

ENEMY CONTRACTS, ANNULMENT OF.*See* MERCANTILE.**EXCHANGES, LABOUR.***See* LABOUR.**EXECUTORS.***See* TRUSTEES.**INCOME TAX.**

6 Geo. V.
No. 33.
THE INCOME
TAX ACT
AMENDMENT
ACT OF 1915.

An Act to Further Amend "The Income Tax Act of 1902."

[ASSENTED TO 29TH DECEMBER, 1915.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Queensland in Parliament assembled, and by the authority of the same, as follows:—

Short title
and
construction
of Act.

1. This Act may be cited as "*The Income Tax Act Amendment Act of 1915*," and shall be read as one with "*The Income Tax Act of 1902*,"* herein referred to as the Principal Act.

Commence-
ment of
period of
assessment

2. The first period for which assessments of income shall be made under the Principal Act as amended by subsequent Acts and by this Act shall commence on the first day of January, one thousand nine hundred and fifteen, and, subject to the Principal Act, all subsequent annual periods shall be reckoned from that date, and to that extent this Act shall have retrospective operation.

* 2 Edw. VII. No. 10, *supra*, page 970. For a consolidation of the Acts relating to Income Tax *see* Appendix.

1915.

Income Tax Act Amendment Act.

3 The definition of "Absentee" in section three of the Principal Act is repealed, and the following definition is inserted in lieu thereof:—

"Absentee"—A person who does not ordinarily reside in Australia or in a Territory under the authority of the Commonwealth: the term includes a person who—

- (a) Is absent from Australia and such Territories at the time when the tax is assessed; or
- (b) Has been absent from Australia and such Territories during more than half of the period of twelve months immediately preceding that date,

unless he satisfies the Commissioner that he ordinarily resides in Australia or a Territory under the authority of the Commonwealth: the term does not include a public officer of the Commonwealth or of a State who is absent in the performance of his duty.

The following provision is added to the definition of "Income derived from personal exertion" in the said section:—

The income subject to tax includes all net gains or profits arising or accruing to the taxpayer from the sale of any real or personal property whatsoever over and above its true value on the first day of January, one thousand nine hundred and fifteen, or accruing to the taxpayer as commission, fee, or other consideration arising out of such sale notwithstanding that such profits have not arisen or accrued from or in connection with any business carried on by the taxpayer.

4. The following subsections are added to section five of the Principal Act:—

[3.] Notwithstanding anything herein contained, it shall be lawful for the Commissioner, and he is hereby authorised, to afford to the Commonwealth Commissioner of Income Tax or to his deputy in Queensland any information in his possession with respect to the administration of this Act or the incomes of taxpayers thereunder; and the affording of such information shall not be deemed to be a contravention of this section.

This subsection shall not come into operation unless or until reciprocal authority to afford similar information to the Commissioner has been duly conferred on the Commonwealth Commissioner of Income Tax or his deputy in Queensland.

[4.] Notwithstanding anything herein contained, it shall be lawful for the Commissioner, and he is hereby authorised, to afford to any other Commissioner of Income Tax in Australia any information in his possession with respect to the business done in Queensland by any person or company carrying on business in any Australian State as well as in Queensland; and the affording of such information shall not be deemed to be a contravention of this section.

Amendment
of s. 7.

5. Section seven of the Principal Act as amended by subsequent Acts is repealed, and the following section is inserted in lieu thereof:—

Rates of
income tax.

[7.] Subject to this Act, there shall be charged, levied, collected, and paid for the use of His Majesty in aid of the Consolidated Revenue for each year an income tax in respect of the annual amount of the incomes of all persons at the rates following, that is to say:—

(i.) On all income derived from personal exertion—

If the total income subject to the tax—

Does not exceed £500	..	{ 7½d. in each and every £.
Exceeds £500 and does not exceed £1,000	{ 9d. in each and every £.
Exceeds £1,000 and does not exceed £1,500	{ 12d. in each and every £.
Exceeds £1,500 and does not exceed £3,000	{ 15d. in each and every £.
Exceeds £3,000	{ 18d. in each and every £.

Provided that, from the amount of the tax payable on the income of any taxpayer derived from any agricultural or grazing pursuits carried on by him, there may be deducted the amount of any land tax actually paid by the taxpayer in respect of the same year under any Act

1915.

Income Tax Act Amendment Act.

of the Parliament of Queensland on land on which such agricultural or grazing pursuits are carried on. For the purposes of this provision, "agricultural or grazing pursuits" mean the grazing of stock or dairying on areas not in either case exceeding an unimproved value in the aggregate of one thousand two hundred and eighty pounds.

(ii.) On all income derived from the produce of property—

If the total income subject to the tax—

Does not exceed £500	..	{	12d. in each and every £.
Exceeds £500 and does not exceed £1,000	{	13½d. in each and every £.
Exceeds £1,000 and does not exceed £1,500	{	15d. in each and every £.
Exceeds £1,500 and does not exceed £3,000	{	18d. in each and every £.
Exceeds £3,000	{	20d. in each and every £.

