

The Fifth  
Schedule.

9. The Fifth Schedule to the *Income Tax Act 1945* is amended—

- (a) by omitting from paragraph (a) the words “ under the First Schedule ” and inserting in their stead the words “, at the rate which would be applicable under this Act,”; and
- (b) by omitting from paragraph (b) the words “ under the Second Schedule ” and inserting in their stead the words “, at the rate which would be applicable under this Act,”.

The Sixth  
Schedule.

10. The Sixth Schedule to the *Income Tax Act 1945* is amended by omitting the words “ under the First, Second, Third, Fourth or Fifth Schedule, as the case requires ” and inserting in their stead the words “, at the rate which would be applicable under this Act ”.

---

## SOCIAL SERVICES CONTRIBUTION ASSESSMENT.

---

**No. 39 of 1945.**

An Act relating to the Imposition, Assessment  
and Collection of a Social Services Contribution.

[Assented to 11th October, 1945.]

**B**E it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

### PART I.—PRELIMINARY.

Short title.

1. This Act may be cited as the *Social Services Contribution Assessment Act 1945*.

Commencement.

2. This Act shall come into operation on the day on which it receives the Royal Assent.

Saving.

3. Nothing in this Act shall affect the operation of the *Commonwealth Debt Conversion Act 1931* or of sub-section (2.) of section fifty-two B of the *Commonwealth Inscribed Stock Act 1911-1945*.

Parts.

4. This Act is divided into Parts as follows :—

Part I.—Preliminary.

Part II.—Administration.

Part III.—Liability to Contribution.

Part IV.—Application of Income Tax Assessment Act.

Part V.—Miscellaneous.

5.—(1.) In this Act, unless the contrary intention appears— Definitions.

“contributable income” means the taxable income ascertained in accordance with the provisions of the Income Tax Assessment Act;

“contribution” means the social services contribution imposed as such by any Act as assessed under this Act;

“contributor” means a person deriving income;

“Income Tax Assessment Act” means the *Income Tax Assessment Act 1936-1945*, as amended from time to time;

“the Commissioner” means the Commissioner of Taxation for the time being holding office under the *Estate Duty Assessment Act 1914-1942*;

“the Second Commissioner” means the person for the time being holding office as Second Commissioner of Taxation under the *Estate Duty Assessment Act 1914-1942*;

“year of contribution” means the financial year for which social services contribution is levied;

“year of income” means—

(a) in relation to a company (except a company in the capacity of a trustee)—the financial year next preceding the year of contribution, or the accounting period, if any, adopted, or deemed to have been adopted, under the Income Tax Assessment Act, in lieu of that financial year, for the purposes of income tax levied for the year of contribution; and

(b) in relation to any other person—the financial year for which social services contribution is levied, or the accounting period, if any, adopted, or deemed to have been adopted, under the Income Tax Assessment Act for the purposes of income tax levied for that financial year.

(2.) Expressions used in this Act, and in the provisions of the Income Tax Assessment Act adopted by this Act, shall, unless the contrary intention appears, have the same meanings as those expressions have in the Income Tax Assessment Act.

6.—(1.) This Act shall extend to the Territories of Papua, Norfolk Island and New Guinea, but shall not apply to any income derived by a resident of those Territories from sources within those Territories. Contributor  
resident in  
Territories.

(2.) Any contributor who is resident in a Territory specified in this section shall, for the purposes of assessment and payment of contribution on income derived from sources in Australia, be deemed to be a resident of Australia.

## PART II.—ADMINISTRATION.

7. The Commissioner shall have the general administration of Commissioner.  
this Act.

Powers of  
Second  
Commissioner.

8.—(1.) Subject to this section, the Second Commissioner shall have and may exercise all the powers and functions of the Commissioner under this Act.

(2.) Where in this Act the exercise of any power or function by the Commissioner or the operation of any provision of this Act is dependent upon the opinion, belief or state of mind of the Commissioner in relation to any matter, that power or function may be exercised by the Second Commissioner or that provision may operate (as the case may be) upon the opinion, belief or state of mind of the Second Commissioner in relation to that matter.

