

Provided that the taxation imposed by any State in pursuance of this section shall be at a rate not exceeding that applicable, under the law of that State, to interest on any loan raised by it, and shall not apply to a greater extent than it would apply if the interest on the loan raised by the Commonwealth, or by any authority constituted by or under any law of the Commonwealth, had been interest on a loan raised by that State.

(2.) This section shall not commence until a date to be fixed by proclamation.

5.—(1.) Subject to sub-section (2.) of this section, the interest accruing on loans raised in Australia, after the thirty-first day of December One thousand nine hundred and twenty-three, by the Government of any Country or Dominion outside the Commonwealth, or by any authority constituted by or under any law of any such Country or Dominion, shall be subject to taxation under any law of the Commonwealth relating to Income Tax in the same manner as if it were interest taxable in pursuance of section three of this Act, and were derived from a source within Australia.

Taxation of loans raised in Australia by Governments outside the Commonwealth.

(2.) Sub-section (1.) of this section shall not apply in relation to any interest unless either—

- (a) the interest is received directly or indirectly by a person resident in Australia; or
- (b) the person to whom the interest is paid or credited is, apart from this section, a taxpayer within the meaning of the *Income Tax Assessment Act 1922-1923*.

(3.) For the purposes of this section a loan shall be deemed to have been raised in Australia if subscriptions to the loan were invited in Australia by public advertisement, by the issue of a prospectus, or otherwise.

AGREEMENTS VALIDATION.

No. 31 of 1923.

An Act to provide for the Validation of certain Agreements and Documents made and executed by or on behalf of the Commonwealth.

[Assented to 1st September, 1923.]

WHEREAS certain agreements in writing, or documents purporting to be agreements, relating to the manufacture of wool-tops, or the purchase or sale of wool for the manufacture of wool-tops, were made or executed by or on behalf of the Commonwealth during the late war:

Preamble.

And whereas such agreements or documents were acted upon by the parties thereto as being valid and binding agreements :

And whereas doubts have arisen as to the validity of such agreements or documents in the absence of express legislative authority :

And whereas it is expedient to resolve such doubts and to declare the validity of such agreements :

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

Short title.

1. This Act may be cited as the *Agreements Validation Act 1923*.

Validation of agreements.

2.—(1.) Every agreement in writing, or document purporting to be an agreement, made or executed by or on behalf of the Commonwealth, during the late war, relating to the manufacture of wool-tops, or the purchase or sale of wool for the manufacture of wool-tops, shall be, and shall be deemed to have been from the time when it was made or executed, as valid and effectual for all purposes as if it had been authorized by the Parliament.

(2.) For the purposes of this section, an agreement, or a document purporting to be an agreement, shall be deemed to have been made or executed during the late war if it was made or executed on or after the fourth day of August, One thousand nine hundred and fourteen, and on or before the thirty-first day of August, One thousand nine hundred and twenty-one.

Exception from Act of certain agreements.

3. There shall be excepted from the operation of this Act the following contracts or agreements which were the subject-matter of litigation in the High Court of Australia in an action by the Commonwealth and the Central Wool Committee against the Colonial Combing, Spinning and Weaving Company Limited namely :—

- (a) The agreement of the first day of March, One thousand nine hundred and seventeen, between the Government of the Commonwealth and the Colonial Combing, Spinning and Weaving Company Limited ;
- (b) The agreement contained in or implied from two telegrams dated respectively the fifth and the nineteenth days of January, One thousand nine hundred and eighteen, from the Chairman of the Central Wool Committee to the Managing Director of the Colonial Combing, Spinning and Weaving Company Limited ; and
- (c) The agreement of the twenty-sixth day of September, One thousand nine hundred and eighteen, contained in a memorandum of that date of a Conference between the Acting Prime Minister of the Commonwealth and representatives of the Central Wool Committee and of the Colonial Combing, Spinning and Weaving Company Limited.