

THE SCHEDULES—*continued*.

EIGHTH SCHEDULE.

RATE OF TAX PAYABLE BY AN INDIVIDUALLY OWNED PARTNERSHIP.

Individually owned partnerships other than Trusts which are partnerships.

For every pound 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 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 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 were 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.

SALES TAX ASSESSMENT (NO. 1).

No. 25 of 1931.

An Act to amend the *Sales Tax Assessment Act (No. 1) 1930*, as amended by the *Sales Tax Assessment Act (No. 1A) 1930*.

[Assented to 10th August, 1931.]

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.—(1.) This Act may be cited as the *Sales Tax Assessment Act (No. 1) 1931*.

(2.) The *Sales Tax Assessment Act (No. 1) 1930*, as amended by the *Sales Tax Assessment Act (No. 1A) 1930*, is in this Act referred to as the Principal Act.*

(3.) The Principal Act, as amended by this Act, may be cited as the *Sales Tax Assessment Act (No. 1) 1930-1931*.

2. Section eleven of the Principal Act is amended—

Issue of
Certificates.

(a) by omitting from sub-sections (1.) and (2.) the words “in an amount not less than twenty-five pounds and not more than One thousand pounds” (wherever occurring) and inserting in their stead the words “, in such amount, not exceeding One thousand pounds, as the Commissioner considers reasonable,”;

(b) by omitting from sub-section (3.) all the words after the words “remain in force” and inserting in their stead the words—

“until—

(a) the death or bankruptcy of the registered person ;

or

(b) the cancellation of the certificate in accordance with the provisions of this Act.”;

(c) by omitting sub-section (4.) and inserting in its stead the following sub-sections :—

“ (4.) Notwithstanding any statement contained in any certificate in force at the date of the commencement of this sub-section in regard to the period for which the certificate shall remain in force, every certificate in force at that date shall, subject to section sixteen of this Act, remain in force until the death or bankruptcy of the registered person to whom it was issued.

“ (4A.) Notwithstanding any statement contained in any security in force at the date of the commencement of this sub-section in regard to the period for which the security shall remain in force, every security in force at that date, and every security (including a fresh or additional security) given after that date, shall, subject to sub-section (11.) of this section, remain in force until—

(a) fresh security satisfactory to the Commissioner is furnished in lieu thereof by the registered person ; or

(b) the expiration of the prescribed period after the Commissioner has received from any party to the security, other than the taxpayer, a request, in writing, to be discharged from his obligations under the security ; or

* Act No. 25 of 1930, as amended by Act No. 62 of 1930.

- (c) the Commissioner, by notice in writing, relieves the parties to the security from their obligations under the security :

Provided that nothing in this sub-section shall relieve any party to a security from his obligations under the security in respect of any period prior to the date of the termination of the security.”; and

- (d) by adding at the end thereof the following sub-sections :—

“ (9.) The manner in which security shall be given for the purposes of this section, and the forms to be used in connexion therewith, shall be as prescribed, and a form of security may be prescribed which shall suffice for all the purposes of a bond or guarantee, and which, without sealing, shall bind its subscribers as if sealed, and, unless otherwise provided therein, jointly and severally, and for the full amount.

“ (10.) Securities given for the purposes of this Act shall not be subject to stamp duty under the law of any State.

“ (11.) Upon the receipt by the Commissioner from any party to a security of a request to be discharged from his obligations under the security, or upon the termination of any security, or if, at any time, the Commissioner is not satisfied that the security given by any registered person is sufficient, the Commissioner may, by notice in writing, require the registered person who has given the security to furnish fresh security or additional security within such time as is specified in the notice, and the registered person shall give security accordingly.

“ (12.) The provisions of this section relating to securities shall not apply to any person other than a person who is engaged in—

(a) the manufacture or sale of goods upon the sale value of which sales tax is payable by him under this Act ; or

(b) other transactions, acts or operations in connexion with which sales tax is payable by him.”.

Sale value
of goods.

