

Hon. Mr. Allen.

LAND AND INCOME ASSESSMENT AMENDMENT.

ANALYSIS.

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A BILL INTITULED

Title.

AN ACT to amend the Land and Income Assessment Act, 1908.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

Short Title.

1. This Act may be cited as the Land and Income Assessment Amendment Act, 1912, and shall form part of and be read together with the Land and Income Assessment Act, 1908 (hereinafter referred to as the principal Act).

Section 2 of principal Act amended.

2. Section two of the principal Act is hereby amended—

(a.) As to the definition of "agent," by inserting, after the word "thereof" in paragraph (b) thereof, the words "(whether the contract for the sale or disposition of such property is made in New Zealand or elsewhere)";

(b.) As to the definition of "business," by inserting the words "memorandum and" before the word "articles";

(c.) By repealing the definition of "capital value" of land:

(d.) By repealing the definition of "capital value" of a mortgage, and substituting the following:—

" 'Capital value of a mortgage' means the full amount of the principal sum owing thereunder on the thirty-first day of March in each year, and in the case of a rent-charge or annuity the capital value thereof means the full amount of the present value of such rent-charge or annuity on the thirty-first day of March in each year capitalized at five per centum per annum:

" Provided that if in any case the Commissioner is satisfied that the full amount calculated in manner aforesaid exceeds the full actual value of the security therefor so far as such security consists of land, the Commissioner shall in his assessment reduce the capital value of the mortgage by the amount of such excess; and in respect of and to the extent of such excess the moneys payable and receivable under the mortgage shall for all the purposes of this Act be deemed not to be secured by mortgage; and the determination of the Commissioner from time to time as to the existence and amount of any such excess shall be final and conclusive":

(e.) As to the definition of "mortgage," by inserting, after the words "land purchased," the words "and any annuity or rent-charge payable out of or charged upon land or the rents, profits, or income of land":

(f.) As to the definition of "owner," by omitting from paragraph (a) the words "in possession":

(g.) By repealing the definitions of "unimproved value" and "value of improvements."

- 3.
Section six of the principal Act is hereby amended by inserting, after the words "this Act" in paragraph (a), the words "or any other Act imposing taxes or duties payable to the Crown."
Section 6 of principal Act amended.
- 4.
Section seven of the principal Act is hereby repealed.
Repeal.
- 5.
Section nine of the principal Act is hereby amended—
Section 9 of principal Act amended.
 - (a.)
As to paragraph (a) thereof, by omitting the words "and income"; and by inserting, after the word "capacity," the words "and of the income derived by his principal from New Zealand":
 - (b.)
As to paragraph (b) thereof, by omitting the words "and he shall make such returns and be assessed thereon in his representative capacity only":
 - (c.)
As to paragraph (f) thereof, by omitting all words after "such land or income."
- 6.
Where an agent, directly or indirectly (whether by sample, price-list, negotiation, or otherwise howsoever), sells or disposes of property of his principal, or is instrumental in procuring the sale or disposition thereof (whether the contract for the sale or disposition of the property is made in New Zealand or elsewhere), the principal shall in respect of such sale or disposition be deemed to be carrying on business in New Zealand; and the income derived from such business shall be deemed to be derived from New Zealand, and shall be subject to income-tax in accordance with the provisions of the principal Act and this Act, and the agent shall make returns and pay tax accordingly.
Provision as to assessment of income derived from sales by agents.
- 7.
Section ten of the principal Act is hereby amended by omitting from paragraph (f) thereof the words "being in no case less than five per centum of the gross proceeds resulting from such transaction or transactions."
Section 10 of principal Act amended.
- 8.
(1.) Subject to the provisions of the principal Act, taxation shall be assessed and levied in and for each year ending on the thirty-first day of March, for the use of His Majesty in aid of the Consolidated Fund, as follows:—
Annual rates of land-tax and income-tax.
 - (a.)
Ordinary land-tax at the rates specified in paragraphs (1) and (2) of the Schedule hereto;
 - (b.)
Graduated land-tax at the rates specified in paragraph (3) of the Schedule hereto; and
 - (c.)
Income-tax at the rates specified in paragraphs (4), (5), and (6) of the Schedule hereto.
- (2.)
The duties of land-tax and income-tax herein provided for shall be respectively payable on such day or days and at such place or places as the Governor in Council from time to time determines.
- (3.)
Section fifty of the principal Act is hereby amended by omitting the words "commencing with the year ending on the thirty-first day of March, one thousand nine hundred and nine," and also the words "at the rate hereinafter set forth."
Section 50 of principal Act amended.
- (4.)
Sections eleven, fifty-one, and fifty-two of the principal Act and the Second Schedule thereto are hereby repealed.
Repeals.
- 9.
Section fourteen of the principal Act is hereby amended by adding to paragraph (c) thereof the following proviso:—
Section 14 of principal Act amended.
 - "Provided that where a taxpayer other than a Maori owns land jointly or in common with a Maori, nothing herein shall exempt that taxpayer's interest from taxation."

