

the Schedule to this Act, and the Treasurer is hereby authorized and empowered to issue and apply the moneys authorized to be issued and applied.

3. The said sum shall be available to satisfy the warrants under the hand of the Governor-General in respect of any purposes and services set forth in the said Schedule.

Sum available  
for the purposes  
set forth in  
Schedule.

4. No moneys shall be expended under the authority of this Act after the thirtieth day of June One thousand nine hundred and eighteen.

Limit of period  
of expenditure.

[SCHEDULE.]

INCOME TAX.

No. 39 of 1917.

An Act to impose Taxes upon Incomes.

[Assented to 28th September, 1917.]

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

1. This Act may be cited as the *Income Tax Act* 1917. Short title.
2. The *Income Tax Assessment Act* 1915-1916 shall be incorporated and read as one with this Act. Incorporation.
3. Income tax is imposed at the rates and amounts declared in this Act. Imposition of  
income tax
- 4.—(1.) The rate of the income tax in respect of income from personal exertion shall be as set out in the First Schedule to this Act. Rates in  
tax.
- (2.) The rate of the income tax in respect of income derived from property shall be as set out in the Second Schedule to this Act.
- (3.) The rates of the income tax in respect of a total taxable income derived partly from personal exertion and partly from property shall be as set out in the Third Schedule to this Act.

(4.) Notwithstanding anything contained in the last three sub-sections the tax payable by any person who—

- (a) is not married, has no dependants and is not an absentee, and
- (b) has a gross income of not less than One hundred pounds, or, in the case of a person carrying on business in Australia, has an income from the business which, after deducting from the gross income the deductions specified in paragraph (a) of sub-section (1.) of section eighteen of the *Income Tax Assessment Act 1915-1916*, amounts together with his income from all other sources in Australia to not less than One hundred pounds, and
- (c) would, apart from this sub-section, not be liable to pay an income tax of One pound or upwards,

shall be One pound.

(5.) The rate of the income tax in respect of the income of a company shall be as set out in the Fourth Schedule to this Act.

**Additional tax.**

5. In addition to the tax payable under the preceding provisions of this Act, there shall be payable, in the case of incomes in respect of which tax is calculated under the First, Second or Third Schedules, an additional tax equal to twenty-five per centum of the tax so calculated.

tax payable by  
certain persons  
over the age  
of 21.

6.—(1.) There shall be payable by every male person (whether in receipt of a taxable income or not) who on the first day of July One thousand nine hundred and seventeen—

- (a) was unmarried or a widower without children ; and
- (b) was not under the age of twenty-one years,

income tax to the amount of Five pounds or five per centum of his taxable income, whichever is the greater :

Provided that where the Commissioner is satisfied that by reason of the support given by a person to his dependants the payment of the full amount of tax payable under the preceding provisions of this section would impose hardship on the person, the Commissioner may reduce the amount of tax payable by that person to such amount as the Commissioner in his discretion determines.

(2.) Sub-section (1.) of this section shall not apply to a person who satisfies the Commissioner—

- (a) that he has been on active service outside Australia during the present war or is a member of an Expeditionary Force raised for service outside Australia or has enlisted for service outside Australia on a ship of war ; or
- (b) that a majority of his brothers of military age have been on active service outside Australia during the present war or are members of an Expeditionary Force raised for service outside Australia or have enlisted for service outside Australia on a ship of war ; or

(c) that he is permanently incapacitated for work and is in receipt of a gross income not exceeding One hundred and fifty pounds ; or

(d) that he is in receipt of an invalid or old-age pension or that he is over the age of sixty years and has a gross income less than One hundred pounds.

(3.) For the purposes of this section "taxable income" means the amount which is ascertained by deducting from the taxable income of the person within the meaning of the *Income Tax Assessment Act 1915-1916* the sum of Twenty-six pounds in respect of each dependant wholly dependent upon him, and such less sum as the Commissioner allows in respect of each dependant partially dependent upon him.

(4.) Nothing in this section shall relieve any person of the liability to pay income tax under any other provision of this Act.

7. There shall be payable in respect of a cash prize in a lottery income tax to the amount of ten per centum of the gross prize money.

Tax on cash prizes in lotteries.

8. Income tax shall be levied and paid for the financial year beginning on the first day of July One thousand nine hundred and seventeen.

Levy of income tax.

9. Notwithstanding any construction which may be placed upon the First and Second Schedules to the *Income Tax Act 1915* and the *Income Tax Act 1916* the rates of income tax calculated by or under the authority of the Commissioner of Taxation as applicable to the respective assessments made for the financial years beginning on the first day of July One thousand nine hundred and fifteen and the first day of July One thousand nine hundred and sixteen respectively shall be deemed to be the correct rates of tax.