(iii.) Provided that—

- (a) A person, not being a company or an absentee, whose total income, whether derived from personal exertion or from the produce of property, or partly from personal exertion and partly from the produce of property, during the year in respect of which the assessment is made, did not exceed £200, shall not be liable to tax ;
- (b) In respect to any person, not being a company or an absentee, whose total assessable income, whether derived from personal exertion or from the produce of property or partly from personal exertion and partly from the produce of property, during the year in respect of which the assessment is made, amounted to more than £200, then £200 of such income shall not be deemed to be part of the total income subject to tax, and accordingly shall be exempt from tax ; and in deducting such £200 the income from personal exertion, if any, shall be first resorted to.

(iv.) On the incomes of all absentees—

If the total income subject to the tax—

Does not exceed £500 ..	{	12d. in each and every £.
Exceeds £500 and does not exceed £1,000	{	14d. in each and every £.
Exceeds £1,000 and does not exceed £1,500	{	17d. in each and every £.
Exceeds £1,500 and does not exceed £3,000	{	20d. in each and every £.
Exceeds £3,000	{	24d. in each and every £.

(v.) On the incomes of all companies not being public utility companies or monopoly companies as herein defined—

If the total profits do not exceed 6 per cent. on the capital .. { 12d. in each and every £.

If such profits—

	In each and every £ of the amount representing 6 per cent. as aforesaid.	In each and every £ over that amount.
Exceed 6 per cent. and do not exceed 7 per cent. ..	12d.	13d.
Exceed 7 per cent. and do not exceed 8 per cent. ..	12d.	14d.
Exceed 8 per cent. and do not exceed 9 per cent. ..	12d.	15d.
Exceed 9 per cent. and do not exceed 10 per cent. ..	12d.	16d.
Exceed 10 per cent. and do not exceed 11 per cent. ..	12d.	17d.
Exceed 11 per cent. and do not exceed 12 per cent. ..	12d.	18d.
Exceed 12 per cent. and do not exceed 13 per cent. ..	12d.	19d.
Exceed 13 per cent. and do not exceed 14 per cent. ..	12d.	20d.
Exceed 14 per cent. and do not exceed 15 per cent. ..	12d.	21d.
Exceed 15 per cent. and do not exceed 16 per cent. ..	12d.	22d.
Exceed 16 per cent. and do not exceed 17 per cent. .	12d.	23d.
Exceed 17 per cent. .	12d.	24d.

1915.

Income Tax Act Amendment Act.

(vi.) On the incomes of all public utility companies and monopoly companies—

If the total profits do not exceed { 12d. in each and
6 per cent. on the capital .. } every £.

If such profits—	In each and every £ of the amount representing 6 per cent. as aforesaid.	In each and every £ over that amount.
Exceed 6 per cent. and do not exceed 7 per cent. ..	12d.	14d.
Exceed 7 per cent. and do not exceed 8 per cent. ..	12d.	16d.
Exceed 8 per cent. and do not exceed 9 per cent. ..	12d.	18d.
Exceed 9 per cent. and do not exceed 10 per cent. ..	12d.	20d.
Exceed 10 per cent. and do not exceed 11 per cent. ..	12d.	22d.
Exceed 11 per cent. and do not exceed 12 per cent. ..	12d.	24d.
Exceed 12 per cent. and do not exceed 13 per cent. ..	12d.	26d.
Exceed 13 per cent. and do not exceed 14 per cent. ..	12d.	28d.
Exceed 14 per cent. and do not exceed 15 per cent. ..	12d.	30d.
Exceed 15 per cent. and do not exceed 16 per cent. ..	12d.	32d.
Exceed 16 per cent. and do not exceed 17 per cent. ..	12d.	34d.
Exceed 17 per cent.	12d.	36d.

(vii.) For the purposes of this section—

- (a) “Public utility” includes street tramway services, the manufacture or supply of coal gas for any purpose, the production or supply of electricity for light or power, and any other undertaking declared by resolutions of the Legislative Council and Legislative Assembly respectively to be a public utility ;
- (b) “Public utility company” means any company carrying on in Queensland the business of a public utility ;

- (c) "Monopoly company" means any company declared by resolutions of the Legislative Council and Legislative Assembly respectively—
- To be a company in possession or partial possession of a monopoly within Queensland for the production, distribution, transport, or exchange of goods or commodities to the detriment of the public interests; or
- To be associated with any trust or combine for the purpose of securing a monopoly or partial monopoly in Queensland of the production, distribution, transport, or exchange of goods or commodities to the detriment of the public interests;
- (d) The capital on which the percentage of profits of any company shall be calculated shall include the amount actually paid up in cash or value on all shares actually issued by the company, less any amount appearing as goodwill in the assets of the company; and the amount of all loans raised by the company and secured by debentures or bonds of the company—but no other capital.
- (viii.) The income subject to the tax of every company having its head office or chief place of business in Queensland shall be assessed at not less than the amount of the dividends declared by such company during the year in respect of which the assessment is made.
- (ix.) Where any of the profits of such company remain undistributed amongst the members, then upon such undistributed profits only ninepence in each pound shall be payable as income tax; and should any part of such undistributed profits be afterwards distributed as dividends, the amount already paid as tax shall be allowed for in computing the amount of tax payable on such dividend.
- (x.)—
- (a) When any undistributed profits of any company standing to the credit of Profit and Loss Account or of Reserves are transferred to capital in any way or applied in any way in reduction of assets, such transfer or application; or,
- (b) When the assets of any company are revalued, and on such revaluation such assets are

1915.