Repeal.

10. Section seventeen of the principal Act is hereby repealed.

Section 18 of principal Act amended.

11. Section eighteen of the principal Act is hereby amended by omitting the words "and valuations," and by inserting after the words "as aforesaid" the words "and from the values supplied by the Valuer-General."

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Unimproved value to be determined in accordance with district valuation roll.

12. (1.) Subject to the provisions of the principal Act and of this Act, the unimproved value of any land shall for the purposes of the said Acts be determined in accordance with the district valuation roll in force under the Valuation of Land Act, 1908, as at the thirty-first day of March in each year or in accordance with the subsidiary roll in force as at that day under the Land for Settlements Act, 1908, as the case may be :

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Provided that if in the case of any land no separate valuation thereof appears either on the district valuation roll or the subsidiary roll in force on the thirty-first day of March in any year, the Valuer-General shall, on the requisition of the Commissioner and for the purposes of this Act, cause a valuation thereof to be made as at the said thirty-first day of March in that year, and the unimproved value of the said land shall for the purposes of the principal Act and of this Act be determined in accordance with the valuation so made.

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Repeal.

(2.) Section one hundred and eighteen and section one hundred and twenty-one of the principal Act are hereby repealed.

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Section 28 of Valuation of Land Act amended.

(3.) Section twenty-eight of the Valuation of Land Act, 1908, is hereby amended—

(a.) As to paragraph (a) thereof, by omitting the words "duties of land-tax and otherwise under the Land and Income Assessment Act, 1908, and of" :

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(b.) As to subsection two thereof, by omitting the words "the Department of Land and Income Assessment and."

Repeals.

13. Sections twenty-two to thirty-six of the principal Act are hereby repealed.

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Objections to assessments.

14. Objections to any assessment of land-tax or income-tax must be made in writing to the Commissioner by or on behalf of the taxpayer assessed within fourteen days after the date of the notice of assessment issued to the taxpayer in accordance with the principal Act, or within such longer period as may be appointed in that behalf by the Commissioner in any such notice.

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Hearing of objections.

15. Subject to the provisions hereinafter contained, every such objection shall be heard and determined in a Magistrate's Court, before a Stipendiary Magistrate alone; and such Court shall for the purpose of hearing and determining the objection, whatever the amount involved, have all the powers vested in it in its ordinary civil jurisdiction as if in an action between the objecting taxpayer and the Commissioner.

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Procedure.

16. (1.) The procedure for the institution, hearing, and determination of such proceedings in the Magistrate's Court shall be in accordance with regulations to be made by the Governor in Council, and, subject to such regulations or so far as they do not extend, shall be in accordance with the Magistrates' Courts Act, 1908.

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(2.) No objection to an assessment of income-tax shall be heard by a Magistrate in open Court.

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Burden of proof.

17. On the hearing and determination of all objections to assessments of land-tax or income-tax, the burden of proof shall be on the objector.

18. In any such proceedings the Magistrate's Court may award such costs as it deems just either against the Commissioner or against the objector.

Costs.

19. On the determination of any such objection, the assessment roll shall be altered, if necessary, so as to conform to that determination.

Assessment roll to be altered if necessary.

20. Any such determination shall relate solely to the land or income which is the subject of the assessment objected to, and shall not affect the right of the Commissioner to assess any other land or income of the objector.

Operation of determination as to objection.

21. The determination of the Magistrate's Court on any such objection shall be final and conclusive as to any question of fact, but shall be subject to appeal to the Supreme Court on any question of law.

Appeals to Supreme Court on questions of law.

22. In case of such appeal the appellant shall, within thirty days after the determination appealed from, file in the Magistrate's Court a notice of appeal, and (except when he is the Commissioner) give security for the costs of the appeal to such amount and in such form as are approved by a Magistrate.