Rates of tax calculated under previous Acts.

## THE SCHEDULES.

### FIRST SCHEDULE.

#### RATE OF TAX UPON INCOME DERIVED FROM PERSONAL EXERTION.

For so much of the whole taxable income as does not exceed £7,600 the average rate of tax per pound sterling shall be threepence and three eight-hundredths of one penny where the taxable income is One pound sterling, and shall increase uniformly with each increase of One pound sterling of the taxable income by three eight-hundredths of one penny.

The average rate of tax per pound sterling for so much of the taxable income as does not exceed £7,600 may be calculated from the following formula :—

R = average rate of tax in pence per pound sterling.

I = taxable income in pounds sterling.

$$R = \left( 3 + \frac{3}{800}I \right) \text{ pence.}$$

For every pound sterling of taxable income in excess of £7,600 the rate of tax shall be sixty pence.

## SECOND SCHEDULE.

## RATE OF TAX UPON INCOME DERIVED FROM PROPERTY.

- (a) For such part of the taxable income as does not exceed £546 the average rate of tax per pound sterling shall be that given by the following formula:—

R = average rate of tax in pence per pound sterling.

I = taxable income in pounds sterling.

$$R = \left( 3 + \frac{I}{181 \cdot 058} \right) \text{ pence.}$$

- (b) For such part of the taxable income as exceeds £546 but does not exceed £2,000 the additional tax for each additional pound of taxable income above £546 shall increase continuously with the increase of the taxable income in a curve of the second degree in such a manner that the increase of tax for one pound increase of taxable income shall be—

11·713 pence for the pound sterling between £545 10s. and £546 10s.  
 12·768 pence for the pound sterling between £599 10s. and £600 10s.  
 14·672 pence for the pound sterling between £699 10s. and £700 10s.  
 16·512 pence for the pound sterling between £799 10s. and £800 10s.  
 18·288 pence for the pound sterling between £899 10s. and £900 10s.  
 20·000 pence for the pound sterling between £999 10s. and £1,000 10s.  
 27·600 pence for the pound sterling between £1,499 10s. and £1,500 10s.  
 33·600 pence for the pound sterling between £1,999 10s. and £2,000 10s.

- (c) For such part of the taxable income as exceeds £2,000 but does not exceed £6,500, the additional tax for each additional pound of taxable income above £2,000 shall increase continuously with the increase of the taxable income in a curve of the third degree in such a manner that the increase of tax for one pound increase of taxable income shall be—

33·600 pence for the pound sterling between £1,999 10s. and £2,000 10s.  
 40·000 pence for the pound sterling between £2,499 10s. and £2,500 10s.  
 45·300 pence for the pound sterling between £2,999 10s. and £3,000 10s.  
 49·600 pence for the pound sterling between £3,499 10s. and £3,500 10s.  
 53·000 pence for the pound sterling between £3,999 10s. and £4,000 10s.  
 55·600 pence for the pound sterling between £4,499 10s. and £4,500 10s.  
 57·500 pence for the pound sterling between £4,999 10s. and £5,000 10s.  
 58·800 pence for the pound sterling between £5,499 10s. and £5,500 10s.  
 59·600 pence for the pound sterling between £5,999 10s. and £6,000 10s.  
 60·000 pence for the pound sterling between £6,499 10s. and £6,500 10s.

- (d) For every pound sterling of taxable income in excess of £6,500 the rate of tax shall be sixty pence.

## THIRD SCHEDULE.

## RATES OF TAX IN RESPECT OF TAXABLE INCOME DERIVED PARTLY FROM PERSONAL EXERTION AND PARTLY FROM PROPERTY.

- (a) For every pound sterling of taxable income derived from personal exertion, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under the First Schedule if the total taxable income of the taxpayer were derived exclusively from personal exertion by the amount of the total taxable income.
- (b) For every pound sterling of taxable income derived from property the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under the Second Schedule if the total taxable income of the taxpayer were derived exclusively from property by the amount of the total taxable income.

## FOURTH SCHEDULE.

## RATES OF TAX UPON THE INCOME OF A COMPANY.

- (a) For every pound sterling of the taxable income of a Company which has not been distributed to the members or shareholders of the Company the rate of tax shall be one shilling and tenpence halfpenny.
- (b) For every pound sterling of the income of a Company distributed to the members shareholders or stockholders of the Company who are absentees and of interest paid or credited by the Company to any person who is an absentee in respect of debentures of the Company or on money lodged at interest with the Company by such person the rate of tax shall be sixpence.