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# GEORGII V REGIS.

A.D. 1918.

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No. 1337.

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

[Assented to, November 27th, 1918.]

**B**E 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 alone as the "Taxation Act Amendment Act, 1918." Short titles.

(2) The Taxation Act, 1915, the Taxation Act Amendment (Miscellaneous Provisions) Act, 1917, and this Act may be cited together as the "Taxation Acts, 1915 to 1918."

(3) The Taxation Act, 1915, is hereinafter referred to as "the principal Act."

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 with other Acts.

3. The Taxation Act Amendment (New Rates) Act, 1917, is hereby repealed. Repeal of Act 1317 of 1917.

4. In this Act "active service" means service outside Australia in the present war as a member of— Interpretation.

(a) the Australian Imperial Force or the Royal Australian Navy; or

(b) His Majesty's Army or Navy; or (c) any

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(c) any naval or military force raised in any country forming part of His Majesty's Dominions for service in such war outside the country wherein such force is raised.

New provision substituted for section 19—

Rates of income tax.

5. The following provision is hereby enacted and substituted in lieu of section 19 of the principal Act :—

19. (1) The income tax on income derived from personal exertion shall be at the following rates :—

For every pound of the taxable amount of income (ascertained according to the rules stated in section 22 and by making the deductions therein provided for)—	Rate of Tax (expressed in Pence).
up to £400 .....	5
over £400 up to £700 .....	7
“ £700 “ £1,000 .....	9
“ £1,000 “ £5,000 .....	14
“ £5,000 “ £10,000 .....	19
“ £10,000 .....	22

(2) The income tax on income consisting of the produce of property shall be at the following rates :—

For every Pound of the taxable amount of income (ascertained as aforesaid)—	Rate of Tax (expressed in Pence).
up to £400 .....	10
over £400 up to £700 .....	12
“ £700 “ £1,000 .....	15
“ £1,000 “ £5,000 .....	19
“ £5,000 “ £10,000 .....	22
“ £10,000 .....	27

(3) Notwithstanding anything contained in this Act, the income tax payable by any male person residing in South Australia—

(a) who, on the last day of the period for which the income is calculated, was unmarried, or was a widower without children, and up till such day had not enlisted for active service, and

(b) the net amount of whose income (before making the deduction provided for by subdivision xi. of section 22) is not less than One Hundred Pounds,

shall be One Pound, in addition to any other income tax which may be payable by such person apart from this subsection.

(4) In the case of the income of a taxpayer being a company carrying on the business of life insurance, the income tax payable on such income shall be at one-half the rates provided for by this section.

6. Section

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**6.** Section 22 of the principal Act is amended by striking out the words "Two Hundred Pounds" whenever they appear in subdivision XI. thereof, and substituting the words "One Hundred and Fifty Pounds" in lieu thereof.

Amendment of section 22—

Taxable amount of income.

**7.** Section 22 of the principal Act is further amended by inserting the following subdivisions after subdivision XI. thereof:—

Further amendment of s. 22—

**XIA.** If the net amount of the income (before making the deduction provided for by subdivision XI. of this section) does not exceed Five Hundred and Fifty Pounds and the account is the account of the taxpayer in his sole individual right and the taxpayer is resident in South Australia, there shall also be deducted from the net amount of the income the sum of Fifteen Pounds in respect of every child of such taxpayer wholly maintained by such taxpayer who was living and under the age of fifteen years at the commencement of the period for which the income is calculated.

Deduction in respect of children.

In this subdivision the expression "child" includes a stepchild, but does not include a child not born in lawful wedlock, unless such child has been legitimated under the provisions of the Legitimation Act, 1898.

No. 703 of 1898.

**XIB.** If the net amount of the income (before making the deduction provided for by subdivision XI. of this section) does not exceed Five Hundred Pounds and the account is the account of the taxpayer in his sole individual right, there shall also be deducted from the net amount of the income the sum of One Hundred Pounds in respect of every son of such taxpayer who was on active service at the commencement of the period for which the income is calculated, and who, at the time of his enlistment for active service, was employed by such taxpayer in connection with his business or occupation.

Deduction in respect of sons on active service.

**8.** (1) Subsection (2) of section 81 of the principal Act is amended by inserting at the beginning of the second line thereof the words "the Judge constituting or".

Amendment of section 81 (2).

(2) Subsection (4) of section 83 of the principal Act is repealed.

Repeal of section 83 (4).

**9.** In the case of any taxpayer who was on active service at the commencement of the period for which the income is calculated, the provisions of subdivision XI. of section 22 of the principal Act (as amended by section 6 of this Act) shall be read as if the words "Three Hundred Pounds" were substituted for the words "One Hundred and Fifty Pounds" wherever the last-mentioned words occur therein.

