

Income Tax Acts Amendment Act. 19 GEO. V. No. 17,

NOW IT IS MUTUALLY AGREED between the Commonwealth and the State that the Principal Agreement shall be read and construed in all respects as if clause twenty-one of the Principal Agreement had been omitted therefrom and the following clause had been inserted in its stead:—

“21. This Agreement shall come into operation on the thirty-first day of October One thousand nine hundred and twenty-three and shall continue in force until the thirtieth day of June one thousand nine hundred and thirty-three, certain and thereafter until the expiration of not less than six calendar months’ notice in writing given by either party to the other of intention to determine it.”

AS WITNESS the hand of the Prime Minister of the Commonwealth of Australia for and on behalf of the said Commonwealth and the hand of the Premier of the State of Queensland for and on behalf of the said State the day and year first above-written.

SIGNED by the Prime Minister of the
Commonwealth of Australia for
and on behalf of the said Common-
wealth in the presence of— } S. M. BRUCE.

E. B. COOKE,

Private Secretary to the Prime Minister.

SIGNED by the Premier of the State of
Queensland for and on behalf of
the said State in the presence of— } W. McCORMACK.

J. H. STANLEY,

Under Secretary, Treasury.

19 Geo. V.
No. 17.

THE INCOME
TAX ACTS
AMENDMENT
ACT OF 1928.

An Act to Amend “The Income Tax Acts, 1924 to 1926,” in certain particulars.

[ASSENTED TO 14TH NOVEMBER, 1928.]

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

Short title
and
construction.

1. This Act may be cited as “*The Income Tax Acts Amendment Act of 1928*,” and shall be read as one with **“The Income Tax Acts, 1924 to 1926,”* herein referred to as the Principal Act. The Principal Act and this Act may together be cited as “*The Income Tax Acts, 1924 to 1928.*”

* 15 Geo. V. No. 34, 16 Geo. V. No. 15, and 17 Geo. V. No. 32, *supra*, pages 10945, 11295, and 11590.

1928.

Income Tax Acts Amendment Act.

2. Section four of the Principal Act is amended as follows :— Amendment of s. 4.

(a) The definition of “ Policy of life assurance ” is repealed.

(b) The following words are added to the definition of “ Stock-in-trade ” :—“ The term includes any real property purchased or acquired for sale in the ordinary course of business. Without in any wise limiting the meaning of the term “ in the ordinary course of business, ” such term shall also extend and apply to any case where a person has purchased or acquired real property for sale. ”

The amendments made by this paragraph (b) to the said section four shall be deemed to have been enacted therein at the date of the passing of **“ The Income Tax Act of 1924, ”* and the Principal Act shall be read and construed as if at the date of the passing of **“ The Income Tax Act of 1924 ”* the said section four, as amended by this paragraph (b), was enacted therein instead of the said section four as originally enacted; and the Principal Act as so amended shall be applicable and be applied to all incomes for the periods respectively which commenced on the first day of July, one thousand nine hundred and twenty-three, and ended on the thirtieth day of June, one thousand nine hundred and twenty-four, and each subsequent year thereafter.

3. Section eight of the Principal Act is amended as follows :— Amendment of s. 8.

(a) After subsection one the following subsection Subsection 1. is inserted :—

“ (1A.) The official salary of any foreign consul; ”

(b) In subsection thirteen, before the word Subsection 13. “ articles ” the words “ memorandum and ” are inserted.

4. Section ten of the Principal Act is amended as follows :— Amendment of s. 10.

(a) In subsection one, all words from and including Subsection 1. “ All net gains ” (occurring at the commencement of the said subsection) to and including the words “ of the

* 15 Geo. V. No. 34, *supra*, page 10945.

Income Tax Acts Amendment Act. 19 GEO. V. No. 17,

property” (occurring before the words “Provided that—”) are repealed, and the following words are inserted in lieu thereof :—

“All net gains or profits arising from the sale of any real property whatsoever, whether or not arising from any business carried on by the taxpayer, arrived at by deducting from the amount realised by the sale the expenses of sale and the cost to the vendor (less any amount in respect of depreciation which the Commissioner considers just) of the property :”

The following additional proviso (now numbered (i.)) is added to the subsection, and the existing provisos (originally numbered (i.), (ii.), and (iii.) respectively) are renumbered (ii.), (iii.), and (iv.) accordingly :—

“(i.) Unless the taxpayer purchased or acquired such property (other than real property purchased or acquired for sale in the ordinary course of business) during the year in which the sale took place or the six years prior thereto, any profit made shall not be liable to income tax. Without in any wise limiting the meaning of the term “in the ordinary course of business,” such term shall also extend and apply to any case where a person has purchased or acquired real property for sale.”