Income Tax Act Amendment Act.

increased in value, and shares whether fully or partly paid up or debentures (which term includes debentures or stock or any other instrument of value by whatever name called), representing the whole or any part of such increase, are issued to its shareholders as such, then the issue of such shares to the amount of the nominal value of such shares if issued fully paid up, or of such portion of such value as is deemed to be paid up if such shares are issued partly paid up, or the issue of such debentures to the amount of the sum stated or alleged to be secured thereby, and the payment of interest from time to time accruing on such debentures ;

shall be and it is hereby declared that the same always has been a declaration of dividends and a distribution of dividends within the meaning of the two last preceding subsections :

Provided that with respect to any undistributed profits on which income tax at the rate of sixpence in the pound has already been paid, or was duly payable on the first day of January, one thousand nine hundred and fifteen, a further rate of sixpence in the pound only shall be payable upon their distribution by way of dividend to shareholders, or their transfer to capital in any way, or their application in any way in reduction of assets.

(xi.) When any company issues any of its shares at a premium, then all sums of money received by the company in respect of such premiums—that is to say, all sums so received in excess of the nominal value of all such shares allotted and issued by the company—shall, for the purposes of this Act, be profits of the company and assessable for income tax accordingly.

(xii.) In the case of companies which carry on in Queensland the business of mining, the following rules shall be applied in estimating the income subject to the tax :—

(a) The first and subsequent dividends declared or paid by the company shall be taken to be

applied, in the first place, in repayment of the cost actually incurred by the company before the declaration of the first dividend in respect of labour or material employed in developing the mine, and, in the second place, in repayment of three-fourths of the cost of any machinery erected for raising ores and other materials from the mine.

- (b) So much of the dividends as is shown to the satisfaction of the Commissioner to have been applied during the year in respect of which the assessment is made for the purposes specified in the last preceding rule shall be deducted from the income of the company for that year, and shall be exempt from the tax.
- (c) In the case of companies carrying on other business besides the business of mining, the Commissioner may require the company to submit to him accounts verified in like manner as the returns hereby prescribed, and showing separately the transactions of the company with respect to its mines and with respect to its other business, and the company shall be entitled to exemption from payment of the tax upon so much of its dividends as is shown to the satisfaction of the Commissioner to have been applied during the year in respect of which the assessment is made for the purposes specified in the first of these rules.
- (d) When a mining company is reconstructed and it is shown to the satisfaction of the Commissioner that after reconstruction the company is to all intents and purposes the same as before reconstruction, such reconstructed company shall be entitled to the same exemption from payment of tax as the company was entitled to before reconstruction.

The decision of the Commissioner in every such case shall be final and conclusive.

Amendment
of s. 13.

6. The following words are added to paragraph (ii.) of subsection one of section thirteen of the Principal Act:—“and also the amount of any land tax or income tax actually paid under any Act of the Parliament of the Commonwealth.”

1915.

Income Tax Act Amendment Act.

After paragraph (iv.) of the said subsection, the following subsections are inserted:—

(v.) The amount of fifteen pounds in respect of each and every child under the age of seventeen years who is actually dependent on the taxpayer;

(va.) The amount of any war pension paid to the taxpayer whether by the Imperial Government or the Commonwealth Government;

7. In paragraphs (iv.) and (v.) of section thirty-one of the Principal Act, the words “five pounds” are repealed, and the words “seven pounds ten shillings” are respectively inserted in lieu thereof. Amendment of s. 31.

8. In the second paragraph of section 31A of the Principal Act, the words “at the rate of five pounds per centum of the amount of such dividend” are repealed, and the words “in accordance with such of the rates prescribed in subsection (v.) or (vi.) of section seven of this Act as may be applicable to the company” are inserted in lieu thereof. Amendment of s. 31A.

9. In subsection one of section thirty-two of the Principal Act, the words “five pounds” are repealed, and the words “seven pounds ten shillings” are inserted in lieu thereof. Amendment of s. 32.

10. In the second paragraph of subsection one of section thirty-three of the Principal Act, the words “three pounds” are repealed, and the words “five pounds” are inserted in lieu thereof. Amendment of s. 33.

11. Section thirty-five of the Principal Act is repealed. Repeal of s. 35.

INSPECTION OF MACHINERY.

See LABOUR.

INSPECTION OF SCAFFOLDING.

See LABOUR.