

the Principal Act, and the amendments effected by sections seventeen and eighteen, and paragraph (p) of section twenty-four, of this Act, shall apply to all assessments for the financial year beginning on the first day of July, One thousand nine hundred and forty-six, and all subsequent years.

(8.) The amendment effected by paragraph (d) of section five of this Act, so far as it inserts paragraph (y) in section twenty-three of the Principal Act, and the amendment effected by section twenty-three of this Act, shall apply to all assessments for the financial year beginning on the first day of July, One thousand nine hundred and forty-five and all subsequent years.

INCOME TAX.

No. 12 of 1947.

An Act to impose a Tax upon Incomes.

[Assented to 3rd June, 1947.]

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

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| Short title. | 1. This Act may be cited as the <i>Income Tax Act 1947</i> . |
| Commencement. | 2. This Act shall come into operation on the day on which it receives the Royal Assent. |
| Incorporation. | 3. The <i>Income Tax Assessment Act 1936-1947</i> shall be incorporated and read as one with this Act. |
| Imposition of income tax. | 4. Income tax is imposed at the rates declared in this Act. |
| Rates of income tax. | 5.—(1.) The rate of income tax in respect of a taxable income derived from personal exertion shall be as set out in the First Schedule to this Act. (2.) The rate of income tax in respect of a taxable income derived from property shall be as set out in the Second Schedule to this Act. (3.) The rates of income tax in respect of a taxable income derived partly from personal exertion and partly from property shall be as set out in the Third Schedule to this Act. (4.) The rate or rates of income tax in respect of a taxable income to which Division 16 of Part III. of the <i>Income Tax Assessment Act 1936-1947</i> applies shall be as set out in the Fourth Schedule to this Act. |

(5.) The rate or rates of income tax in respect of a taxable income in any case where sub-section (1.) of section eighty-six of the *Income Tax Assessment Act 1936-1947* applies shall be as set out in the Fifth Schedule to this Act.

(6.) The rate or rates of income tax payable by a trustee shall be as set out in the Sixth Schedule to this Act.

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

(8.) Where, apart from this sub-section, the income tax which a person would be liable to pay under this section, before deducting any rebate to which he is entitled in his assessment, leaves an amount of pence remaining when expressed in pounds and shillings—

(a) if the remaining pence do not exceed six—the income tax payable by that person shall be the amount so expressed in pounds and shillings; or

(b) if the remaining pence exceed six—the income tax payable by that person shall be the amount so expressed in pounds and shillings plus One shilling.

6. In addition to any income tax payable under the preceding provisions of this Act, there shall be payable upon the taxable income in excess of Five thousand pounds derived by a company a super-tax at the rate of Twelve pence for every pound of that excess:

Super-tax
on certain
companies.

Provided that this section shall not apply—

(a) to the assessment of a company as a trustee;

(b) to the income of a company to which section fourteen of the *War-time (Company) Tax Assessment Act 1940-1946* provides that that Act shall not apply; or

(c) to the mutual income, as defined in sub-section (1A.) of section one hundred and sixty c of the *Income Tax Assessment Act 1936-1947*, of a life assurance company.

7.—(1.) The tax imposed by the preceding provisions of this Act shall be levied and paid for the financial year commencing on the first day of July, One thousand nine hundred and forty-seven, upon the taxable income derived during the year of income as defined by section six of the *Income Tax Assessment Act 1936-1947*.

Levy of
income tax.

(2.) Until the commencement of the Act for the levying and payment of income tax for the financial year beginning on the first day of July, One thousand nine hundred and forty-eight, the preceding provisions of this Act shall also apply for all financial years subsequent to that commencing on the first day of July, One thousand nine hundred and forty-seven.

8. Provisional tax is imposed, and shall be payable in accordance with the provisions of the *Income Tax Assessment Act 1936-1947*, in respect of the income of the year of income ending on the thirtieth day of June, One thousand nine hundred and forty-eight.

Provisional
tax.

THE SCHEDULES.

FIRST SCHEDULE.

s. 5 (1).

RATE OF TAX IN RESPECT OF A TAXABLE INCOME DERIVED FROM PERSONAL EXERTION.

(a) If the taxable income does not exceed £1,000 the rate of tax for every £1 of taxable income up to and including £250 shall be nil and the rate of tax for every £1 of taxable income in excess of £250 shall be 25.032 pence increasing uniformly by .032 of one penny for every £1 by which the taxable income exceeds £251.

(b) If the taxable income exceeds £1,000 but does not exceed £2,500 the rate of tax for every £1 of taxable income up to and including £1,000 shall be 36.75 pence and the rate of tax for every £1 of taxable income in excess of £1,000 shall be 73.018 pence increasing uniformly by .018 of one penny for every £1 by which the taxable income exceeds £1,001.

(c) If the taxable income exceeds £2,500 but does not exceed £5,000 the rate of tax for every £1 of taxable income up to and including £2,500 shall be 74.7 pence and the rate of tax for every £1 of taxable income in excess of £2,500 shall be 127.007 pence increasing uniformly by .007 of one penny for every £1 by which the taxable income exceeds £2,501.