Amendment
of s. 11.

5. Section eleven of the Principal Act is amended as follows :—

Subsection 1.

(1.) In paragraph (a) of subsection one, all words after the words “tangible assets” to and including the words “oral; and” are repealed, and a full stop (.) is inserted after the said words “tangible assets.”

The following provision is inserted in the said paragraph after the said words “tangible assets” :—

“In this paragraph (a) the term “tangible assets” shall not include any leasehold, leasehold interest, or lease, or any instrument of lease or agreement for lease, or (except in the case of any consideration received by or for the owner of any freehold interest for the sale of the goodwill of an hotel property) any goodwill or any intangible asset; and no deduction shall be

1928.

Income Tax Acts Amendment Act.

made in respect of the value or of any part of the value of any leasehold, leasehold interest, lease, instrument of lease or agreement for lease, or (except as aforesaid) goodwill or intangible asset."

In paragraph (c) of subsection one, the words "by the owner of the freehold of" occurring after the word "granted" are repealed and the words "by or on behalf of the owner of any freehold interest in" are inserted in lieu thereof.

Without prejudice to any decision or judgment of any Court made or given before the first day of September, one thousand nine hundred and twenty-eight, in respect of any appeal (but notwithstanding any other appeal, whether instituted before, on, or after the said date, or any decision or judgment of any Court in respect of any such other appeal) the amendments made by this subsection one to the said section eleven shall be deemed to have been enacted therein at the date of the passing of **"The Income Tax Act of 1924,"* and the Principal Act shall be read and construed as if at the date of the passing of **"The Income Tax Act of 1924"* the said section eleven, as amended by this subsection one, was enacted therein instead of the said section eleven as originally enacted; and the Principal Act as so amended shall be applicable and be applied to all incomes for the periods respectively which commenced on the first day of July, one thousand nine hundred and twenty-three, and ended on the thirtieth day of June, one thousand nine hundred and twenty-four, and each subsequent year thereafter.

(2.) After subsection one of the said section the following subsection is inserted, and is numbered ^{Subsection} 1A.
 "(1A) :—

"(1A.) All net gains or profits included in the amount (if any) deducted under the provisions of paragraph (a) of subsection one of this section as being properly attributable to the transfer of tangible assets shall be deemed to be net gains or profits arising from the sale of personal property within the meaning of subsection two of section ten of this Act, and shall, subject to the provisions of the said subsection two, be assessable income as income from personal exertion."

* 15 Geo. V. No. 34, *supra*, page 10945.

Income Tax Acts Amendment Act. 19 GEO. V. No. 17,

The amount (if any) deducted under the provisions of paragraph (a) of subsection one of this section as being consideration received by or for the owner of any freehold interest for the sale of the goodwill of an hotel property shall, subject to the provisions of subsection two of this section, be assessable income as income from the produce of property.

Subsection 2. (3.) (a) In subsection two, after the word "received" the words "by or for the owner of any freehold interest in an hotel property" are inserted. In the said subsection, after the word "goodwill" the words "of an" are repealed and the words "of such interest in such" are inserted in lieu thereof. In the said subsection, after the words "still entitled" the words "under paragraph (o) of subsection one of section nineteen of this Act in respect of the cancellation of a lease and" are inserted.

(b) The following provision is inserted after the words "date of such sale" in the said subsection two:—

"For the purposes of this subsection, the amount or value of the consideration received for the sale of the goodwill of an interest in an hotel property shall be deemed to be the amount by which the total consideration received on the sale of such interest in the hotel property exceeds the amount of the vendor's interest so sold in the "unimproved value" of the land as determined under the provisions of **The Land Tax Acts, 1915 to 1928*" (or any Act amending or in substitution for the same), together with the "value of improvements" thereon, as defined by such Acts, and the fair value of his interest in any furniture and stock-in-trade included in the sale."

