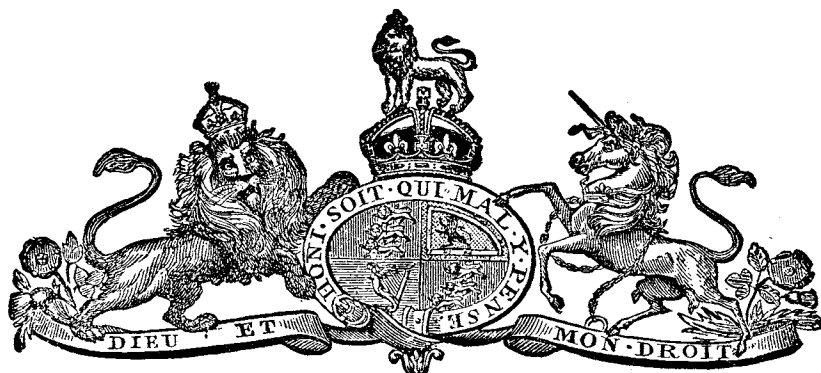


T A S M A N I A.



1924.

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

ANALYSIS.

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2 The Acts set forth in Schedule (1) to this Act are hereby repealed to the extent therein stated.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

Income Tax.

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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.

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No exemption or deduction in respect of prize in lottery.

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.

Rates of income tax.

(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.

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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)

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INCOME TAX.

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.
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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.