(3.) Nothing in this section shall be deemed to confer upon the Second Commissioner any power or function of the Commissioner under section seven, or under section ten or twelve of this Act or to prevent the exercise of any power or function by the Commissioner under this Act, and the Commissioner shall have, in relation to any act of the Second Commissioner, the same power as if that act were done by himself.

Deputy  
Commissioners.

9. For the purposes of this Act, there may be such Deputy Commissioners as are required who shall, subject to the control of the Commissioner, have such powers and functions as are prescribed, or as the Commissioner directs.

Delegation  
by the  
Commissioner.

10.—(1.) The Commissioner may, in relation to any particular matters or class of matters, or to any particular State or part of the Commonwealth, by writing under his hand delegate to a Deputy Commissioner or other person all or any of his powers or functions under this Act (except this power of delegation) so that the delegated powers or functions may be exercised by the Deputy Commissioner or person with respect to the matters or class of matters or the State or part of the Commonwealth specified in the instrument of delegation.

(2.) Every delegation under this section shall be revocable at will, but any delegation shall not prevent the exercise of any power or function by the Commissioner.

(3.) Any delegation under this section may be made subject to a power of review and alteration, within the period specified in the instrument of delegation, by the Commissioner of any act done in pursuance of the delegation and the decision given upon any such review or alteration shall be deemed to be that of the Commissioner.

References to  
Commissioner.

11. Any reference in this Act to the Commissioner shall be deemed to include—

- (a) in respect of matters as to which the Second Commissioner has exercised any power or function conferred upon him by this Act—a reference to the Second Commissioner; and
- (b) in respect of matters as to which a Deputy Commissioner has exercised any power or function conferred upon him by delegation under this Act—a reference to that Deputy Commissioner.

**12.**—(1.) The Commissioner shall furnish to the Treasurer annually, for presentation to the Parliament, a report on the working of this Act.

Report by the  
Commissioner.

(2.) In the report the Commissioner shall draw attention to any breaches or evasions of this Act which have come under his notice.

**13.**—(1.) For the purposes of this section, “officer” means a person who is or has been appointed or employed by the Commonwealth or by a State, and who by reason of that appointment or employment, or in the course of that employment, may acquire or has acquired information respecting the affairs of any other person, disclosed or obtained under the provisions of this Act.

Officers to  
observe secrecy.

(2.) Subject to this section, an officer shall not either directly or indirectly, except in the performance of any duty as an officer, and either while he is, or after he ceases to be, an officer, make a record of, or divulge or communicate to any person any such information so acquired by him.

(3.) An officer shall not be required to produce in Court any return, assessment or notice of assessment made or given for the purposes of this Act, or to divulge or communicate to any Court any matter or thing coming under his notice in the performance of his duties as an officer, except when it is necessary to do so for the purpose of carrying into effect the provisions of this Act.

(4.) Nothing in this section shall be deemed to prohibit the Commissioner, Second Commissioner, or a Deputy Commissioner, or any person thereto authorized by him, from communicating any information to—

- (a) any person performing, in pursuance of any appointment or employment by the Commonwealth or by a State, any duty arising under any Act administered by the Commissioner of Taxation or the Commissioner of Land Tax, for the purpose of enabling that person to carry out any such duty;
- (b) any board exercising any function under any Act administered by the Commissioner of Taxation or the Commissioner of Land Tax or under any State Act administered by the Commissioner of Income Tax of any State, or any member of any such Board;
- (c) the Commissioner of Income Tax for any State, or the authority administering any Act of a State relating to Stamp Duties or Succession Duties if that authority is authorized by law to afford similar information to the Commissioner, the Second Commissioner or a Deputy Commissioner;
- (d) the Commissioner of Pensions or the Repatriation Commission for the purpose of the administration of any law of the Commonwealth relating to pensions;

- (e) the Commissioner for Maternity Allowances for the purpose of any law relating to maternity allowances ;
- (f) the Director-General of Health for the purpose of the administration of any law of the Australian Capital Territory or of the Northern Territory which is administered by the Minister of State for Health ;
- (g) the Commonwealth Prices Commissioner ; or
- (h) the Secretary, Department of Defence, the Secretary, Department of the Navy, the Secretary, Department of the Army, or the Secretary, Department of Air, for the purpose of the administration of any law of the Commonwealth relating to payments in respect of dependants of members of the Defence Force.