Without prejudice to any decision or judgment of any Court made or given before the first day of September, one thousand nine hundred and twenty-eight, or the right of any party thereto to prosecute any appeal therefrom as if the amendment made to the said section eleven by clause (b) of this subsection three had not been enacted (but notwithstanding any other appeal, whether instituted before, on, or after the said date, or any decision or judgment of any Court in respect of any such other appeal) the said amendment shall be deemed to have been enacted therein at the date of the passing of †*"The Income Tax Act of 1924,"* and the

* 6 Geo. V. No. 34 and amending Acts, *supra*, page 6951 *et seq.*

† 15 Geo. V. No. 34, *supra*, page 10945.

1928.

Income Tax Acts Amendment Act.

Principal Act shall be read and construed as if at the date of the passing of **“The Income Tax Act of 1924”* the said section eleven, as amended by the said amendment, was enacted therein instead of the said section eleven as originally enacted; and the Principal Act as so amended shall be applicable and be applied to all incomes for the periods respectively which commenced on the first day of July, one thousand nine hundred and twenty-three, and ended on the thirtieth day of June, one thousand nine hundred and twenty-four, and each subsequent year thereafter.

(c) The following provisos are added to the said subsection two:—

“Provided that—

- (i.) If the consideration aforesaid is received by instalments, tax shall be charged on the amount or value received in the income year after allowing for a proportionate share of any deductions as last aforesaid;
- (ii.) If the consideration aforesaid is received by a beneficiary or trustee in the estate of a deceased person, such beneficiary or trustee shall be entitled to all allowances to which such deceased person would under this subsection have been entitled if he had been alive.”

6. Section twelve of the Principal Act is amended as follows:— Amendment
of s. 12.

After the words “live stock to which” the words “paragraph (b) hereof refers” are repealed, and the words “paragraphs (a) and (b) hereof refer” are inserted in lieu thereof.

7. Section fourteen of the Principal Act is amended as follows:— Amendment
of s. 14.

(a) In paragraph (i.) of subsection three, the word “recoupment” is substituted for the word “repayment” wherever occurring; and after the words “developing the mine” the words “and any expenditure on plant used for the preparation or treatment of gold, silver, base metals, rare minerals, or oil for the market” are inserted. Subsection 3.

* 15 Geo. V. No. 34, *supra*, page 10945.

Income Tax Acts Amendment Act. 19 Geo. V. No. 17,

Subsection 4. (b) In the third provision of paragraph (iv.) of subsection four of the said section, after the words "company at a sum" all words from and including "equal to" to and including "Queensland" at the end of the said provision are repealed, and the following words are inserted in lieu thereof:—"which he considers reasonable, being not less than two pounds ten shillings per centum and not greater than twelve pounds ten shillings per centum of the total sales made in Queensland, or, if there are no sales, at a sum which he considers reasonable, being not less than two pounds ten shillings per centum and not greater than twelve pounds ten shillings per centum of the total revenue derived from Queensland."

Amendment of s. 16. 8. Section sixteen of the Principal Act is amended as follows:—

Subsection 1. (a) In subsection one, after the words "the moneys arising therefrom shall be deemed to be" the word "assessable" is inserted.

Also, all the words after the words "carried on by him in Queensland" to the end of the subsection are deleted. A full stop (.) is also inserted after the words "carried on by him in Queensland."

The following paragraphs are inserted in lieu of the words so deleted:—

"If such income cannot, in the opinion of the Commissioner, be satisfactorily determined, the taxable income of the principal may be assessed by the Commissioner at a sum which bears the same proportion to the total profits made by the principal as the sales made in Queensland bear to the total sales made by the principal, or, if there are no sales, in the same proportion as the total revenue derived from Queensland bears to the total revenue derived by the principal.

If, however, the Commissioner is satisfied that this information cannot be obtained, or is not satisfied that the total profits returned disclose the true state of affairs, he may assess the taxable income of the principal at a sum which he considers reasonable, being not less than two pounds ten shillings per centum and not greater than twelve pounds ten shillings per centum of the total sales made in Queensland, or, if there are no sales, at a sum which he considers reasonable, being not less than two

1928.