Increased deduction in favor of persons enlisted for the present war.

**10.** (1) In

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Commonwealth  
income tax may  
be deducted.

**10.** (1) In calculating the net amount of income, there may be deducted by the taxpayer the amount of income tax (including war time profits tax), imposed by any legislative enactment of the Parliament of the Commonwealth actually paid by the taxpayer during the period for which the income is calculated, upon income or war time profits arising or accruing in or derived from South Australia.

(2) This section shall have the same effect as if it had been passed and had come into operation on the fifteenth day of November, nineteen hundred and seventeen.

Amendment of Act  
1310, 1917, s. 10—

Income tax for period  
1st July, 1916, to  
30th June, 1917.

**11.** (1) Section 10 of the Taxation Act Amendment (Miscellaneous Provisions) Act, 1917, is amended as follows:—

- i. At the end of subsection (1) thereof the following further proviso is added:—

Provided further that, in the case of any taxpayer to whom the foregoing proviso does not apply and who has included in a return furnished pursuant to this section any income already included in a return furnished by him pursuant to the principal Act, if it is shown to the satisfaction of the Commissioner, upon receipt of the return of such taxpayer next after that provided for by this section, that the income so twice brought into account by such taxpayer is in excess of his net income for that portion of the period of twelve months ending on the thirtieth day of June, nineteen hundred and eighteen, which corresponds with that portion of the period of twelve months ended on the thirtieth day of June, nineteen hundred and seventeen, during which the income twice accounted for accrued to the taxpayer, then the Commissioner shall refund to such taxpayer such part of the tax already paid by the taxpayer pursuant to this section as in the opinion of the Commissioner is attributable to the difference in the income of the taxpayer for the two periods. In any case where the taxpayer is unable to exactly determine his income for that portion of the period of twelve months ended on the thirtieth day of June, nineteen hundred and seventeen, during which the income twice accounted for accrued to the taxpayer, the Commissioner may accept the taxpayer's estimate of such income, on a proportionate basis or otherwise.

- ii. At the end of the said section the following additional subsections are added:—

(3) In the case of any taxpayer who has included in his return furnished pursuant to this section any income already included in any previous return furnished by him pursuant to the principal Act and has again paid income tax

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tax on such income, or any part thereof, he or his legal personal representative shall be entitled, upon his permanently ceasing to be a taxpayer by death or otherwise, to claim as a deduction from the taxable amount of his income shown in the final return furnished by him or on his behalf pursuant to the principal Act the amount of taxable income so twice accounted for on which income tax has again been paid, and if such last-mentioned amount is greater than the taxable amount of income shown in such final return, then the Commissioner shall refund to such taxpayer or his legal personal representative such part of the income tax paid by the taxpayer pursuant to this section as in the opinion of the Commissioner is attributable to the amount of the deficiency.

(4) In any case where the income of a taxpayer derived from any particular source ceases without the taxpayer ceasing to be a taxpayer, and such income has been included by the taxpayer in the return furnished by him pursuant to this section and has also been included in a previous return furnished by him pursuant to the principal Act, the Commissioner shall allow the taxpayer to deduct the amount of such income from the taxable amount of his income as shown in the return furnished by the taxpayer pursuant to the principal Act next after such income ceases, and in any case where a deduction is allowed, if the amount allowed to be deducted is greater than the amount of such last-mentioned income then a refund shall be made to the taxpayer by the Commissioner of such part of the income tax paid by the taxpayer pursuant to this section as in the opinion of the Commissioner is attributable to the amount of the deficiency. Such first-mentioned income shall not be taken into account in making the deduction provided for by subsection (3) hereof.

(5) Any taxpayer who considers himself aggrieved by any decision of the Commissioner under this section may appeal from such decision.

(6) Such appeal shall be made in the same manner as an appeal from an assessment for income tax under Division V. of Part IX. of the principal Act, and the provisions of the said Division shall apply, *mutatis mutandis*, for the purposes of such appeal.

(2) The amendments hereby made shall have the same effect as if they had appeared as hereby enacted in the Act hereby amended upon the passing thereof.

**12.** Any person who was on active service on or at any time before the thirtieth day of June, nineteen hundred and seventeen, and who has

Refund of bachelor  
tax paid by discharged  
soldiers, &c.

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has paid the income tax of One Pound imposed by subsection (4) of section 19 of the principal Act (as enacted by the Taxation Act Amendment (New Rates) Act, 1917), shall be entitled, upon application made to the Commissioner, to have the amount of such tax refunded to him.

**Duration of Act.**

**13.** The taxes imposed by this Act shall be collected only in respect of income for the period of twelve months ended on the thirtieth day of June, nineteen hundred and eighteen.

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

H. L. GALWAY, Governor.