(5.) Any person to whom information is communicated under the last preceding sub-section, and any person or employee under his control shall, in respect of that information, be subject to the same rights, privileges, obligations and liabilities, under sub-sections (2.) and (3.) of this section, as if he were an officer.

(6.) For the purposes of sub-sections (2.) and (5.) of this section, an officer or person shall be deemed to have communicated such information to another person in contravention of those sub-sections if he communicates that information to any Minister.

(7.) Any officer shall, if and when required by the Commissioner, Second Commissioner or a Deputy Commissioner to do so, make an oath or declaration, in the manner and form prescribed, to maintain secrecy in conformity with the provisions of this section.

Penalty: Two hundred and fifty pounds or imprisonment for twelve months.

### PART III.—LIABILITY TO CONTRIBUTION.

**Social services  
contribution.**

**14.**—(1.) Subject to this Act, social services contribution shall be levied and paid for the financial year ending on the thirtieth day of June, One thousand nine hundred and forty-six, and for each financial year thereafter—

- (a) in the case of a person (whether a resident or non-resident) other than a company (except a company in the capacity of a trustee)—at the rates declared by the Parliament, upon the contributable income derived during the year of income by that person ; and
- (b) in the case of a private company as defined in section one hundred and three of the Income Tax Assessment Act— in accordance with the provisions of section sixteen of this Act.

(2.) Notwithstanding anything contained in sub-section (1.) of this section, social services contribution shall not be levied upon the contributable income of a person of any year of income—

- (a) where the person would, if income tax were levied under the Income Tax Assessment Act upon his taxable income

of that year of income, be entitled to a rebate of tax in his income tax assessment by reference to paragraph (a), (aa), (ab), (b), (ba), (bb) or (c) of sub-section (2.) of section one hundred and sixty of that Act and the contributable income does not exceed One hundred and fifty-six pounds ;  
or

- (b) where the person would not, if income tax were so levied upon his taxable income of that year of income, be entitled to any such rebate of tax and the contributable income does not exceed One hundred and four pounds.

**15.** Subject to this Act, the provisions of Divisions 5, 6, 12, 13, 14 and 15 of Part III. of the Income Tax Assessment Act shall apply in relation to social services contribution in like manner as they apply in relation to income tax and as if—

Partnerships,  
trustees and  
certain non-  
residents.

- (a) the word “ contributor ” were substituted for the word “ taxpayer ” (wherever occurring) ;  
(b) the words “ contributable income ” were substituted for the words “ taxable income ” (wherever occurring) ; and  
(c) the words “ social services contribution ” were substituted for the words “ income tax ” (wherever occurring) and the word “ tax ” (wherever occurring).

**16.—(1.)** A company which is a private company as defined in Division 7 of Part III. of the Income Tax Assessment Act shall, subject to this section, be liable to pay social services contribution in respect of the undistributed amount, as defined in section one hundred and three of the Income Tax Assessment Act, of its taxable income and the Commissioner may assess the amount of contribution so payable.

Private  
companies.

(2.) The liability of a company under this section shall be determined in accordance with the provisions of Division 7 of Part III. of the Income Tax Assessment Act, as if those provisions were modified by substituting for the word “ tax ” (wherever occurring) in sections one hundred and four and one hundred and five the words “ social services contribution ”.

(3.) The provisions of section one hundred and seven and section one hundred and nine A of the Income Tax Assessment Act shall apply in relation to social services contribution in like manner as they apply in relation to income tax and as if, in the first-mentioned section—

- (a) the words “ social services contribution ” were substituted for the words “ income tax ” ; and  
(b) the words “ or in respect of which the company has paid or is liable to pay social services contribution ” were added at the end thereof.