Income Tax Acts Amendment Act.

pounds ten shillings per centum and not greater than twelve pounds ten shillings per centum, of the total revenue derived from Queensland.”

(b) The second paragraph of subsection two is **Subsection 2.** repealed.

9. Section seventeen of the Principal Act is amended **Amendment of s. 17.** as follows :—

The second paragraph of subsection two is repealed. **Subsection 2.**

10. Section eighteen of the Principal Act is amended **Amendment of s. 18.** as follows :—

(a) In proviso (ii.) of paragraph (b) of subsection **Subsection 1.** one of the said section, after the word “person,” where it firstly occurs, the words “resident in Queensland and ” are inserted.

(b) In proviso (iii.) of paragraph (b) of the said subsection, after the words “in his return” the words “and is taxable thereon” are inserted.

11. Section nineteen of the Principal Act is amended **Amendment of s. 19.** as follows :—

(a) In proviso (i.) of paragraph (a) of subsection **Subsection 1.** one, before the word “interest,” where it firstly occurs, the word “such” is inserted.

(b) In paragraph (c) of the said subsection, after the words “every child” the words and brackets “(including any stepchild or legally adopted child)” are inserted.

(c) In paragraph (j) of the said subsection, after the word “Commonwealth” the words “or as members of a Local Authority, under the Local Authorities Acts or * “*The City of Brisbane Act of 1924* ” ” are inserted.

(d) In paragraph (n) of the said subsection, the word “Contributions” at the commencement of the paragraph is deleted and the words “Annual subscriptions” are inserted in lieu thereof ; also, before the words “agricultural society” the words “contributions to any” are inserted.

(e) Proviso (iii.) of paragraph (o) of the said subsection is amended by repealing, after the word “eighteen,” the words “nor to the purchase of a Crown lease of land

* 15 Geo. V. No. 32, *supra*, page 11140.

Income Tax Acts Amendment Act. 19 GEO. V. No. 17,

whereof the freehold may be acquired"; also, at the end of paragraph (o) of the said subsection, the following proviso is inserted as a further proviso to the said paragraph (o):—

“ Provided further that where the taxpayer proves to the satisfaction of the Commissioner that he has paid such an amount, but dies before the expiration of the lease, the deduction under this paragraph shall be allowed to the beneficiary or trustee beneficially entitled to the income therefrom.”

(f) A further proviso is inserted as a proviso to paragraph (p) of the said subsection:—

“ Provided, also, that if the taxpayer dies before the expiration of such period of five years the deduction under this paragraph shall be allowed to the beneficiary or trustee beneficially entitled to the income from such hotel property.”

(g) In paragraph (s) of the said subsection, after the words “as is paid” the words “in application or allotment moneys or” are inserted; also, before the word “afforestation” in the said paragraph (s) the words “in Queensland” are inserted.

The following proviso is added to the said paragraph (s) of the said subsection:—

“ Provided that, on a sale of shares in any such company or syndicate as aforesaid, in estimating the profit in respect of any such sale for the purposes of subsection two of section ten of this Act no deduction shall be made in respect of any application or allotment moneys or calls in any case where such application or allotment moneys or calls have already been allowed as a deduction pursuant to this paragraph (s).”

(h) In paragraph (u) of the said subsection the following proviso is inserted as a proviso to the said paragraph (u):—

“ Provided that this deduction shall not be withheld where the landlord is exempt from taxation under section eight of this Act; and provided further that if the lessee

1928.

Income Tax Acts Amendment Act.

subsequently sells the lease he shall be entitled to a deduction from the proceeds of such sale of the balance of such expenditure to which he was still entitled pursuant to the provisions of this paragraph."

(i) The following new paragraph (*w*) is added to the said subsection:—

"(*w*) Gifts of one pound and upwards made out of University. the assessable income derived during the year in which the gifts are made to the University of Queensland or to any college affiliated therewith.

For the purpose of this paragraph—

"Affiliated college" means a residential educational institution affiliated under statutory provisions with the University of Queensland;

"Gift" means a gift in the form of money or a gift in kind when the Commissioner is satisfied that the donor has used part of his assessable income of the year for the acquisition of such gift."

(j) Paragraph (*v.*) of subsection two is renumbered, Subsection 2. and the said paragraph shall be and constitute and be designated as subsection three of the said section (instead of paragraph (*v.*) of subsection two).

