



ANNO VICESIMO TERTIO

GEORGII V REGIS.

A.D. 1932.

No. 2072.

An Act to amend the Taxation Acts, 1927 to 1931, and for other purposes.

[Assented to, November 3rd, 1932.]

BE it Enacted by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows:

1. (1) This Act may be cited as the "Taxation Act, 1932".

Short titles.

(2) The Taxation Act, 1927, is hereinafter called the "principal Act".

(3) The Taxation Acts, 1927 to 1931, and this Act may be cited together as the "Taxation Acts, 1927 to 1932".

2. This Act is incorporated with the other Acts mentioned in section 1 of this Act, and those Acts and this Act shall be read as one Act.

Incorporation.

3. The rates of income tax (including the rate of super tax on the income of a company) on income accrued during the period of twelve months ended on the thirtieth day of June, nineteen hundred and thirty-two, shall be the rates declared in section 20 of the principal Act as enacted by section 5 of the Taxation Act, 1931.

Rates of income tax on income accrued during 1931-1932.

4. Section 18 of the principal Act is amended by inserting at the end of subsection (1) thereof the following paragraph:—

Amendment of principal Act, s. 18—
Exemption from taxation of provident funds, &c.

VI. the income of a provident benefit or superannuation fund established for the benefit of the employees in any business or class of business:

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Amendment of
principal Act, s. 22—
Deduction in respect
of grandchildren.

5. Section 22 of the principal Act is amended by inserting at the end of subdivision XII. the following passage :—

The deduction provided for by this subdivision in respect of children shall also be made in respect of grandchildren of the taxpayer in the same circumstances and subject to the same conditions as would apply if such grandchildren were children of the taxpayer.

Repeal of s. 22,
subdivision XIII.—
Deduction of Federal
income tax abolished.

6. Section 22 of the principal Act is amended by striking out subdivision XIII. thereof.

New section 22B—
Computation of
income where
annuity previously
taxed.

7. Part V. of the principal Act is amended by inserting therein after section 22A the following section :—

22B. If any taxpayer derives income by way of an annuity or other moneys paid whether under the order of a Court or not for the maintenance of the taxpayer by a person liable by law to maintain or contribute to the maintenance of the taxpayer, and proves to the satisfaction of the Commissioner that the person paying the annuity or other moneys has paid tax under this Act on the income from which the annuity or other moneys is or are paid, the income so derived shall not be taken into account for the purpose of calculating the taxable amount of income of the taxpayer.

Amendment of
principal Act, s. 27.

8. Section 27 of the principal Act (as enacted by section 10 of the Taxation Act, 1931) is amended by inserting after the words "property of the taxpayer" in the ninth line thereof the following proviso :—

Provided that dividends received by a partnership or trust and expenses incurred in earning such dividends by the partnership or trust shall be computed separately from other income and expenditure of the partnership or trust, and the net income from such dividends or the amount by which such expenses exceed the amount of such dividends shall be carried into the assessments of the partners or beneficiaries in the ratio that profit or loss or income is shared, and where there is an excess of such expenses such excess shall be deducted in the first instance from any other income from dividends of the partner or beneficiary, and any balance of the said excess then remaining shall be deducted from income from personal exertion, and any ultimate balance from income the produce of property :

Provided further that where the deductions from the total income of a trust from all sources exceed such total income the excess deductions shall not be carried into the assessments of the beneficiaries unless such beneficiaries are absolutely entitled to both *corpus* and income, or unless such excess deductions are properly payable out of or chargeable against income of previous years which has been properly retained by
the

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the trustee and to which the beneficiaries but for the power of retainer would have been immediately entitled in possession, in which last-mentioned case the excess deductions shall be carried into the assessments of the beneficiaries to the extent to which they are so payable or chargeable.

9. Section 42 of the principal Act is amended by striking out in the fourth and fifth lines of subsection (5) the words "when any tax becomes payable under this section" and inserting in lieu thereof the words "of death".

Amendment of principal Act, s. 42—
Time as at which certain rates are fixed.

10. Part IX. of the principal Act is amended by repealing section 72 thereof.

Repeal of s. 72 of principal Act.

11. Section 7 of this Act shall be deemed to have commenced on the first day of July, nineteen hundred and thirty-one, and to apply in respect of income accrued during the period of twelve months preceding the said first day of July, as well as in respect of income accruing thereafter.

Commencement of s. 7 of this Act.

12. Subject to section 11 and section 13, this Act shall be deemed to have commenced on the first day of July, nineteen hundred and thirty-two, and shall apply in respect to tax payable on income accrued during the period of twelve months preceding the said first day of July, or any other day which is substituted for that day pursuant to section 6 of the principal Act and in respect of tax on income accrued thereafter.

Commencement of remainder of Act.

13. It is hereby declared that the expressions "the day for the hearing of the appeal" and "the day of hearing" used in regulations 47 and 48 of the regulations made under the Taxation Act, 1884, on the twenty-first day of January, eighteen hundred and eighty-five, and in regulations 40 and 41 of the regulations made under the Taxation Act, 1884, on the twenty-ninth day of December, nineteen hundred and four, mean and always have meant the day or the first of the days, as the case may be, on which the actual hearing of the appeal takes place and not the day for which the appeal is set down for hearing, unless the hearing actually takes place or commences on that day.

Declaration of the meaning of certain expressions in regulations.

In the name and on behalf of His Majesty, I hereby assent to this Bill.

A. HORE-RUTHVEN, Governor.