

INCOME TAX AND SOCIAL SERVICES CONTRIBUTION (INDIVIDUALS).

No. 102 of 1956.

An Act to impose a Tax, payable by Persons other than Companies and by Companies in the capacity of trustee, by the name of Income Tax and Social Services Contribution.

[Assented to 15th November, 1956.]

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

- Short title.** **1.** This Act may be cited as the *Income Tax and Social Services Contribution (Individuals) Act 1956*.
- Commencement.** **2.** This Act shall come into operation on the day on which it receives the Royal Assent.
- Interpretation.** **3.**—(1.) In this Act—
“ person ” does not include a company, other than a company in the capacity of a trustee ;
“ the Assessment Act ” means the *Income Tax and Social Services Contribution Assessment Act 1936-1956*.
- (2.) A reference in this Act to taxable income shall be read as a reference to taxable income of the year of income.

4. The Assessment Act is incorporated and shall be read as one with this Act. **Incorporation.**

5.—(1.) A tax, payable by persons, by the name of income tax and social services contribution is imposed in accordance with this Act and at the rates declared in this Act. **Imposition of income tax and social services contribution.**

(2.) Notwithstanding anything contained in this Act, income tax and social services contribution is not imposed upon a taxable income which does not exceed One hundred and four pounds derived by a person.

6.—(1.) The rates of income tax and social services contribution payable by a person are as set out in the First Schedule to this Act. **Rates of income tax and social services contribution payable by persons.**

(2.) The rates of income tax and social services contribution in respect of a taxable income to which Division 16 of Part III. of the Assessment Act applies are as set out in the Second Schedule to this Act.

(3.) The rate of income tax and social services contribution in respect of a taxable income in any case where section eighty-six or section one hundred and fifty-eight D of the Assessment Act applies is as set out in the Third Schedule to this Act.

(4.) The rate of income tax and social services contribution payable by a trustee is as set out in the Fourth Schedule to this Act.

7.—(1.) This section applies to a taxpayer who—

- (a) being a man, has attained the age of sixty-five years, or, being a woman, has attained the age of sixty years, on or before the last day of the year of income ; and
- (b) is a resident of Australia during the whole of the year of income,

Limitation of tax and contribution payable by aged persons.

but does not apply to a taxpayer in the capacity of a trustee.

(2.) Where the net income of a taxpayer to whom this section applies does not exceed Four hundred and thirty-four pounds, the maximum amount of income tax and social services contribution payable by him is nine-twentieths of the amount by which his net income exceeds Three hundred and ninety pounds, or, if his net income does not exceed Three hundred and ninety pounds, no income tax and social services contribution is payable by him.

(3.) Where the net income of a taxpayer to whom this section applies does not exceed One thousand and thirty pounds and during the year of income the taxpayer contributes to the maintenance of—

- (a) his wife, being a person who is a resident of Australia during the whole of the year of income and has attained the age of sixty years on or before the last day of that year ; or
- (b) her husband, being a person who is a resident of Australia during the whole of the year of income and has attained the age of sixty-five years on or before that day

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the maximum amount of income tax and social services contribution payable by the taxpayer is nine-twentieths of the amount by which the sum of the net incomes of the taxpayer and his or her spouse exceeds Seven hundred and eighty pounds, or, if the sum of those net incomes does not exceed Seven hundred and eighty pounds, no income tax and social services contribution is payable by the taxpayer.

(4.) For the purposes of this section, the net income of a person shall be ascertained by deducting from the gross income of that person all expenses (not being expenses of a capital, private or domestic nature) incurred in deriving that gross income.

Minimum
tax and
contribution.

8. Where, but for this section, the amount of income tax and social services contribution which a person would be liable to pay under the preceding provisions of this Act, after deducting all rebates to which that person is entitled in his assessment, is less than Ten shillings, the income tax and social services contribution payable by that person is Ten shillings.

Elimination
of pence.

9. Where the amount of income tax and social services contribution which a person would be liable to pay under the preceding provisions of this Act, before deducting any rebate or credit to which that person is entitled in his assessment, is an amount of pounds, shillings and pence or shillings and pence—

- (a) if the pence do not exceed six—the amount shall be deemed to be reduced by the amount of the pence ; and
- (b) if the pence exceed six—the amount shall be deemed to be increased by treating the pence as One shilling.

Tax and
contribution
where amount
to be collected
or refunded
would not
exceed Two
shillings.

10.—(1.) Notwithstanding anything contained in the preceding provisions of this Act, where a person has, in accordance with section two hundred and twenty-one H of the Assessment Act, forwarded to the Commissioner a tax stamps sheet or group certificate issued to him in respect of deductions made in a year from his salary or wages, and the difference between the available deductions and the income tax and social services contribution which would, but for this sub-section, be payable by that person in respect of the taxable income derived by him in that year is not more than Two shillings, the income tax and social services contribution payable by that person in respect of that taxable income is an amount equal to the available deductions.

(2.) The last preceding sub-section does not apply—

- (a) in relation to a person who is liable to pay provisional tax and contribution in respect of his income of the year immediately succeeding the year referred to in that sub-section ; or
- (b) in any case in which the amount of income tax and social services contribution which would, but for this section, be payable is Ten shillings and the available deductions exceed Ten shillings.