3. Section eighteen of the Principal Act is amended—

- (a) by inserting, before the proviso to sub-section (1.), the following proviso :—

“ Provided that, where the goods are sold by retail, the sale value of the goods for the purposes of this Act shall be the amount which would be their fair market value if sold by wholesale, but if the Commissioner is of opinion that the amount set forth as the sale value of any such goods in any return furnished under this Act is less than the amount which would be their fair market value

if sold by wholesale, the Commissioner may alter the amount set forth in the return to the amount which, in his opinion, would be the fair market value of the goods if sold by wholesale, and the amount as so altered shall be the sale value of the goods for the purposes of this Act : ”;

(b) by inserting in sub-section (1.), after the word “ Provided ”, the word “ further ” ;

(c) by inserting at the end of sub-section (2.) the following proviso :—

“ Provided that, where the amount set forth as the sale value of any such goods in any return furnished under this Act by the manufacturer is less than the amount which, in the opinion of the Commissioner, would be their fair market value if sold by wholesale, the Commissioner may alter the amount set forth in the return to the amount which, in his opinion, would be the fair market value of the goods if sold by wholesale, and the amount as so altered shall be the sale value of the goods for the purposes of this Act. ” ; and

(d) by omitting sub-section (5.) and inserting in its stead the following sub-sections :—

“ (5.) For the purposes of this section, the sale value of goods shall not be taken to include any amount payable in respect of sales tax, but, when the goods are sold in bond, the sale value shall be taken to include the amount of any duty of Excise to which the goods would be subject if entered for home consumption at the time at which they are sold.

“ (5A.) Notwithstanding anything contained in this section, in the case of any prescribed goods manufactured to the order of individual customers, the sale value shall be an amount ascertained in such manner as is prescribed; but not exceeding the amount for which the goods are sold.”.

4. Section twenty of the Principal Act is amended—

Exemptions.

(a) by inserting, after the words “ sale value of—”, the following paragraph :—

“ (aa) goods sold to the Government of the Commonwealth or the Government of a State, where the Commissioner is satisfied that the goods are for the official use of a Government Department, or of an authority which is completely controlled by, and the expenditure of which is exclusively borne by, the Government, and are not for re-sale, and, in the case of goods sold to the Government of a State, an arrangement has been made between the Governor-General and the Governor-in-Council of the State for

the collection and payment by the State of sales tax upon the sale value of all goods sold by the Government of the State, and by every such authority established under the law of the State, in the conduct of an enterprise which, in the opinion of the Commissioner, is a trading enterprise ;”;

(b) by inserting in paragraph (e), after the word “and”, the word “the”; and

(c) by adding at the end thereof the following sub-sections:—

“(2.) Where the Commissioner is satisfied that the average amount of sales tax which, but for this sub-section, would be payable by any manufacturer is not, or would not be, in excess of Three pounds per annum, the Commissioner may issue to the manufacturer a statement in writing to that effect, and, while the statement remains in force, sales tax shall not be payable under this Act upon the sale value of the goods manufactured by that manufacturer:

Provided that, in cases where a manufacturer has on hand goods in respect of the purchase or importation of which he has quoted his certificate, the Commissioner shall not issue a statement to him under this sub-section unless he pays the amount of sales tax which would have been payable in respect of the sale or importation of those goods if he had not quoted his certificate.

“(3.) Any statement issued in pursuance of sub-section (2.) of this section may be revoked at any time by the Commissioner by notice in writing to the manufacturer.”.

Time of
payment
of tax.

5. Section twenty-four of the Principal Act is amended by omitting from sub-section (1.) the word “sold” (second occurring).

Refunds of tax.

6. Section twenty-six of the Principal Act is amended by omitting from sub-section (2.) the portion commencing with the word “Where” and ending with the words “to be a bad debt”, and inserting in its stead the words:—

“Where a registered person has sold goods upon the sale value of which he has paid tax, and has subsequently written off as a bad debt the whole or any part of the amount for which the goods were sold, the Commissioner may—

(a) on proof to his satisfaction that the whole amount is a bad debt—refund to the registered person the amount of tax paid on the sale value of the goods;

(b) on proof to his satisfaction that a part of the amount is a bad debt—refund to the registered person so much of the tax as bears to the total amount of tax the same proportion as the amount so proved to be a bad debt bears to the total amount for which the goods were sold”.