12. Section twenty of the Principal Act is amended Amendment of s. 20. as follows:—

The following proviso is added to subsection four:— Subsection 4.

"Provided that this subsection shall be applicable to the income which is actually earned by any absentee by his own personal exertion while in Queensland."

13. Section twenty-one of the Principal Act is Amendment of s. 21. amended as follows:—

(a) In the first paragraph of subsection two of the Subsection 2. said section, after the word "plant" the words "or standing crop" are inserted.

(b) In the second paragraph of the said subsection, after the words "profit on any other of them" the words "but no deduction shall be allowed from the proceeds of trading stock sold in the ordinary course of business or from other business income" are added.

Income Tax Acts Amendment Act. 19 GEO. V. No. 17,

(c) The proviso to the said subsection is repealed.

Subsection 3.

(d) The following proviso is added to subsection three of the said section :—

“ Provided, however, that such losses shall not be permitted as a set-off against assessable income arrived at as provided by subsection one of section eleven of this Act.”

Amendment
of s. 23.

14. Section twenty-three of the Principal Act is amended as follows :—

Subsection 7.

(a) In subsection seven of the said section, the words “ or annual value,” where they twice occur in the said subsection, are repealed.

Also, the word “ of,” before the words “ any dwelling-house,” is repealed and the words “ paid for ” are inserted in lieu thereof.

Subsection
10.

(b) In subsection ten, before the words “ losses by fire” the word “ except ” is inserted.

Subsection
12.

(c) In subsection twelve, after the words “ paid or credited ” the words “ to any shareholder or ” are inserted.

Amendment
of s. 24.

15. Section twenty-four of the Principal Act is amended as follows :—

(a) In proviso (ii.) of the said section, the words “ on the profit made in the business” occurring after the word “ assessed ” are repealed.

(b) The following additional provision is inserted at the end of the said section :—

“ Notwithstanding anything hereinbefore contained, in any case where in any partnership there is any married son or a son who is a widower, and in either case over the age of twenty-one years, in partnership with his father or mother, such son shall be assessed on the income represented by his share in such partnership.”

Amendment.
of s. 38.

16. Section thirty-eight of the Principal Act is amended as follows :—

Subsection 2.

(a) The following proviso is added to subsection two of the said section :—

“ Provided that the rate of income tax in respect of income actually earned by an absentee by his own personal exertion while in Queensland shall be the rate as provided in subsection one of this section.”

1928.

Income Tax Acts Amendment Act.

(b) In paragraph (ii.) of subsection four of the said section, after the words "number of years" the words and brackets "(including a part of a year)" are inserted; also, after the word "seven" the word "years" is inserted. Subsection 4.

(c) In paragraph (iii.), after the words "number of years" the words and brackets "(including a part of a year)" are inserted; also, the word "years" is inserted after the word "seven"; also, the brackets before and after the words "not exceeding seven" are deleted.

(d) In paragraph (iv.), after the words "number of years" the words and brackets "(including a part of a year)" are inserted; also, the word "years" is inserted after the word "seven"; also, the brackets before and after the words "not exceeding seven" are deleted.

(e) In paragraph (v.), after the words "number of years" the words and brackets "(including a part of a year)" are inserted; also, the word "years" is inserted after the word "seven"; also, the brackets before and after the words "not exceeding seven" are deleted.

(f) In the said paragraphs (ii.), (iii.), (iv.), and (v.) respectively, the term "years" (wherever used other than as referring to "income years") shall mean a full period of twelve months.

17. Section forty of the Principal Act is repealed and a new section is inserted in lieu thereof, as follows:— Amendment
of s. 40.

"[40.] Subject to the provisions of section eighteen of this Act:—

(a) Where interest is payable to a person residing beyond Queensland, the person or partnership paying it shall pay to the Commissioner income tax on the amount at the rate of seven pounds ten shillings per centum, together with super tax (if any), and may deduct the amount of the tax thereon from moneys (if any) due and payable by such person or partnership to such person residing beyond Queensland. Interest
payable to
person
residing
beyond
Queensland.

In any case the Commissioner shall have the same powers of recovery as if such tax were tax levied on the income of the payer of such interest.

