

(5.) The following amendments effected by this Act shall apply to assessments for the financial year beginning on the first day of July, One thousand nine hundred and thirty and all subsequent years:—

The amendments effected by paragraphs (a), (b), (d), (e), (f), (h) and (i) of section two, by section three, by section four, by paragraphs (c), (e) and (f) of section five, by paragraphs (a), (b), (c) and (f) of section six, by paragraph (a) of section eleven, by paragraphs (a) and (c) of section twelve, by paragraph (a) (in so far as it relates to losses made in carrying on a business) of section fourteen and by paragraphs (b) and (c) of section fourteen (in so far as they relate to losses incurred in carrying on a business the proceeds of which, if any, derived from sources outside Australia would not be wholly exempt from income tax under the provisions of sub-paragraph (i) of paragraph (g) of sub-section (1.) of section fourteen of the Principal Act as amended by this Act), by section fifteen and by section seventeen.

INCOME TAX.

No. 51 of 1930.

An Act to impose Taxes upon Incomes.

[Assented to 18th August, 1930.]

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. This Act may be cited as the *Income Tax Act 1930*. Short title.
2. The *Income Tax Assessment Act 1922-1930* shall be incorporated and read as one with this Act. Incorporation.
3. Income tax is imposed at the rates 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 of income 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 preceding sub-sections, where a person would, apart from this sub-section, be liable to pay income tax of an amount less than Ten shillings, the tax payable by that person shall be Ten shillings.

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

(6.) Subject to the last preceding sub-section and to section eight of this Act, the rates of the income tax payable by a company shall be as set out in the Fifth Schedule to this Act.

Additional tax.

5. In addition to the tax payable under the preceding provisions of this Act, there shall be payable—

- (a) in the case of incomes in respect of which the tax is calculated under the First, Second, Third or Fourth Schedules—an additional tax equal to eight per centum of the amount of the tax so calculated ; and
- (b) in the case of incomes in respect of which the tax is calculated under the Fifth Schedule—an additional tax equal to thirty-three and one-third per centum of the amount of the tax so calculated.

Super-tax.

6. In addition to any tax (including additional tax) payable under the preceding provisions of this Act, there shall be payable, in the case of incomes in respect of which the tax is calculated under the First, Second, Third or Fourth Schedules—

- (a) where the total taxable income is not less than two hundred and one pounds and does not amount to one thousand five hundred and one pounds—a super-tax equal to ten per centum of the total amount of the tax payable under those provisions ;
- (b) where the total taxable income is not less than one thousand five hundred and one pounds and does not amount to three thousand and one pounds—a super-tax equal to fifteen per centum of the total amount of the tax payable under those provisions ; and
- (c) where the total taxable income is not less than three thousand and one pounds—a super-tax equal to twenty per centum of the total amount of the tax payable under those provisions.

Further tax.

7. In addition to any tax (including additional tax and super-tax) payable under the preceding provisions of this Act, there shall be payable, where the total taxable income (not being income in respect of which the tax is calculated under the Fifth Schedule to this Act) is not less than five hundred and one pounds—

- (a) on so much of the income as is derived from personal exertion—a further tax equal to ten per centum of the amount of tax payable under those provisions on the income so derived ; and
- (b) on so much of the income as is derived from property—a further tax equal to fifteen per centum of the amount of tax payable under those provisions on the income so derived.

8.—(1.) The rate of the income tax payable by an individually owned private company shall be as set out in the Sixth Schedule to this Act.

Tax payable by certain companies and partnerships.

(2.) The rate of the income tax payable by a severally owned private company shall be as set out in the Seventh Schedule to this Act.

(3.) The rate of the income tax payable by an individually owned partnership shall be as set out in the Eighth Schedule to this Act.

(4.) The rate of the income tax payable by a severally owned partnership shall be as set out in the Ninth Schedule to this Act.

9.—(1.) Income tax shall be levied and paid for the financial year beginning on the first day of July One thousand nine hundred and thirty.

Levy of income tax.