7. Section sixty-eight of the Principal Act is amended by omitting from paragraph (e) the words "by a taxpayer".

Public officer of company.

8. Section sixty-nine of the Principal Act is amended by adding at the end thereof the following sub-section :—

Agents and trustees.

"(2.) In such cases as are prescribed, an agent who is an auctioneer, and who, on behalf of a registered person, sells any goods on the sale value of which tax is payable under this Act shall, within seven days after the date of the sale, furnish a return and pay tax to the Commissioner in respect of the sale."

9. Section seventy of the Principal Act is amended by omitting from paragraph (e) the words "by the requirements of the Commissioner until this Act" and inserting in their stead the words "in accordance with the requirements of the Commissioner."

Persons in receipt or control of money for absentees.

10. After section seventy of the Principal Act the following sections are inserted :—

"70A. Where an agreement for the sale of goods has been made, whether before or after the commencement of this section, and, after the date of the agreement, an alteration has taken place in the rate of sales tax, as the result of which the amount of tax payable upon the sale value of any goods sold in pursuance of the agreement is affected, then, unless the agreement contains express written provision that the price at which the goods shall be sold shall not be altered on account of sales tax or any alteration in the rate of sales tax, or it is clear from the terms of the agreement that the alteration of the rate of tax has been taken into account in the agreed price of the goods, the agreement shall be altered as follows :—

Alteration of agreements where rate of tax altered.

- (a) If the rate of tax is increased, the vendor may add to the agreed price an amount equivalent to the amount of additional tax payable by him upon the sale value of those goods as the result of the alteration of the rate of tax ;
- (b) If the rate of tax is reduced, the purchaser may deduct from the agreed price an amount equivalent to the amount by which the tax payable upon the sale value of those goods is reduced as the result of the alteration of the rate of tax.

"70B.—(1.) Where, before or after the commencement of this section—

Alteration of prices fixed under certain contracts.

- (a) a contract has been made for the erection of any building or for the performance of any other work, and, under the terms of the contract, the person undertaking the erection of the building or the performance of the work (hereinafter in this section called the contractor) contracts to supply the material to be used in connexion therewith ; and
- (b) after the date of the contract an alteration has taken place in the rate of sales tax, as the result of which the cost of supplying the material is increased or reduced,

then, unless the contract contains express written provision to the contrary or it is clear from the terms of the contract that the alteration of the rate of tax has been taken into account in the contract price, the contract shall be altered as follows :—

- (i) If the cost of supplying the material has been increased, the contractor may add to the contract price an amount equivalent to the additional amount payable by him for the material (other than material which remains the property of the contractor) as the result of the alteration of the rate of tax ;
- (ii) If the cost of supplying the material has been reduced, the party liable to pay the contract price may require the contractor to deduct from that price an amount equivalent to the amount by which the cost of supplying the material (other than material which remains the property of the contractor) has been reduced as the result of the alteration of the rate of tax.

(2.) Where the contract price is altered in pursuance of this section, the contractor shall deliver to the party liable to pay the contract price a statement in writing showing the amount of the increase or reduction of that price, and containing prescribed particulars of the items affected by the alteration of the rate of tax.

Sales tax to be specified in invoice.

“ 70c.—(1.) In the case of a sale of goods by wholesale by a taxpayer by reason whereof he becomes liable to pay sales tax, the taxpayer shall state upon the invoice delivered by him to the purchaser in respect of the transaction the amount of sales tax payable in respect thereof.

Penalty : One hundred pounds.

(2.) Notwithstanding anything contained in section seventy A of this Act, the taxpayer shall have the same right to recover from the purchaser the amount of the sales tax payable by him and stated upon the invoice as he has to recover the price or other payment for or in respect of the goods.”.

Regulations.