Notice of appeal and security for costs.

23. The Magistrate whose determination is appealed from shall thereupon state and sign a case setting forth the facts and the questions of law arising for the determination of the Supreme Court, and shall deliver the case so signed by him to the appellant.

Magistrate to state case on appeal.

24. The appellant shall within fourteen days after receiving the case transmit the same to a Registrar of the Supreme Court in such judicial district as the appellant thinks fit, and the Registrar shall thereupon enter the appeal for hearing at the first practicable sitting of the Court, and shall give notice thereof to the appellant and to the respondent.

Registrar of Supreme Court to enter appeal for hearing.

25. On the hearing of the appeal the Supreme Court may, if it thinks fit, cause the case so stated to be sent back to the Magistrate for amendment, and thereupon the case shall be amended accordingly, and the Court shall thereupon proceed to hear and determine the questions so submitted.

Supreme Court may require case to be amended.

26. The decision of the Supreme Court on any such appeal shall be subject to appeal to the Court of Appeal, and any case so stated for the decision of the Supreme Court may be removed into the Court of Appeal.

Removal of case stated into Court of Appeal.

27. (1.) The Supreme Court or Court of Appeal may award such costs to or against the Commissioner as it thinks just.

Costs in cases before Supreme Court or Court of Appeal.

(2.) The Commissioner shall not be required to give security for costs in any such proceedings before the Supreme Court or Court of Appeal.

(3.) All costs awarded against the Commissioner by the Magistrate's Court, Supreme Court, or Court of Appeal shall be payable out of moneys appropriated by Parliament, and not otherwise.

28. The obligation to pay and the right to receive and recover any tax shall not be suspended by any objection or appeal, but if the objector or appellant succeeds in his objection or appeal the amount (if any) of tax received by the Commissioner in excess of the amount which, according to the decision on the hearing of the objection or appeal, was properly payable shall forthwith be repaid to him by the Commissioner.

Refund to appellant of tax paid in excess.

Taxpayer may require Commissioner to state a case for the Supreme Court.

29. (1.) Notwithstanding anything hereinbefore contained, any objection made in the manner and within the time aforesaid to an assessment of land-tax or income-tax, if and so far as it relates to any question of law only, may at the option of the taxpayer be referred directly to the Supreme Court by way of case stated in accordance with the following provisions. 5

(2.) The taxpayer (hereinafter called the appellant) may deliver to the Commissioner together with the notice of objection, or at any time within two months after the receipt thereof by the Commissioner, a notice in writing requiring him to state a case for the opinion of the Supreme Court. 10

(3.) The Commissioner shall thereupon state and sign a case accordingly, setting forth the facts, the questions of law to be decided, and the assessment made by him, and shall deliver the case so signed to the appellant. 15

(4.) The appellant shall within fourteen days after receiving the case transmit the same to the Registrar of the Supreme Court in such judicial district as the appellant thinks fit, and the Registrar shall thereupon enter the case for hearing at the first practicable sitting of the Court. 20

(5.) The provisions of sections twenty-five to twenty-eight of this Act shall extend and apply to any such case stated by the Commissioner, in the same manner with all necessary modifications as to a case stated by a Magistrate.

(6.) On the determination of any such case stated the assessment roll shall be altered, if necessary, so as to conform to that determination. 25

Restricted operation of provisions as to objections and appeals.

30. The foregoing provisions as to objections and appeals shall have no application to an objection to any valuation of land made by the Valuer-General in accordance with the Valuation of Land Act, 1908, or the principal Act or this Act, or to any matter which by the principal Act or this Act, or any amendment thereof, is left to the discretion, judgment, or determination of the Commissioner. 30

Section 38 of principal Act amended.

31. Section thirty-eight of the principal Act is hereby amended by inserting at the commencement thereof the words "In lieu of the special exemption mentioned in the last preceding section"; and by omitting all words after the word "allow," and substituting the words "an exemption not exceeding two thousand pounds." 35

Special exemption to widow with children.

32. In lieu of the special exemption mentioned in section thirty-seven of the principal Act, the Commissioner may, in his discretion, where a taxpayer is a widow any of whose children are wholly or partially dependent upon her for support, allow an exemption not exceeding three thousand five hundred pounds. 40

Mode of computing special exemption when taxpayer owns land jointly and in severalty.

