

(ii) consists of income from property and is not less than the sum of Two hundred pounds ; or

(iii) consists partly of income from personal exertion and partly of income from property and is not less than Two hundred pounds ; or

(b) in the case of a company or an absentee the total assessable income exceeds the sum of One pound.”.

Additional tax  
in certain cases.

6. Section sixty-seven of the Principal Act is amended by omitting from sub-section (2.) the words “ the next succeeding section ” and inserting in their stead the words “ section sixty-eight or sixty-nine of this Act ”.

7. Section ninety-four of the Principal Act is amended—

(a) by omitting the words “ of land ” ; and

(b) by inserting at the end thereof the following sub-section :—

Covenant by  
mortgagor to  
pay tax.

“(2.) A covenant or stipulation in a mortgage, whether entered into before or after the commencement of this sub-section, which has or purports to have the purpose or effect of including in or adding to the interest payable, in any specified circumstances, by the mortgagor, any amount in respect of income tax payable by the mortgagee upon the interest to be paid under the mortgage, shall be void to the extent only to which it has or purports to have that purpose or effect.”.

Application of  
Act.

8. The amendments effected by sections four and five of 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.

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## INCOME TAX (No. 2).

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### No. 61 of 1930.

#### An Act to amend the *Income Tax Act* 1930

[Assented to 16th December, 1930.]

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

Short title  
and citation.

1.—(1.) This Act may be cited as the *Income Tax Act (No. 2)* 1930.

(2.) The *Income Tax Act* 1930\* is in this Act referred to as the Principal Act.

(3.) The *Income Tax Act* 1930, as amended by this Act, may be cited as the *Income Tax Acts* 1930.

2. Section seven of the Principal Act is amended by omitting from paragraph (a) the word "ten" and inserting in its stead the word "fifteen". Further tax.

3. After section seven of the Principal Act the following section is inserted:—

"7A—(1.) In addition to any tax (including additional tax, super-tax and further tax) payable under the preceding provisions of this Act, there shall be payable upon the taxable income derived by any person— Further tax on income from property.

(a) from property;

(b) by way of interest, dividends, rents or royalties, whether derived from personal exertion or from property; and

(c) in the course of carrying on a business, where the income is of such a class that, if derived otherwise than in the course of carrying on a business, it would be income from property,

a further tax of seven and one-half per centum of the amount of that taxable income.

"(2.) Where tax is payable by a company under this section, tax shall not be payable under this section upon any taxable income derived by any person in consequence of the distribution by that company to its members or shareholders of the income upon which tax is so payable by that company or in consequence of a succession of such distributions through another company or through other companies of that income or any part thereof.

"(3.) This section shall not apply to income which is assessable for the financial year beginning on the first day of July One thousand nine hundred and thirty under the provisions of sub-paragraph (i) or (ii) of paragraph (b) of section sixteen of the *Income Tax Assessment Act* 1922-1930 if that income is distributed out of income which was assessable income of a company under those provisions for any prior financial year.

"(4.) Any tax payable by a company under this section shall not be included in the calculation, for the purposes of the provisoes following sub-paragraph (iii) of paragraph (b) of section sixteen of the *Income Tax Assessment Act* 1922-1930, of the rate of tax paid or payable by that company.

"(5.) Sub-sections (2.) to (13.) inclusive of section thirteen of the *Income Tax Assessment Act* 1922-1930 shall not apply to tax payable under the provisions of this section."