Further rebate  
in certain  
cases.

17. Where section one hundred and twenty-seven of the Income Tax Assessment Act applies to the assessment of any person for income tax for any financial year, and the amount to be deducted under that section exceeds the tax from which it is to be deducted, the excess shall be deducted from the social services contribution otherwise payable by that person for that financial year.

#### PART IV.—APPLICATION OF INCOME TAX ASSESSMENT ACT.

Application of  
certain  
provisions  
of Income Tax  
Assessment Act.

18. The following provisions of the Income Tax Assessment Act, namely, sub-sections (2.) to (8.) (inclusive) of section twenty-three A, sections fifty-three E, fifty-nine A to fifty-nine E (inclusive), sub-sections (6.), (7.) and (8.) of section seventy-two B, Part IV., Division 2 of Part V., Parts VI. and VII., sections two hundred and fifty-one L to two hundred and fifty-one P (inclusive) and Part VIII. (except sub-section (2.) of section two hundred and fifty-two, and sections two hundred and sixty-five B and two hundred and sixty-six) shall, *mutatis mutandis*, apply, with such further modifications and adaptations as are prescribed, in relation to social services contribution in like manner as they apply in relation to income tax, but for the purposes of this Act those provisions shall be read as if—

- (a) the words “social services contribution” were substituted for the words “income tax” (wherever those words refer to Commonwealth income tax, except in sub-section (5.) of section two hundred and sixty-five A) and the word “taxation” (wherever occurring, except in section two hundred and twelve and in sub-section (6.) of section two hundred and sixty-five);
- (b) the word “contribution” were substituted for the word “tax” (wherever that word refers to Commonwealth income tax, additional tax or provisional tax, except where it immediately precedes the word “agent” or “agents” or where it immediately succeeds the word “income”);
- (c) the words “contributable income” were substituted for the words “taxable income” (wherever occurring);
- (d) the word “contributor” were substituted for the word “taxpayer” (wherever occurring);
- (e) any reference to a return or an assessment were a reference to a return or an assessment for the purposes of this Act;
- (f) in section two hundred and twenty-one—
  - (i) the words preceding paragraph (a) of sub-section (1.) were omitted;
  - (ii) the words “with which this Act is incorporated” in that paragraph were omitted;
  - (iii) the words “due under this Act” (thrice occurring) in paragraph (b) of sub-section (1.) were omitted;

(iv) sub-section (2.) were omitted and the following sub-section were inserted in its stead :—

“(2.) Notwithstanding anything contained in any other law, the priority given by this section to social services contribution shall prevail over any inconsistent priority given to income tax imposed by or under any Act.”;

- (g) any arrangement made under section two hundred and twenty-one B of the Income Tax Assessment Act and in force at the commencement of this Act applied in relation to social services contribution in like manner and during such period as it applies in relation to income tax ;
- (h) at the end of section two hundred and twenty-one N there were added the words “ but, until such stamps are placed on sale, any reference in this Division to contribution stamps shall be read as a reference to tax stamps prepared for income tax purposes ” ;
- (i) in sub-section (2.) of section two hundred and twenty-one YB, the words “ forty-six ” were substituted for the words “ forty-five ” and sub-section (3.) of that section were omitted ;
- (j) after section two hundred and twenty-one YH the following section were inserted in Part VI. :—

“ 221YJ.—(1.) For the purpose of ascertaining the provisional contribution payable in respect of the income of the year of income ending on the thirtieth day of June, One thousand nine hundred and forty-six, or the accounting period (if any) adopted under this Act in lieu of that year by a contributor who is or was liable to pay income tax in respect of the income of the year next preceding that year of income, that contributor shall be deemed to have been assessed to social services contribution on the income of that last-mentioned year, and the amount of contribution deemed to have been so assessed shall be—

Provisional  
contribution  
for certain  
years.