33. (1.) Notwithstanding anything in section thirty-seven or section thirty-nine of the principal Act, no taxpayer shall be entitled to a greater special exemption in the aggregate than he would be entitled to if he were separately assessed on the aggregate value of his share or shares in all land owned by him as a joint tenant or tenant in common or otherwise as mentioned in the said section thirty-nine, and of all other land in respect of which he is assessable; and in any 45 50

such case the Commissioner shall, if and so far as necessary, reduce the exemptions otherwise allowable under the said sections.

(2.) For the purposes of this section, but not otherwise, an exemption allowed in respect of a joint assessment shall be apportioned between the several owners in proportion to the interest of each of them in the land in respect of which the exemption is so allowed.

34. Section forty of the principal Act is hereby amended by omitting the words "Every purchaser of land on credit or deferred payment," and substituting the words "Every person who has entered into an agreement for the purchase of land."

Section 40 of principal Act amended.

35. In estimating the unimproved value of land held in life-tenancy or for any estate of freehold less than the fee-simple the interests of all persons entitled in remainder or reversion shall be deemed to form part of that value, and shall be included therein accordingly.

Unimproved value of freehold estates less than the fee-simple.

36. In the case of land which is owned by any half-caste Maori, whether in severalty or jointly or in common with any Maori, and occupied by any person other than the owner or owners, all land-tax (whether ordinary or graduated) payable by such half-caste owner in respect of that land shall be payable on his behalf by the occupier, and the occupier shall for the purposes of the principal Act and this Act be deemed to be the agent of that half-caste owner accordingly.

Occupier of land owned by half-caste Maori to be liable in respect of tax.

37. Section forty-nine of the principal Act is hereby amended by adding thereto the following words:—

Section 49 of principal Act amended.

" 'Leasehold estate' includes any estate howsoever created other than a freehold estate :

" 'Estate' includes any right, whether at law or in equity, and whether vested or contingent, in possession, reversion, or remainder, to the possession of land or to the receipt of the rents or profits thereof, or to the proceeds of the sale or other disposition thereof, whether immediately or through a trustee, or otherwise howsoever :

" 'Possession' includes any use which is in fact or effect substantially exclusive, whether by virtue of a right of exclusive occupation or not :

" 'Lease' means any disposition whatsoever by which a leasehold estate is created."

38. (1.) If the unimproved value of the land of any taxpayer is not less than thirty thousand pounds, the amount of graduated land-tax chargeable under paragraph (3) of the Schedule hereto shall be increased by twenty-five per centum thereof in the case of all land other than business premises as defined in section fifty-three of the principal Act, and the provisions of that section shall apply accordingly.

Increase of graduated land-tax in respect of premises other than business premises.

(2.) Subsections one, five, and six of section fifty-three of the principal Act are hereby repealed.

Repeal.

39. (1.) Every taxpayer who on the thirty-first day of March in any year is an absentee within the meaning of this section shall be assessed and liable for graduated land-tax to an amount greater by

Graduated land-tax payable by absentees.

fifty per centum than the amount for which he would have been assessed independently of this section, including in such last-mentioned amount his share of any graduated land-tax for which he is assessable jointly with any other taxpayer, whether an absentee or not.

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(2.) Every person shall be deemed to be an absentee for the purposes of this section unless he has been personally present in New Zealand for at least one-half of the period of four years immediately preceding the year for which he is assessed for graduated land-tax :

Provided that no person who has acquired all his land in New Zealand within the said period of four years shall be deemed to be an absentee if he has been personally present in New Zealand for at least one-half of the period which has elapsed between the time when he first acquired any of that land and the commencement of the year for which he is assessed for graduated land-tax.

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Application of section.

(3.) This section shall not apply to companies, but shall apply to shareholders in companies, in accordance with the provisions of section fifty-seven of the principal Act, as if they were assessable jointly in respect of the land owned by such companies.

(4.) Where any shareholder in a company is assessable as an absentee for graduated land-tax in respect of the land of the company the company shall be deemed for the purposes of such assessment to be the agent of the shareholder, and shall be liable, though not to the exclusion of the shareholder, to pay on his behalf the graduated land-tax payable by him so far as it relates to the land of the company ; and the Commissioner may recover such tax accordingly either from the shareholder or from the company :

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Provided that no tax shall be so recovered from the company unless a written demand therefor has been made upon the company by the Commissioner within one year from the due date of the tax, and while the taxpayer continues to remain a shareholder of the company.

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Repeal.

(5.) This section is in substitution for section fifty-four of the principal Act, which section is hereby repealed accordingly.

