

LAND TAX AND INCOME TAX.

26° GEO. V., No. VII.

No. 7 of 1935.

AN ACT to impose a Land Tax and an Income Tax.

[Assented to 5th October, 1935.]

MOST GRACIOUS SOVEREIGN,—

Preamble.

WE, Your Majesty's most dutiful and loyal subjects, the Legislative Assembly of Western Australia in Parliament assembled, towards raising the necessary supplies to defray Your Majesty's public expenses, and making an addition to the public revenue, have freely and voluntarily resolved to give and grant unto Your Majesty the duties hereinafter mentioned, and do therefore most humbly beseech Your Majesty that it may be enacted: And be it therefore enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

Short title.

1. This Act may be cited as the *Land Tax and Income Tax Act, 1935*.

Grant of land tax and income tax for the year ending 30th June, 1936.

2. For the year ending the thirtieth day of June, one thousand nine hundred and thirty-six, there shall be charged, levied, collected, and paid for the use of His

Majesty, under and subject to the Land and Income Tax Assessment Act, 1907-1931, and in manner therein prescribed—

- (1) A land tax at the rate of twopence for every pound of the unimproved value, as assessed by or under the said Acts, of all land chargeable with such tax:

Provided that the tax payable in respect of a pastoral lease shall be at the rate of twopence for every pound—

- (i) of a sum equal to twenty times the amount of the annual rent reserved by the lease in cases other than those mentioned in the next following paragraph of this proviso; or
- (ii) of a sum equal to twenty times the amount of the annual rent payable or paid by the lessee if such lessee—
- (a) prior to the commencement of the Land Act, 1933, has applied for a new lease under subsection (4) of section thirty of the Land Act Amendment Act, 1917, and such application has been approved; or
- (b) has paid double rent in respect of his holding under the provisions of the Land Act Amendment Act, 1918; or
- (c) has applied for a new lease under subsection (1) of section one hundred and fourteen of the Land Act, 1933, and such application has been approved:

Provided further, that such land tax shall not apply to improved land within the meaning of section nine of the Land and Income Tax Assessment Act, 1907-1931, held at noon on the 30th day of June, 1935, and used solely or principally for agricultural, horticultural, pastoral, or grazing purposes.

- (2) An income tax on the income chargeable of all taxpayers at the rates prescribed by section three of this Act.

3. (1.) When the whole of the income chargeable of a taxpayer does not exceed £6,672 the rate of tax per pound shall, subject as hereinafter provided, be 2.007 Rate of income tax.

pence where the income chargeable is £101, and shall increase uniformly with each increase of one pound of the income chargeable by .007 of one penny.

Such rate of tax may be calculated from the following formula:—

$$\begin{aligned} R &= \text{rate of tax in pence per pound.} \\ I &= \text{income chargeable in pounds.} \\ R &= 2 + .007 (I - 100) \text{ pence.} \end{aligned}$$

When the whole of the income chargeable of a taxpayer exceeds £6,672, the rate of tax for every pound thereof shall be forty-eight pence.

(2.) Where the "income chargeable" of any person is less than one hundred and one pounds the rate of tax shall be twopence in the pound.

(3.) Provided that, for the year ending the thirtieth day of June, one thousand nine hundred and thirty-six, the rate of tax to be levied as aforesaid on the income chargeable shall be reduced by twenty per centum.

**Minimum
amount
payable.**

4. The minimum amount payable by any taxpayer for land tax or income tax shall be two shillings and sixpence.

**Income from
dividends.**

5. (1.) If the income chargeable of any person, together with income received by him in respect of the dividends of a company subject to duty under the Dividend Duties Act, 1902, amounted during the year ended the thirtieth day of June, one thousand nine hundred and thirty-five, to such a sum as if it were all income chargeable would be liable to income tax at a rate exceeding one shilling and threepence for every pound thereof, income tax shall be payable by such person on the amount of such aggregate income, but he shall receive credit for the duty payable under the Dividend Duties Act, 1902, in respect of his income derived from a company as aforesaid.

(2.) If any person not in receipt of any income chargeable was during the year ended the thirtieth day of June, one thousand nine hundred and thirty-five, in receipt of income derived from dividends within the meaning of the Dividend Duties Act, 1902, and such income, after all deductions allowed by law, exceeds the sum which under this Act would be chargeable as income at a higher

rate of tax in the pound than one shilling and threepence, such person shall be liable to pay income tax on such income, but such person shall receive credit for the amount of duty payable in respect of such income under the Dividend Duties Act, 1902:

Provided that, in any assessment made under this section, a deduction shall be allowed for interest incurred by the person in the production of the income derived from dividends.