(b) Provided that where any person to whom interest has been paid includes such interest in his return and is taxable thereon, the amount of tax paid by the person paying such interest shall be deducted from the tax payable in respect of such interest by the person receiving such interest."

**Amendment
of s. 42.**

18. Section forty-two of the Principal Act is amended as follows :—

Subsection 3.

(a) In paragraph (a) of subsection three of the said section, after the words “this Act on” the words “seven pounds ten shillings per centum” are repealed and the words “a percentage, being not less than two pounds ten shillings per centum and not greater than twelve pounds ten shillings per centum” are inserted in lieu thereof; also, after the word “Queensland,” where it secondly occurs in the said paragraph, the words “as determined by the Commissioner” are inserted.

Subsection 7.

(b) In subsection seven, in the first paragraph, the word “taxable” occurring before the words “profits of any” is repealed; also, in the second paragraph the word “taxable” occurring before the words “profits of any” is repealed.

**Amendment
s. 43.**

19. (1.) Section forty-three of the Principal Act is amended as follows :—

Subsection 2.

(a) In subsection two, the position of the words from and including “as was, during the income” to and including “been so paid” (at the end of the subsection) is altered so that, instead of coming directly under provision (ii.) of paragraph (b) of the said subsection, the said words shall be brought out to the margin, so that the subsection two shall be read and be construed and shall be deemed to have always been so read and construed as follows :—

“(2.) The capital on which the percentage of profits of any company shall be calculated shall be so much of the average amount over a full income year—

(a) Paid up in cash or value on all shares actually issued by the company; and

(b) Of all reserves (including in such reserves all amounts standing to the credit of profit and loss account) invested in the business which have been created out of profits—

(i.) On which the additional tax that would be chargeable under subsection seven of the last preceding section on their distribution has been paid; or

(ii.) On which the full amount of tax applicable to the income of the income year during which those profits were earned or derived has been paid;

1928.

Income Tax Acts Amendment Act.

as was, during the income year, invested in the assets (not being shares in other companies) of the business which were used in Queensland for the purpose of producing the profits of the company liable to tax under this Act; but in arriving at such average, where tax has been paid as aforesaid on any such reserves during the income year, such reserves shall not be taken as invested and used as aforesaid until the date on which tax thereon has been so paid."

Moreover, the said subsection two as above set forth shall be deemed to have been enacted therein at the date of the passing of **"The Income Tax Act of 1924"* and the Principal Act shall be read and construed as if at the date of the passing of **"The Income Tax Act of 1924"* the said subsection two, as above set forth, was enacted therein instead of the subsection two as originally enacted; and the Principal Act as so amended shall be applicable and be applied to all incomes for the periods respectively which commenced on the first day of July, one thousand nine hundred and twenty-three, and ended on the thirtieth day of June, one thousand nine hundred and twenty-four, and each subsequent year thereafter.

(b) Paragraph (i.) of subsection three is amended Subsection 3. by deleting the word "calculate" occurring after the words "Commissioner shall" and inserting the words "take into account" in lieu thereof; also, by deleting the words "by adding" occurring after the words "as the case may be" (where the words firstly occur) and inserting in lieu thereof the words "and in doing so shall calculate the average value of such assets by adding."

(c) After paragraph (iii.) of subsection three the following new provision is inserted:—

"Notwithstanding any payment in cash for goodwill on the purchase of a business by the company the amount paid shall be deducted from the paid-up capital if the Commissioner is not satisfied as to the *bona fides* of such transaction or payment in cash."

(2.) In the same manner as is provided in paragraph (a) of subsection one of this section nineteen, the position of the words from and including "as was during the year" to and including "been so paid" in provision numbered (ii.) of subsection three of section seven of the consolidated Construction of subsection 3 of section 7 of consolidated Act.