Section 55 of principal Act amended.

40. Section fifty-five of the principal Act is hereby amended by adding thereto the following proviso :—

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“ Provided that if any person so entitled in reversion or remainder is entitled in possession to the receipt of any rents or profits of the said land, or is otherwise entitled in possession to any other beneficial interest in the said land, or if the Commissioner is satisfied that any such freehold estate has been created for the purpose of obtaining exemption from graduated land-tax for any person so entitled in reversion or remainder, the Commissioner may, if he thinks fit, from time to time at his discretion, elect to treat the said freehold estate as if it was a leasehold estate ; and all the provisions of section fifty-six of this Act (relating to leasehold estates) shall thereupon apply accordingly.”

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Section 56 of principal Act amended.

41. Section fifty-six of the principal Act is hereby amended by inserting, before the word “ existing ” in subsection four thereof, the words “ other than an estate at will or by sufferance or determinable by the lessor or other person entitled in reversion or remainder.”

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42. Section seventy of the principal Act is hereby amended, as to paragraph (b) thereof, by omitting the words "the capital value of the land," and substituting the words "the full and actual value of such security as estimated by the Commissioner in accordance with the provisions of this Act relating to the valuation of mortgages."
43. Section seventy-one of the principal Act is hereby amended by omitting the words "all profits from investments of any kind other than investments in land and including also."
44. Section seventy-two of the principal Act is hereby amended by omitting the word "ten," and substituting the word "fifteen."
45. Section seventy-four of the principal Act is hereby amended—
- (a.) By inserting in paragraph (a) the word "insurance" after the words "derived from";
- (b.) By adding the following paragraph:—
- (c.) Such income shall not include sums recovered from companies which do not carry on business in New Zealand in respect of losses on risks reinsured with such companies, and no deduction shall be allowed from such income in respect of premiums paid for reinsurance with companies not carrying on business in New Zealand."
46. Section seventy-six of the principal Act is hereby amended by adding the following paragraph:—
- (d.) For the purposes of this section the term "dividend" includes any sum distributed by a liquidator amongst the shareholders, and derived from income which would have been assessable if the company had not been a mining company."
47. Section seventy-nine of the principal Act is hereby amended—
- (a.) As to paragraph (c) thereof, by omitting all the words of that paragraph after the words "real property," and substituting the words "if the business of the taxpayer comprises dealing in such property; or if the property was acquired for the purpose of selling it or otherwise disposing of it at a profit":
- (b.) As to paragraph (d) thereof, by adding the following proviso—
- " Provided that income-tax shall not be assessed on any interest payable in places beyond New Zealand in respect of any stock or debentures issued by the Government of New Zealand or by any local or other statutory public body in New Zealand, but this proviso shall not be so construed as to exempt interest payable out of New Zealand but received in New Zealand":
- (c.) As to paragraph (e) thereof, by adding the words "or from lands reserved, set apart, or granted by the Crown as endowments and occupied for pastoral purposes."
48. Section eighty-seven of the principal Act is hereby amended by adding to paragraph (b) thereof, relating to losses or outgoings not actually incurred in New Zealand, the words "save in

Section 70 of principal Act amended.

Section 71 of principal Act amended.

Section 72 of principal Act amended.

Section 74 of principal Act amended.

Section 76 of principal Act amended.

Section 79 of principal Act amended.

Section 87 of principal Act amended.

so far as the Commissioner is satisfied that any such deduction is just and reasonable, and allows the same in his discretion accordingly."

Assessment of
income-tax in the
case of partners, &c.

49. In the case of taxpayers deriving or receiving income from business, employment, or emolument as partners or on joint account, the rate of income-tax chargeable shall be determined in respect of each of those taxpayers, and in respect of the joint assessment as well as each separate assessment, by reference to the assessable income derived or received by him separately, together with his share or shares in the assessable income derived or received by him as a partner or on joint account with any other person or persons. 5 10

Income of married
woman to be
included in
husband's income
for purposes of
taxation.

50. (1.) For the purposes of the principal Act and this Act the income derived or received from business, employment, or emolument by a married woman shall be deemed to have been derived or received from the like source by her husband, and he shall be assessed and liable for income-tax on the sum of both of their incomes and at the rate appropriate to that sum accordingly. 15

(2.) In respect of any special exemption allowed by the principal Act or this Act, a single exemption only shall be allowed on any such assessment, and such exemption shall be computed on the sum of both incomes as aforesaid. 20

(3.) It shall be the duty of the husband to include in his return the income of his wife in the same manner as if it was received by himself.

