

WAR-TIME PROFITS TAX ASSESSMENT.

No. 27 of 1926.

An Act to amend the *War-time Profits Tax Assessment Act 1924* and for other purposes.

[Assented to 8th July, 1926.]

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 *War-time Profits Tax Assessment Act 1926*. Short title
and citation.

(2.) The *War-time Profits Tax Assessment Act 1924** is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by this Act, may be cited as the *War-time Profits Tax Assessment Act 1924-1926*.

2. Section two of the Principal Act is amended—

(a) by omitting from sub-section (1.) thereof the word “four” and inserting in its stead the word “seven” ;

(b) by inserting, after sub-section (1.) thereof, the following sub-sections :—

“(1A.) Where, prior to the commencement of this sub-section, the value of live stock has been taken into account in assessments made under the *War-time Profits Tax Assessment Act 1917*, or under that Act as subsequently amended, the person whose profits were assessed may, if he has not made an election under the last preceding sub-section, elect at his option within three months after the commencement of this sub-section, either to accept, in respect of the value of live stock, the assessments so made, or to have the assessments so made altered so that, in determining his liability to pay tax under that Act, live stock shall be taken into account at the value selected by him within the limits specified in the last preceding sub-section.

Time for
making
elections.

* Act No. 53, 1924.

“(1B.) Where, after the commencement of this sub-section, it appears to the Commissioner, Assistant Commissioner or a Deputy Commissioner that an assessment, under the *War-time Profits Tax Assessment Act 1917-1918*, should be made of the profits derived in any financial year by any person (not being a person who has made an election under either of the last two preceding sub-sections) and that the value of live stock should be taken into account in that assessment, he shall give notice to that person of his intention so to make that assessment, and that person may, within sixty days after service of that notice, make one (and only one) election to have all assessments, in respect of his profits, under the *War-time Profits Tax Assessment Act 1917*, or under that Act as subsequently amended, altered or made so that, in determining his liability to pay tax under that Act, live stock shall be taken into account at a value selected by him within the limits specified in sub-section (1.) of this section.”;

(c) by omitting sub-sections (2.) and (3.) thereof and inserting in their stead the following sub-sections :—

“(2.) For the purposes of this section ‘live stock’ means live stock not disposed of at the beginning or end of the respective accounting periods which are required to be taken into consideration for the purposes of assessments.

“(3.) Subject to sub-section (1B.) of this section, where any person entitled to elect under sub-section (1A.) of this section fails so to elect within the period specified in that sub-section, his assessments shall be altered so that, in determining his liability to pay tax under the *War-time Profits Tax Assessment Act 1917*, or under that Act as subsequently amended, live stock shall be taken into account at the market selling value thereof.

“(3A.) Where any person entitled to elect under sub-section (1B.) of this section fails so to elect within the period specified in that sub-section, in any assessment made, after the commencement of this sub-section, under the *War-time Profits Tax Assessment Act 1917-1918*, of the profits of that person, live stock shall be taken into account at the market selling value thereof.

“(3B.) The value selected by any person in pursuance of his right of election under sub-section (1.) or (1A.) of this section shall be the value at which live stock shall be taken into account in any assessment of the profits of that person, under the *War-time Profits Tax Assessment Act 1917-1918*, made after the commencement of that sub-section.”; and

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

“ (4.) An election shall not be deemed to have been made under this section unless notice in writing thereof is given or posted to the Commissioner of Taxation within the period specified in relation to that election.”.

3. Section three of the Principal Act is repealed and the following section inserted in its stead :—

“ 3. Where in pursuance of the last preceding section a person elects to have his assessments altered or made, the assessments shall, as soon as conveniently may be, be altered or made accordingly, and the assessments as so altered or made shall be deemed to be the assessments of the profits of that person under the *War-time Profits Tax Assessment Act 1917-1918* in respect of the years or periods to which the assessments relate.”.

Alterations of assessments.

4.—(1.) Where the profits derived during any financial year or accounting period by any individual or partnership were, or are liable to be, assessed under the *War-time Profits Tax Assessment Act 1917*, or under that Act as subsequently amended, and that individual or any member of that partnership was, under any law of the Commonwealth or of a State relating to the imposition of income tax, entitled, by reason of being on active service during the war which commenced on the fourth day of August One thousand nine hundred and fourteen, to an exemption from or a reduction of the income tax he would otherwise have been liable to pay in respect of income derived in that year or period, the assessment shall be altered or made so that there shall be deducted from those profits the amount of income tax which would have been payable, under that law of the Commonwealth or of a State, if—

Exemption on account of war service.

(a) in the case of an individual—those profits ; or

(b) in the case of a partnership—the share of that member in those profits,

had been the only income derived from sources within Australia by that individual or member during that year or period, and he had not, under that law of the Commonwealth or of a State, been entitled to an exemption from or reduction of income tax on account of such active service.

(2.) The assessment altered or made in pursuance of the last preceding sub-section shall be deemed to be the assessment of the profits of the individual or partnership under the *War-time Profits Tax Assessment Act 1917*, or under that Act as subsequently amended, in respect of the year or period to which the assessment relates.

5. The amendment contained in paragraph (a) of section two of this Act shall be deemed to have commenced on the date of the commencement of the Principal Act.

Commencement.