Income Tax Acts Amendment Act. 19 Geo. V. No. 17,

Act (as defined in subsection four of section two of **The Income Tax Act Amendment Act of 1926*, and which provision was amended by the said last-mentioned subsection four as set forth therein) is altered so that instead of coming directly under provision numbered (ii.), the said words shall be brought out to the margin, so that the said subsection three shall be read and construed and shall be deemed to have always been so read and construed for the purposes of such consolidated Act as set forth in subsection four of section two of **The Income Tax Amendment Act of 1926*” as follows:—

“(3) For the purposes of this section, the capital on which the percentage of profits of any company shall be calculated shall be so much of the average amount over a full year—

- (i.) Paid up in cash or value on all shares actually issued by the company; and
- (ii.) Of all reserves (including in such reserves all amounts standing to the credit of profit and loss account) invested in the business which have been created out of profits—
 - (a) On which the additional tax that would be chargeable under subsection five of this section on their distribution has been paid; or
 - (b) On which the full amount of tax applicable to the income of the year during which those profits were earned has been paid;

as was, during the year in which the profits were earned, invested in the assets (not being shares in other companies) of the business which were used for the purpose of producing the profits of the company liable to tax under this Act; but in arriving at such average, where tax has been paid as aforesaid on any such reserves during the year in which the profits were earned, such reserves shall not be taken as invested and used as aforesaid until the date on which tax thereon has been so paid.

For the purpose of giving effect to this subsection the Commissioner shall calculate the average value of the assets so used or of the total assets, as the case may be, by adding the value of such assets or total assets, as

1928.

Income Tax Acts Amendment Act.

the case may be, at the beginning of the year to the value of such assets or total assets, as the case may be, at the end of such year, and dividing the result by two."

20. Section forty-eight of the Principal Act is amended as follows:—After the words "this Act" occurring at the end of the section, the words "or any repealed Acts" are inserted. is Amendment of s. 48.

21. After section fifty of the Principal Act a new section is inserted:—

"[50A.] The tax on the income earned or derived as provided for in subsection two of section twenty-one, so far as regards the income derived from the sale of property, stock, or standing crop shall, until paid, be and remain a charge upon the whole of the property included in such sale and upon every part thereof, and if not paid by such vendor may be recovered from the purchaser in the same manner as if the income were the income of the purchaser, and the Commissioner may register a charge against any land included in the sale for the amount of the income tax owing." Recovery of tax on sale of station, &c.

22. Section fifty-three of the Principal Act is amended as follows:— is Amendment of s. 53.

Before the words "If the income tax," at the commencement of the section, the words "Notwithstanding the provisions of the last preceding section" are inserted.

Also, the words "or such further time as may be allowed by the Commissioner under the last preceding section of this Act" are repealed; also, the words "or, where further time has been allowed by the Commissioner under the last preceding section of this Act, from the expiration of that further time" are repealed.

The following additional proviso is added to the said section:—

"Provided further that, notwithstanding anything herein contained, the Commissioner may sue for recovery of any income tax unpaid immediately after the expiry of the due or extended date for payment."

Land Tax Act Amendment Act. 19 GEO. V. No. 2, 1928.

Amendment of s. 55. **23.** Section fifty-five of the Principal Act is amended as follows:—

Subsection 3. After subsection three the following proviso is inserted:—

“Provided that the Commissioner may in any particular case, for reasons which in his discretion he thinks sufficient, remit the additional tax imposed or any part thereof.”

First assessment and first levy of tax under Principal Act as amended by this Act.

24. Except as in this Act is otherwise expressly provided, the first assessments of income tax to be made under the Principal Act as amended by this Act shall be in respect of income earned or derived during the year which commenced on the first day of July, one thousand nine hundred and twenty-seven, and ended on the thirtieth day of June, one thousand nine hundred and twenty-eight, and the first levy of income tax under the Principal Act as so amended shall be for the year which commenced on the first day of July, one thousand nine hundred and twenty-eight, and ends on the thirtieth day of June, one thousand nine hundred and twenty-nine.

LABOUR.

See ARCHITECTS.

LAND TAX.

19 Geo. V. No. 2. **An Act to Amend “The Land Tax Act of 1915” by Extending the Operation of the Super Land Tax until the Close of the Financial Year ending the 30th day of June, 1929.**

THE LAND TAX ACT AMENDMENT ACT OF 1928.

[ASSENTED TO 6TH SEPTEMBER, 1928.]

BE it enacted by the King’s Most Excellent Majesty, by and with the advice and consent of the 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 Land Tax Act Amendment Act of 1928*,” and shall be read as one with **“The Land Tax Act of 1915”* and its several amendments, herein collectively referred to as the Principal Act.

* 6 Geo. V. No. 34 and amending Acts, *supra*, page 6951 *et seq.*