of the fine, in any court of competent jurisdiction.

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24B. The Commissioners may, by seven days' notice, require any person to produce, for examination by any person appointed in that behalf, and at any time and place fixed by the Commissioners, any deeds, instruments, books, accounts, vouchers, trade-lists, stock-sheets, documents, or writings that may be deemed by the Commissioners to be necessary for the purpose of obtaining information in respect of the income of any person or company.

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If any person, without reasonable excuse, fails to comply with any requirement made under this section he shall be liable to a penalty not exceeding ten pounds, and to a further penalty not exceeding five pounds for every day after the first during which such default continues.

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14. Section thirty-seven of the same Act is amended by omitting "twenty pounds" and inserting "one hundred pounds and not less than two pounds"

Examination
of books, &c.,
2 Ed. VII,
No. 10, s. 42
(Queensland).

Amendment
of s. 37.