(2.) This Act shall also apply to all assessments for financial years subsequent to that beginning on the first day of July One thousand nine hundred and thirty made prior to the passing of the Act for the levying and payment of the income tax for the financial year beginning on the first day of July One thousand nine hundred and thirty-one.

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.

$$R = \left\{ 3 + \frac{I}{181.058} \right\} \text{pence.}$$

THE SCHEDULES—*continued.*SECOND SCHEDULE—*continued.*

(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.

RATE OF TAX PAYABLE BY A TRUSTEE.

For every pound sterling of the taxable income in respect of which a trustee is liable to be separately assessed and to pay tax, the rate of tax shall be the rate which would be payable under the First, Second or Third Schedules, as the case requires, if one individual were liable to be separately assessed and to pay tax on that taxable income.

FIFTH SCHEDULE.

RATES OF TAX PAYABLE BY A COMPANY.

(a) Subject to the last preceding Schedule and to the Sixth and Seventh Schedules, for every pound sterling of the taxable income of a company, the rate of tax shall be One shilling.

(b) For every pound sterling 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 One shilling.

THE SCHEDULES—*continued.*

SIXTH SCHEDULE.

RATE OF TAX PAYABLE BY AN INDIVIDUALLY OWNED PRIVATE COMPANY.

For every pound sterling of the taxable income of an individually owned private company, the rate of tax shall be determined as follows:—

- (a) from the total amount of tax which would be payable by the person specified under sub-section (1.) of section twenty-one A of the *Income Tax Assessment Act 1922-1930* if the taxable income of the company were added to his own taxable income, subtract the amount of tax actually payable by him in respect of his own taxable income; and
- (b) divide the amount obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the company.

SEVENTH SCHEDULE.

RATE OF TAX PAYABLE BY A SEVERALLY OWNED PRIVATE COMPANY.

For every pound sterling of the taxable income of a severally owned private company, the rate of tax shall be determined as follows:—

- (a) compute the total of the amounts of tax that would be payable by the persons specified under sub-section (1.) of section twenty-one A of the *Income Tax Assessment Act 1922-1930* if the company had been a partnership (other than a severally owned partnership) between those persons with equal interests;
- (b) from the total tax obtained by the application of the last preceding paragraph subtract the total of the amounts of tax actually payable by those persons on their own taxable incomes; and
- (c) divide the difference obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the company.

EIGHTH SCHEDULE.

RATE OF TAX PAYABLE BY AN INDIVIDUALLY OWNED PARTNERSHIP.

Individually owned partnerships other than Trusts which are partnerships.

For every pound sterling of the taxable income of an individually owned partnership, the rate of tax shall be determined as follows:—

- (a) from the total amount of tax which would be payable by the member specified under sub-section (2.) of section twenty-nine of the *Income Tax Assessment Act 1922-1930* if the taxable income of the partnership were added to his own taxable income, subtract the amount of tax actually payable by him in respect of his own taxable income; and
- (b) divide the amount obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the partnership.

Trusts which are individually owned partnerships.

For every pound sterling of the taxable income of a trust which is an individually owned partnership, the rate of tax shall be determined as follows:—

- (a) from the amount of tax which would be payable by the person by whom the trust was created if the taxable income of the partnership were added to his own taxable income, subtract the amount of tax actually payable by him in respect of his own taxable income; and
- (b) divide the amount obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the partnership.

NINTH SCHEDULE.

RATE OF TAX PAYABLE BY A SEVERALLY OWNED PARTNERSHIP.

For every pound sterling of the taxable income of a severally owned partnership, the rate of tax shall be determined as follows:—

- (a) compute the total of the amounts of tax that would be payable by the several members specified under sub-section (2.) of section twenty-nine of the *Income Tax Assessment Act 1922-1930*, if the severally owned partnership had been a partnership (other than a severally owned partnership) between those members with equal interests;
- (b) from the total tax obtained by the application of the last preceding paragraph subtract the total of the amounts of tax actually payable by those several members on their own taxable incomes; and
- (c) divide the difference obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the partnership.