(3.) In this section, "the available deductions" means the sum of the amount represented by the face value of the tax stamps duly affixed to a tax stamps sheet referred to in sub-section (1.) of this section and the amount of the deductions specified in a group certificate so referred to.

11.—(1.) The income tax and social services contribution imposed by the preceding provisions of this Act shall be levied and paid for the financial year which commenced on the first day of July, One thousand nine hundred and fifty-six.

Levy of income tax and social services contribution.

(2.) Until the commencement of an Act for the levying and payment of income tax and social services contribution payable by persons for the financial year commencing on the first day of July, One thousand nine hundred and fifty-seven, the preceding provisions of this Act also apply for all financial years subsequent to that which commenced on the first day of July, One thousand nine hundred and fifty-six.

12. Provisional tax and contribution is imposed and is payable, in accordance with the provisions of the Assessment Act, in respect of the income of the year of income which commenced on the first day of July, One thousand nine hundred and fifty-six.

Provisional tax and contribution.

13. Sub-section (2.) of section twelve of the *Income Tax and Social Services Contribution Act 1955*, and section nine of the *Income Tax and Social Services Contribution (Companies) Act 1956*, are repealed.

Repeal.

THE SCHEDULES.

FIRST SCHEDULE.

Section 6 (1.).

GENERAL RATES OF TAX AND CONTRIBUTION PAYABLE BY PERSONS.

The rate of income tax and social services contribution for every £1 of each part of the taxable income specified in the first column of the following table is the rate set out in the second column of that table opposite to the reference to that part of the taxable income :—

First Column. Parts of Taxable Income.	Second Column. Rates.
The part of the taxable income which—	
does not exceed £100	One penny
exceeds £100 but does not exceed £150	3 pence
exceeds £150 but does not exceed £200	7 pence
exceeds £200 but does not exceed £250	11 pence
exceeds £250 but does not exceed £300	15 pence
exceeds £300 but does not exceed £400	20 pence
exceeds £400 but does not exceed £500	26 pence
exceeds £500 but does not exceed £600	30 pence
exceeds £600 but does not exceed £700	34 pence
exceeds £700 but does not exceed £800	38 pence
exceeds £800 but does not exceed £900	42 pence
exceeds £900 but does not exceed £1,000	46 pence
exceeds £1,000 but does not exceed £1,200	52 pence
exceeds £1,200 but does not exceed £1,400	59 pence

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FIRST SCHEDULE—*continued*.

First Column. Parts of Taxable Income.	Second Column. Rates.
The part of the taxable income which—	
exceeds £1,400 but does not exceed £1,600	65 pence
exceeds £1,600 but does not exceed £1,800	71 pence
exceeds £1,800 but does not exceed £2,000	77 pence
exceeds £2,000 but does not exceed £2,400	85 pence
exceeds £2,400 but does not exceed £2,800	92 pence
exceeds £2,800 but does not exceed £3,200	99 pence
exceeds £3,200 but does not exceed £3,600	105 pence
exceeds £3,600 but does not exceed £4,000	111 pence
exceeds £4,000 but does not exceed £4,400	117 pence
exceeds £4,400 but does not exceed £5,000	124 pence
exceeds £5,000 but does not exceed £6,000	132 pence
exceeds £6,000 but does not exceed £8,000	139 pence
exceeds £8,000 but does not exceed £10,000	145 pence
exceeds £10,000 but does not exceed £16,000	152 pence
exceeds £16,000	160 pence

SECOND SCHEDULE.

Section 6 (2.).

RATES OF TAX AND CONTRIBUTION BY REFERENCE TO AN AVERAGE INCOME.

In the case of a taxpayer to whose income Division 16 of Part III. of the Assessment Act applies, the rates of income tax and social services contribution are—

(a) for every £1 of so much of the taxable income as does not exceed Four thousand pounds—

(i) the rate ascertained by applying the rates set forth in the First Schedule to a taxable income equal to his average income and dividing the resultant amount by a number equal to the number of whole pounds in that average income; or

(ii) 71.775 pence,
whichever is the less; and

(b) for every £1 of the remainder of the taxable income, the rate ascertained by deducting the amount of One thousand one hundred and ninety-six pounds five shillings from the tax and contribution which would be payable if the rates set forth in the First Schedule were applied to the total taxable income and dividing the resultant amount by a number equal to the number of whole pounds in that remainder.

THIRD SCHEDULE.

Section 6 (3.).

RATE OF TAX AND CONTRIBUTION BY REFERENCE TO A NOTIONAL INCOME.

For every £1 of the taxable income of a taxpayer deriving a notional income, as specified by section eighty-six or section one hundred and fifty-eight D of the Assessment Act, the rate of income tax and social services contribution is the rate ascertained by dividing the tax and contribution which would be payable under the First Schedule upon a taxable income equal to his notional income by a number equal to the number of whole pounds in that notional income.

FOURTH SCHEDULE.

Section 6 (4.).

RATE OF TAX AND CONTRIBUTION PAYABLE BY A TRUSTEE.

For every £1 of the taxable income in respect of which a trustee is liable, in pursuance of either section ninety-eight or section ninety-nine of the Assessment Act, to be assessed and to pay tax and contribution, the rate of income tax and social services contribution is the rate which would be payable under the First, Second or Third Schedule, as the case requires, if one individual were liable to be assessed and to pay tax and contribution on that taxable income.