

## INCOME TAX (MANAGEMENT) AMENDMENT ACT.

Act No. 26, 1925.

**George V,**  
**No. 26.**    **An Act to further amend the Income Tax (Management) Act, 1912, as amended by subsequent Acts; and for purposes connected therewith. [Assented to, 30th December, 1925.]**

**B**E 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:—

Short title.

**1.** (1) This Act may be cited as the "Income Tax (Management) Amendment Act, 1925," and shall be read with the Income Tax (Management) Act, 1912, as amended by subsequent Acts, which Act as so amended is in this Act referred to as the Principal Act.

Application of Act.

(2) The amendments made in the Principal Act by this Act shall apply in respect of income received during the year of income ending on the thirtieth day of June, one thousand nine hundred and twenty-five, as well as to income received during years of income subsequent to such year.

Amendment of Act, 1912, No. 11, s. 4.

**2.** The Principal Act is amended as follows:—

(a) by inserting in section four after the words "marriage settlement" the following new paragraphs:—

The profits arising or accruing to a person from the sale of a business as a going concern shall be deemed income of such person derived from personal exertion, so far as such profits  
are

are derived from the sale of stock-in-trade, livestock, or other goods, chattels and effects, profits from the disposal of which, if disposed of in the ordinary course of trade would be income; George V,  
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- (b) by inserting in section four after the words “of any property in the State” the words “or interest received inside or outside the State from any taxpayer or person where the interest is an outgoing actually incurred in the production of his income from a business carried on in the State”;

- (c) by inserting in section four after the words “during the year of income from a source in the State” the following paragraph:—

Where the sale is made upon terms of deferred payment so much of the consideration as would be profit if the sale were for cash shall be treated as apportioned among the years of income over which the deferred payments extend, and the amount of profit received in each year of income shall be deemed to be income accruing to the taxpayer in that year.

3. The Principal Act is further amended by adding Amendment of  
Act, 1912,  
No. 11, s. 1a. at the end of section ten the following new paragraph:—

- (j) a payment upon superannuation or retirement from employment received in a lump sum.

4. The Principal Act is further amended—

*Ibid.* s. 16 (1).

- (a) by omitting from paragraph (a) of subsection one of section sixteen the words “two hundred and fifty pounds” and by inserting in lieu thereof the words “three hundred pounds”;

- (b) by inserting before the words “The sum” at the commencement of paragraph (b) of subsection one of section sixteen the brackets and figure “(i)”;

- (c) by inserting at the end of paragraph (b) of subsection one of section sixteen the following words:—

Where the child is not wholly maintained by the taxpayer for the whole of the year of income, or where the child is but partially maintained

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maintained by the taxpayer either for the whole or part of the year of income, or where the child so wholly or partially maintained attains the age of eighteen during the year of income, such proportionate part of fifty pounds as the Commissioner shall decide as fair and equitable in the circumstances.

(ii) Such sum as is paid by the taxpayer to any legally qualified medical practitioner, public or private hospital, nurse or chemist in respect of any illness of or operation upon the taxpayer or his wife or any of his children under the age of twenty-one years ;

(iii) Such sum as is paid by the taxpayer not exceeding in the aggregate the sum of twenty pounds to any undertaker for funeral and burial expenses arising out of the death of the wife of the taxpayer or of any of his children under the age of twenty-one years.

The deductions mentioned in subparagraphs (ii) or (iii) of this paragraph are to be allowed only when the taxable income of the taxpayer does not exceed six hundred pounds.

Sec. 16 (1) (c).

(d) by omitting from paragraph (c) of subsection one of the same section the word "subsection" and by inserting in lieu thereof the word "paragraph" ;

Sec. 16 (1)

(e) by omitting from paragraph (e) of subsection one of the same section the words "subsection (b) hereof" and by inserting in lieu thereof the words "paragraph (b) of this subsection."

Amendment  
of Act, 1912,  
No. 11,  
new s. 18A.  
Motion  
picture films.

**5.** The Principal Act is further amended by inserting next after section eighteen the following new section:—

18A. If any person in New South Wales pays or credits or agrees to pay or credit to any person whose principal place of business is outside the State, in this section referred to as the foreign taxpayer, any money as consideration for—

- (a) the purchase or lease for exhibition in this State of any motion picture film not manufactured in the Commonwealth ; or  
(b)

- (b) the purchase or lease for use in the State of any advertising matter used or to be used in connection with any such film; or
- (c) the right or license to exhibit or use in any manner in the State any such film or advertising matter; or
- (d) any other right in connection with the use or exhibition in the State of any such film or advertising matter,

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such money shall be deemed to be taxable income of such foreign taxpayer, and in respect thereof the foreign taxpayer shall be deemed to be the principal taxpayer, and the person in the State paying or crediting or agreeing to pay or credit such money shall be deemed to be the representative taxpayer.

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