- (a) an amount equal to forty-three and three-quarters per centum of the income tax payable by the contributor in respect of the income of that last-mentioned year ; or
- (b) an amount of nine pence for every pound of the taxable income on which that income tax is or was payable,

whichever is the less.

“(2.) For the purpose of ascertaining the provisional contribution payable by a contributor in respect of the income of the year of income ending on the thirtieth day of June, One thousand nine hundred and forty-seven, or the accounting period (if any) adopted under this Act in lieu of that year, there shall be deemed to have



been assessed in the assessment of contribution for the financial year ending on the thirtieth day of June, One thousand nine hundred and forty-six the amount which would have been assessed if the rates of contribution imposed for that first-mentioned financial year had been applied in that assessment.”.

PART V.—MISCELLANEOUS.

Use of income tax returns.

19. Whether the Commissioner has required returns to be furnished in pursuance of section one hundred and sixty-one of the Income Tax Assessment Act, as applied by this Act, or not, he may treat returns furnished by a person for the purposes of the Income Tax Assessment Act as returns furnished by that person for the purposes of this Act and those returns shall thereupon be deemed to be returns furnished for the purposes of this Act.

Group certificates in respect of deductions from salary or wages.

20. A group employer who is required to issue to an employee a group certificate under Division 2 of Part VI. of the Income Tax Assessment Act and to issue a group certificate to the same employee under the provisions of that Division as applied by this Act, may comply with those requirements by issuing a single group certificate setting out the sum of the amounts which he would otherwise be required to set out in each group certificate.

Deductions from salary or wages under this Act and the Income Tax Assessment Act.

21.—(1.) Where an employer is required to make, during any period, deductions from the salary or wages of any employee both under this Act and under the Income Tax Assessment Act and the employer deducts, during that period, an amount which is less than the total of the amount which he is so required to deduct, the amount so deducted shall be deemed to have been deducted in pursuance of this Act to the extent that it is not in excess of the amount required to be deducted in pursuance of this Act.

(2.) Where a group employer is required, both under this Act and under the Income Tax Assessment Act, to pay to the Commissioner amounts which he has deducted during any period from any salary or wages, and, at the date not later than which he is required to pay that amount to the Commissioner, the employer has paid to the Commissioner an amount which is less than the total of the amounts which he is so required to pay, the amount so paid shall, notwithstanding any appropriation made by the employer or the Commissioner, be deemed to have been paid in pursuance of this Act to the extent that it is not in excess of the amount required to be so paid in pursuance of this Act.

Public officers

22. A person at any time holding the office of public officer of a company for the purposes of the Income Tax Assessment Act shall be deemed to be the public officer of that company for the purposes of the provisions of sub-section (1.) of section two hundred and fifty-two of that Act, as applied by this Act.

23. Notwithstanding anything contained in any other law, the amount which the Commissioner shall treat as having come into his possession under this Act—

Treatment of amounts received by Commissioner.

- (a) in the financial year which commenced on the first day of July, One thousand nine hundred and forty-five—shall be the sum of Twenty million pounds ;
- (b) in the financial year commencing on the first day of July, One thousand nine hundred and forty-six—shall be the sum of Fifty-one million pounds ; and
- (c) in each financial year thereafter—shall be the amount of the social services contribution (including provisional social services contribution) which becomes payable in that financial year.

24. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed or which are necessary or convenient to be prescribed for giving effect to this Act, and for prescribing penalties not less than One pound or more than Twenty pounds for any breach of the regulations.

Regulations.

---

## SOCIAL SERVICES CONTRIBUTION.

---

### No. 40 of 1945.

### An Act to impose a Social Services Contribution.

[Assented to 11th October, 1945.]

**B**E it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

1. This Act may be cited as the *Social Services Contribution Act* 1945. Short title.
2. This Act shall come into operation on the day on which it receives the Royal Assent. Commencement.
3. The *Social Services Contribution Assessment Act* 1945 shall be incorporated and read as one with this Act. Incorporation.
4. Social services contribution is imposed at the rates declared in this Act. Imposition of social services contribution.