

COMMONWEALTH INSCRIBED STOCK.

No. 25 of 1940.

An Act to amend the *Commonwealth Inscribed Stock Act 1911-1933*.

[Assented to 1st June, 1940.]

[Date of commencement, 29th June, 1940.]

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

1.—(1.) This Act may be cited as the *Commonwealth Inscribed Stock Act 1940*. Short title and citation.

(2.) The *Commonwealth Inscribed Stock Act 1911-1933**, as amended by this Act, may be cited as the *Commonwealth Inscribed Stock Act 1911-1940*.

2. After section fifty-one B of the *Commonwealth Inscribed Stock Act 1911-1933* the following section is inserted :—

“51BA. Any person who contravenes or fails to comply with any term or condition on which a Treasury Bond, Debenture or other prescribed security is issued or sold, shall be guilty of an offence against this Act. Breach of terms or conditions of issue of Treasury Bonds.”

Penalty : One hundred pounds or imprisonment for six months, or both, and, in addition, an amount equal to Ten per centum of the nominal value of the Treasury Bond, Debenture or other prescribed security in respect of which the offence is committed.”

3. Section fifty-two B of the *Commonwealth Inscribed Stock Act 1911-1933* is amended by adding at the end thereof the following sub-section :— Liability of interest to income tax.

“(3.) Notwithstanding anything contained in the *Taxation of Loans Act 1923* or in any other Act, where it is declared, in any prospectus relating to the raising of a loan by means of the issue of Treasury Bonds known as War Savings Certificates, that the certificates will be free of Commonwealth income tax, the interest derived by any person in any financial year from those Bonds shall be free from income tax payable under any law of the Commonwealth.”

* Act No. 20, 1911, as amended by No. 40, 1912 ; No. 16, 1913 ; No. 26, 1915 ; Nos. 6 and 7, 1918 ; No. 2, 1927 ; No. 25, 1932 ; and No. 5, 1933.