

Loans Securities

No. 28 of 1968

An Act to amend the *Loans Securities Act* 1919-1959.

[Assented to 7 June 1968]

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

Short title
and citation.

1.—(1.) This Act may be cited as the *Loans Securities Act* 1968.

(2.) The *Loans Securities Act* 1919-1959* is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by this Act, may be cited as the *Loans Securities Act* 1919-1968.

Commence-
ment.

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

Exemption of
certain
securities
issued abroad
from taxation.

3. Section 6B of the Principal Act is amended—

(a) by inserting after sub-section (1.) the following sub-section:—

“(1A.) Where, by the terms or conditions upon which any stock or security has been issued by or on behalf of the Commonwealth outside Australia (whether under this Act or otherwise), the Commonwealth has given an undertaking, howsoever expressed, to the effect that any amount, including the amount of any commitment fee, payable in respect of the stock or security, in addition to the principal or interest moneys payable under the stock or security, will be exempt from, free of, or not subject to, taxes imposed in the Commonwealth except where the amount is payable to or in respect of a person included in a particular class of persons consisting of or including all residents of Australia, then, notwithstanding anything contained in any law of the Commonwealth or of a State or Territory of the Commonwealth, the amount so payable is not subject to any tax or duty under any such law and shall be disregarded for all purposes in determining the liability of any person to pay tax or duty under any such law or in determining the amount of any such liability, except where the amount was, at the time of the act, transaction or event that, according to the provisions of the law imposing the tax or duty, gave rise to liability to the tax or duty, payable to or in respect of a person included in that particular class of persons.”; and

* Act No. 25, 1919, as amended by No. 82, 1956; and No. 55, 1959.

(b) by omitting paragraph (b) of sub-section (2.) and inserting in its stead the following paragraph:—

“ (b) a reference to tax or duty shall be read as including a reference to withholding tax within the meaning of the *Income Tax Assessment Act 1936–1968* and to tax or duty in respect of—

- (i) the estates of deceased persons;
- (ii) property derived from deceased persons; and
- (iii) gifts or other dispositions of property.”.

4. Section 7 of the Principal Act is amended by adding at the end thereof the following sub-section:— **Regulations.**

“ (2.) Authority is given for the making by the Registrar of the Registry situated at London in the United Kingdom of regulations under section 16 of the Imperial Act known as the Colonial Stock Act 1877 for the purpose specified in sub-section (1) of section 1 of the Imperial Act known as the Colonial Stock Act 1948 in relation to stock issued in the United Kingdom before the date of commencement of this section.”.