(4.) Notwithstanding the provisions of this section, a married woman shall, if so required by the Commissioner, make the same returns of her income as if this section was not in force. 25

(5.) The provisions of this section shall extend and apply to cases in which the husband and wife are in receipt of income as partners, or otherwise jointly or in common. 30

(6.) The payment by a husband, in accordance with this section, of income-tax on the income of his wife shall exempt his wife from all liability for income-tax on that income, but, save as herein provided, nothing in this section shall take away or affect any liability to which she would otherwise be subject. 35

Section 89 of
principal Act
amended.

51. Section eighty-nine of the principal Act is hereby amended by omitting the words "was last assessed for land-tax," and substituting the words "was valued in the district valuation roll in force under the Valuation of Land Act, 1908, at the end of the financial year in which the assessable income was derived by the taxpayer from the said business." 40

Rent derived from
licensed premises
deemed to be
income derived
from business.

52. Notwithstanding anything in the principal Act or this Act, moneys derived by any person by way of rent, or for goodwill, or otherwise from the lease or sublease of any premises in respect of which a publican's or accommodation license is in force under the Licensing Act, 1908, shall be deemed to be income derived from business, and income-tax shall be payable thereon accordingly, subject, however, to a deduction from that income of an annual sum equal to five per centum of the capital value of the interest of the 45 50

taxpayer in those premises as appearing on the district valuation roll in force under the Valuation of Land Act, 1908, at the end of the financial year during which the said income was derived by the taxpayer :

5 Provided that if in any case no separate valuation of the said capital value appears on the district valuation roll in force on the thirty-first day of March in any year, the Valuer-General shall, on the requisition of the Commissioner, cause a valuation thereof to be made as at the said thirty-first day of March in that year, and the
10 aforesaid deduction shall be computed in accordance with the valuation so made.

53. Section ninety-eight of the principal Act, relating to deceased taxpayers, is hereby amended by repealing paragraphs (c) and (d).

Section 98 of principal Act amended.

15 54. Section ninety-nine of the principal Act is hereby amended by adding to subsection two thereof the following words : " and no subsequent disposition of that land shall be registered until the tax is paid."

Section 99 of principal Act amended.

20 55. Section one hundred and four of the principal Act is hereby amended by inserting therein, after paragraph (a), the following paragraph :—

Section 104 of principal Act amended.

25 "(aa.) Every taxpayer shall, if so required by the Commissioner, furnish in writing any information, or produce any documents, relating to land or income, including lists of shareholders of companies with the amount of capital contributed by each shareholder, and also copies of balance-sheets, and of profit and loss or other accounts, which may be in his knowledge, possession, or control."

30 56. For the purpose of assessing the interest on debentures issued by any local or other statutory public body, the secretary, clerk, or other proper officer of that body shall furnish the Commissioner from time to time, as required by him, with a list of the debenture-holders and the amounts of interest payable, and the place
35 where such interest is payable, and with any other information in the possession of such secretary, clerk, or officer relating to such debentures or debenture-holders and required by the Commissioner.

Returns as to debentures issued by local authorities to be supplied to Commissioner on demand.

40 57. Section one hundred and seven of the principal Act is hereby amended by omitting from paragraph (d) thereof the words " under section twenty-two hereof as from an assessment of income (whether the objection relates to land-tax or income-tax)," and substituting the words " as from an assessment of income-tax or land-tax, as the case may be."

Section 107 of principal Act amended.

45 58. Section one hundred and nine of the principal Act is hereby amended by omitting the words " three years next after the date of the offence," and substituting therefor the words " four years after the termination of the financial year, ending on the thirty-first day of March, in which the offence was committed."

Section 109 of principal Act amended.

50 59. (1.) When any person has duly made returns, and has been assessed for land-tax or income-tax for any year, it shall not be lawful for the Commissioner to alter any such assessment so as to increase the amount thereof after the expiration of three years from the end of the financial year in which such assessment was made.

Commissioner not to increase assessments of tax after three years.

(2.) Nothing in this section shall be so construed as to preclude or affect the imposition or recovery of any fine in pursuance of the provisions of sections one hundred and six, one hundred and seven, and one hundred and nine of the principal Act.

Repeal.