11. Section seventy-three of the Principal Act is amended by omitting paragraph (a) and inserting in its stead the following paragraph :—

“(a) for prescribing cases in which refunds may be made for the purpose of obviating double taxation of the sale value of any goods under one or more Acts relating to the payment of sales tax, and cases in which payments for that purpose may be made to the purchaser of goods where sales tax has been included in the purchase price of the goods, or has been passed on to the purchaser in any other manner ; and”.

12. The First Schedule to the Principal Act is amended—

(a) by inserting at the commencement of the list of goods contained therein the items—

“ Australian timber to be used in connexion with mining operations ;

“ Australian wine ; ” ;

(b) by inserting, before the item commencing with the word “ Boxes ”, the item “ Bibles and Scripture portions ; ” ;

(c) by inserting, before the item “ Cheese ”, the item—

“ Charcoal, coke, firewood and kerosene for all purposes ; ” ;

(d) by inserting, after the item “ Cream ”, the items—

“ Crude oil and fuel oils for use in the production of power ;

“ Crude tar sold to a registered manufacturer for use by him as a fuel, or applied by the manufacturer thereof as a fuel for use in the manufacture of goods for sale ; ” ;

(e) by inserting, after the item “ Electric current for lighting or power ”, the item—

“ Fauna for public zoological gardens ; ” ;

(f) by omitting the item “ Flotation reagents for mining purposes ” and inserting in its stead the item “ Flotation reagents sold to a person engaged in the mining industry for use in that industry ; ” ;

(g) by omitting the words “, pollard and semolina ” and inserting in their stead the words “ and pollard ” ;

(h) by inserting, before the item “ Meat, raw ”, the item—
“ Hydraulic power ; ” ;

(i) by inserting, after the item “ Meat, raw ”, the item—

“ Metal, blast furnace slag, gravel and sand for road-making sold to any public authority charged with responsibility for the formation or maintenance of public roads or produced by any such authority and applied to its own use ; ” ;

(j) by inserting, at the end of the item commencing with the word “ Milk ”, the words “, or any food containing not less than ninety-five per centum of milk or milk powder ” ;

(k) by omitting the item “ Pastry but not including cakes or biscuits ” and inserting in its stead the item—

“ Pastry, scones, bread sandwiches, buns, Milk Arrowroot biscuits, Baby Rice biscuits and Baby Rusks, but not including other biscuits, and not including cakes ; ” ;

(l) by inserting, after the item "Petrol", the items—

"Power alcohol produced in Australia and mixtures produced in Australia of petrol and power alcohol ;

"Ships and power-driven vessels of over 1,000 tons gross register ;" ; and

(m) by adding at the end thereof the item—

"Works of art intended for continuous public exhibition free of charge."

Commencement.

13. Section three, paragraph (a) of section four and section twelve of this Act shall be deemed to have commenced on the eleventh day of July One thousand nine hundred and thirty-one.

SALES TAX (NO. 1).

No. 26 of 1931.

An Act to amend the *Sales Tax Acts* (No. 1) 1930.

[Assented to 10th August, 1931.]

BE it enacted by the King'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 *Sales Tax Act* (No. 1) 1931.
 (2.) The *Sales Tax Act* (No. 1) 1930, as amended by the *Sales Tax Act* (No. 1A) 1930, is in this Act referred to as the Principal Act.
 (3.) The Principal Act, as amended by this Act, may be cited as the *Sales Tax Act* (No. 1) 1930-1931.

Commencement.

2. This Act shall be deemed to have commenced on the eleventh day of July, One thousand nine hundred and thirty-one.

Incorporation.

3. Section two of the Principal Act is amended by omitting the figures "1930" and inserting in their stead the figures "1930-1931".

Imposition of tax.

4. Section three of the Principal Act is amended by omitting the words "and sold by him or treated by him as stock for sale by retail or applied to his own use" and inserting in their stead the words "which, before the eleventh day of July, One thousand nine hundred and thirty-one, are sold by him or treated by him as stock for sale by retail or applied to his own use, and at the rate of six per centum upon the sale value of goods manufactured in Australia by a taxpayer, which, on or after that date, are sold by him or treated by him as stock for sale by retail or applied to his own use."