

# Income Tax and Social Services Contribution Assessment

No. 33 of 1965

An Act relating to Income Tax.

[Assented to 2 June, 1965]

**B**E it enacted by the Queen'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 *Income Tax and Social Services Contribution Assessment Act 1965*. Short title  
and citation.

(2.) The *Income Tax and Social Services Contribution Assessment Act 1936–1964\** is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by this Act, may be cited as the *Income Tax and Social Services Contribution Assessment Act 1936–1965*.

2. This Act shall come into operation on the day on which it receives the Royal Assent. Commence-  
ment.

---

\* Act No. 27, 1936, as amended by No. 88, 1936; No. 5, 1937; No. 46, 1938; No. 30, 1939; Nos. 17 and 65, 1940; Nos. 58 and 69, 1941; Nos. 22 and 50, 1942; No. 10, 1943; Nos. 3 and 28, 1944; Nos. 4 and 37, 1945; No. 6, 1946; Nos. 11 and 63, 1947; No. 44, 1948; No. 66, 1949; No. 48, 1950; No. 44, 1951; Nos. 4, 28 and 90, 1952; Nos. 1, 28, 45 and 81, 1953; No. 43, 1954; Nos. 18 and 62, 1955; Nos. 25, 30 and 101, 1956; Nos. 39 and 65, 1957; No. 55, 1958; Nos. 12, 70 and 85, 1959; Nos. 17, 18, 58 and 108, 1960; Nos. 17, 27 and 94, 1961; Nos. 39 and 98, 1962; Nos. 34 and 69, 1963; and Nos. 46, 68, 110 and 115, 1964.

## Exemptions.

## 3. Section 23 of the Principal Act is amended—

- (a) by inserting in paragraph (z), after the word “scholarship”, the words “(other than a scholarship referred to in the next succeeding paragraph)”;
- (b) by omitting from paragraph (z) the word “and”; and
- (c) by inserting after paragraph (z) the following paragraph:—
  - “(zaa) income derived by way of payments made to or in respect of a student under a scheme for the provision by the Commonwealth of secondary scholarships or technical scholarships; and”.

Gifts, calls  
on mining  
shares,  
pensions, &c.

## 4. Section 78 of the Principal Act is amended—

- (a) by inserting in sub-paragraph (xxvi) of paragraph (a) of sub-section (1.), after the word “(Victoria),”, the words “the National Trust of Queensland,”; and
- (b) by inserting after sub-paragraph (xli) of paragraph (a) of sub-section (1.) the following sub-paragraph:—
  - “(xlii) the Winston Churchill Memorial Trust,”.

## 5. Section 82J of the Principal Act is repealed and the following section inserted in its stead:—

Education  
expenses.

## “ 82J.—(1.) Where, in the year of income—

- (a) the taxpayer has paid education expenses in respect of a student; and
- (b) no payment of any scholarship benefits (other than scholarship benefits payment of which was capable of being claimed in an earlier year of income) was capable of being claimed by any person in respect of that student,

the total amount of those expenses is an allowable deduction.

## “ (2.) Where, in the year of income—

- (a) the taxpayer has paid education expenses in respect of a student; and
- (b) payment of any scholarship benefits (other than scholarship benefits payment of which was capable of being claimed in an earlier year of income) was capable of being claimed by any person in respect of that student,

the amount, if any, by which the total amount of those expenses exceeds the total amount of those scholarship benefits is an allowable deduction.

“(3.) Where, in the year of income—

- (a) each of two or more taxpayers has paid education expenses in respect of the one student; and
- (b) payment of any scholarship benefits (other than scholarship benefits payment of which was capable of being claimed in an earlier year of income) was capable of being claimed by any person in respect of that student,

the last preceding sub-section does not apply but each of those taxpayers is entitled to a deduction of the amount, if any, by which the total amount of education expenses so paid by him exceeds such part of the total amount of those scholarship benefits as is reasonably related to the total amount of education expenses so paid by him.

“(4.) The deduction allowable under this section, in respect of any one year of income, in relation to the education of any one student shall not exceed One hundred and fifty pounds.

“(5.) Where, in respect of the year of income, two or more taxpayers would, but for this sub-section, be entitled to deductions under this section, amounting in the aggregate to more than One hundred and fifty pounds, for amounts paid by them in respect of the one student, those taxpayers shall be entitled, in respect of those amounts, to such deductions, amounting in the aggregate to One hundred and fifty pounds, as, in the opinion of the Commissioner, are reasonable in the circumstances.

“(6.) In this section—

- ‘education expenses’ means expenses necessarily incurred by the taxpayer for or in connexion with full-time education at a school, college or university or from a tutor;
- ‘scholarship benefits’ means amounts (other than amounts in the nature of an allowance for maintenance or accommodation) payable under a scheme for the provision by the Commonwealth of secondary scholarships or technical scholarships;
- ‘student’ means a person who is less than twenty-one years of age and—
  - (a) is a child of the taxpayer; or
  - (b) is a person in respect of whom the taxpayer is entitled to a deduction under section eighty-two B of this Act.”.

**Constitution  
of Boards.**

6. Section 251D of the Principal Act is amended by omitting from paragraph (a) of sub-section (1.) the words " Accountant at " and inserting in their stead the words " the officer in charge of ".

**Application of  
amendments.**

7. The amendments made by sections 3, 4 and 5 of this Act apply to assessments in respect of income of the year of income that commenced on the first day of July, One thousand nine hundred and sixty-four, and in respect of income of all subsequent years of income.

---