(3.) This section is in substitution for section one hundred and fifteen of the principal Act, which section is hereby repealed accordingly. 5

Refund of taxes paid in excess, on application made within three years.

60. (1.) In any case where the Commissioner is satisfied that tax has been paid in excess for any year he shall refund the excess, provided that written application therefor has been made by or on behalf of the taxpayer within three years from the end of the financial year for which the tax was so paid. 10

Repeal.

(2.) This section is in substitution for section one hundred and sixteen of the principal Act, which section is hereby repealed accordingly. 15

Application of Act.

61. Returns of land and mortgages owned at noon on the thirty-first day of March, nineteen hundred and *twelve*, and of income derived or received during the year ending on that day, shall, if so required by the Commissioner, be made or revised in accordance with this Act; and all such returns, land, mortgages, and income shall be subject to the provisions of this Act. 20

Schedule.

SCHEDULE.

LAND-TAX.

(1.) A duty by way of ordinary land-tax of one penny for every pound of the unimproved value of the land of any taxpayer, after making the deductions and exemptions authorized by law.

(2.) A duty by way of ordinary land-tax of three farthings for every pound of the capital value of the mortgages owned by any taxpayer, after making the deductions and exemptions authorized by law.

(3.) A duty by way of graduated land-tax computed as follows:—

(a.) Where the unimproved value of the land of any taxpayer is not less than five thousand pounds and not more than fifteen thousand pounds, a duty for every pound of the unimproved value assessed at the rate of one thirty-second of a penny increased by one thirty-two-thousandth of a penny for each pound of the excess of such value over five thousand pounds.

(b.) Where the unimproved value of the land of any taxpayer is more than fifteen thousand pounds and not more than thirty thousand pounds, a duty for every pound of the unimproved value assessed at the rate of eleven thirty-seconds of a penny increased by one forty-thousandth of a penny for every pound of the excess of such value over fifteen thousand pounds.

(c.) Where the unimproved value of the land of any taxpayer is more than thirty thousand pounds and is not more than two hundred thousand pounds, a duty for every pound of the unimproved value assessed at the rate of twenty-three thirty-seconds of a penny increased by three one-hundred-thousandths of a penny for every pound of the excess of such value over thirty thousand pounds.

(d.) Where the unimproved value of the land of any taxpayer is more than two hundred thousand pounds, a duty of fivepence and five-sixths of a penny for every pound of the unimproved value.

INCOME-TAX.

(4.) A duty by way of income-tax of one shilling for every pound of income derived or received for each year ending on the thirty-first day of March immediately preceding the year of assessment, and assessable under sections sixty-nine and seventy of the Land and Income Assessment Act, 1908 (relating to the debentures of companies).

(5.) A duty by way of income-tax for every pound of the income of companies chargeable by law (including companies and all non-resident taxpayers assessable under section eighty-five of the Land and Income Assessment Act, 1908) derived or received for each year ending as aforesaid, as follows:—

- (a.) Where such income does not exceed twelve hundred and fifty pounds ... One shilling.
- (b.) Where such income exceeds twelve hundred and fifty pounds but does not exceed two thousand pounds ... One shilling and one penny.
- (c.) Where such income exceeds two thousand pounds ... One shilling and twopence.

(6.) A duty by way of income-tax on the income of all taxpayers other than those enumerated in paragraphs (4) and (5) hereof:—

For every pound of the income chargeable by law derived or received from business, employment, or emolument for each year ending as aforesaid, a duty by way of income-tax as follows:—

- (a.) Where such income does not exceed four hundred pounds ... Sixpence.
- (b.) Where such income exceeds four hundred pounds but does not exceed six hundred pounds ... Sevenpence.
- (c.) Where such income exceeds six hundred pounds but does not exceed seven hundred pounds ... Eightpence.
- (d.) Where such income exceeds seven hundred pounds but does not exceed eight hundred pounds ... Ninepence.
- (e.) Where such income exceeds eight hundred pounds but does not exceed nine hundred pounds ... Tenpence.
- (f.) Where such income exceeds nine hundred pounds but does not exceed one thousand pounds ... Elevenpence.
- (g.) Where such income exceeds one thousand pounds but does not exceed twelve hundred and fifty pounds ... One shilling.
- (h.) Where such income exceeds twelve hundred and fifty pounds but does not exceed two thousand pounds ... One shilling and one penny.
- (i.) Where such income exceeds two thousand pounds ... One shilling and twopence.