(d) If the taxable income exceeds £5,000 the rate of tax for every £1 of taxable income up to and including £5,000 shall be 109.6 pence and the rate of tax for every £1 of taxable income in excess of £5,000 shall be 162 pence.

SECOND SCHEDULE.

s. 5 (2).

RATE OF TAX IN RESPECT OF A TAXABLE INCOME DERIVED FROM PROPERTY.

(a) If the taxable income does not exceed £500 the rate of tax for every £1 of taxable income up to and including £250 shall be nil and the rate of tax for every £1 of taxable income in excess of £250 shall be 35.052 pence increasing uniformly by .052 of one penny for every £1 by which the taxable income exceeds £251.

(b) If the taxable income exceeds £500 but does not exceed £1,000 the rate of tax for every £1 of taxable income up to and including £500 shall be 24 pence and the rate of tax for every £1 of taxable income in excess of £500 shall be 61.032 pence increasing uniformly by .032 of one penny for every £1 by which the taxable income exceeds £501.

(c) If the taxable income exceeds £1,000 but does not exceed £2,500 the rate of tax for every £1 of taxable income up to and including £1,000 shall be 50.5 pence and the rate of tax for every £1 of taxable income in excess of £1,000 shall be 93.018 pence increasing uniformly by .018 of one penny for every £1 by which the taxable income exceeds £1,001.

(d) If the taxable income exceeds £2,500 but does not exceed £5,000 the rate of tax for every £1 of taxable income up to and including £2,500 shall be 92.2 pence and the rate of tax for every £1 of taxable income in excess of £2,500 shall be 147.003 pence increasing uniformly by .003 of one penny for every £1 by which the taxable income exceeds £2,501.

(e) If the taxable income exceeds £5,000 the rate of tax for every £1 of taxable income up to and including £5,000 shall be 123.35 pence and the rate of tax for every £1 of taxable income in excess of £5,000 shall be 162 pence.

THIRD SCHEDULE.

s. 5 (3).

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

(a) For every £1 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 £1 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.

s. 5 (4.).

RATES OF TAX BY REFERENCE TO AN AVERAGE INCOME.

(a) For every £1 of taxable income derived from personal exertion by a taxpayer to whose income Division 16 of Part III. of the *Income Tax Assessment Act 1936-1947* applies, the rate of tax shall be ascertained by dividing the tax that would be payable under the First Schedule upon a taxable income from personal exertion equal to his average income by that average income.

(b) For every £1 of taxable income derived from property by such a taxpayer, the rate of tax shall be ascertained by dividing the tax that would be payable under the Second Schedule upon a taxable income from property equal to his average income by that average income.

FIFTH SCHEDULE.

s. 5 (5.).

RATES OF TAX BY REFERENCE TO A NOTIONAL INCOME.

(a) For every £1 of the actual taxable income from personal exertion of a taxpayer deriving a notional income, as specified by sub-section (1.) of section eighty-six of the *Income Tax Assessment Act 1936-1947*, the rate of tax shall be ascertained by dividing the tax that would be payable under the First Schedule upon a taxable income from personal exertion equal to his notional income by that notional income.

(b) For every £1 of the actual taxable income from property of such a taxpayer, the rate of tax shall be ascertained by dividing the tax that would be payable under the Second Schedule upon a taxable income from property equal to his notional income by that notional income.

SIXTH SCHEDULE.

s. 5 (6.).

RATES OF TAX PAYABLE BY A TRUSTEE.

For every £1 of the taxable income in respect of which a trustee is liable, in pursuance of either section ninety-eight or section ninety-nine of the *Income Tax Assessment Act 1936-1947*, to be assessed and to pay tax, the rate of tax shall be the rate that would be payable under the First, Second, Third, Fourth or Fifth Schedule as the case requires, if one individual were liable to be assessed and to pay tax on that taxable income.

SEVENTH SCHEDULE.

s. 5 (7.).

RATES OF TAX PAYABLE BY A COMPANY, OTHER THAN A COMPANY IN THE CAPACITY OF TRUSTEE.

(a) For every £1 of the taxable income the rate of tax shall be—

- (i) in the case of a company which is not a life assurance company—
Seventy-two pence;
- (ii) in the case of a company which is a mutual life assurance company—
Sixty pence; or
- (iii) in the case of a life assurance company, other than a mutual life assurance company—

- (1) in respect of the mutual income of the company as defined in sub-section (1A.) of section one hundred and sixty of the *Income Tax Assessment Act 1936-1947*—Sixty pence; and
- (2) in respect of the remainder of the taxable income of the company—
Seventy-two pence.

(b) For every £1 of that portion of the taxable income which has not been distributed as dividends, on which the company is liable, in pursuance of Part IIIA. of the *Income Tax Assessment Act 1936-1947*, to pay further tax, the rate of further tax shall be Twenty-four pence.

(c) For every £1 of interest in respect of which a company is liable, in pursuance of sub-section (1.) of section one hundred and twenty-five of the *Income Tax Assessment Act 1936-1947*, to pay income tax, the rate of tax shall be Seventy-two pence.