

TASMANIA.



1940.

ANNO QUARTO ET QUINTO
 GEORGI VI. REGIS.

No. 63.

ANALYSIS.

1. Short title and incorporation with 1 Geo. V. No. 47.
2. Imposition of income tax for 1940-41.
3. Rates of income tax for 1940-41.

AN ACT to impose an Income Tax. A.D.
[16 December, 1940.] 1940

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as the *Income Tax Act 1940*, and shall be incorporated and read as one with the *Land and Income Taxation Act 1910*, in this Act referred to as the Principal Act. Short title and incorporation with 1 Geo. V. No. 47.

2 For the financial year ending on the thirtieth day of June, one thousand nine hundred and forty-one, income tax is hereby imposed at the rates declared in this Act. Imposition of income tax for 1940-41.

6d.]

Income Tax.

A.D. 1940.

Rates of
income tax
for 1940-41.

3—(1) The rate of income tax in respect of the dividends of any company on which income tax is payable under the provisions of section one hundred and sixty-two of the Principal Act shall be one shilling and sixpence for every pound of such dividends, multiplied by 1·25.

(2) The rate of income tax in respect of interest on which income tax is payable by a company as provided by section ninety-five shall be one shilling and sixpence for every pound of such interest, multiplied by 1·25.

(3) The rate of income tax in respect of the taxable income of any company shall be one shilling and sixpence for every pound of such income, multiplied by 1·25.

(4) The rate of income tax on all income of any person represented by prizes in any lottery authorised by law in this State shall be four shillings and three pence for every pound of such income.

(5) The rates of income tax in respect of all other income of any person (not being a company) in respect of which income tax is payable as provided by the Principal Act shall be such as are respectively equal to the rates set forth in the schedule, multiplied by 1·2 (herein called "the basic rate") subject to the rebatements or with the additions, as the case may be, prescribed by the second schedule.

(6) The rate of the additional income tax payable under the provisions of section one hundred and twenty-one of the Principal Act in respect of income derived from the profits of the manufacture or sale of liquor as defined by the *Licensing Act 1932*, by persons to whom the provisions of that section apply, shall be one shilling for every pound of such income.

23 Geo. V.
No. 55.

THE FIRST SCHEDULE.

Rate of Tax Upon Income from Personal Exertion.

Section 3 (4). For so much of the taxable income as does not exceed £7600 the rate of tax per pound shall be threepence and three eight-hundredths of one penny where the taxable income is one pound, and shall increase uniformly with each increase of one pound of the taxable income by three eight-hundredths of one penny.

For every pound of taxable income in excess of £7600 the rate of tax shall be sixty pence.

The rate of tax for so much of the taxable income as does not exceed £7600 may be calculated from the following formula:—

R = rate of tax in pence per pound.

I = taxable income in pounds.

$$R = \left(3 + \frac{3}{800} I \right) \text{pence.}$$

*Income Tax.**Rate of Tax Upon Income from Property.*

A.D. 1940.

- I. For a taxable income not exceeding £546 the rate of tax shall be calculated from the following formula:—

R = rate of tax in pence per pound.

I = taxable income in pounds.

$$R = \left(3 + \frac{I}{181.07} \right) \text{pence.}$$

- II. For a taxable income exceeding £546 but not exceeding £2000 the rate of tax shall be calculated in the following manner:—

The rate of tax shall increase continuously with the increase of the taxable income in a curve of the second degree in such a manner that the increment of tax per pound increase of taxable income shall be—

At a taxable income of £546	11.713 pence
At a taxable income of £600	12.768 pence
At a taxable income of £700	14.672 pence
At a taxable income of £800	16.512 pence
At a taxable income of £900	18.288 pence
At a taxable income of £1000	20.000 pence
At a taxable income of £1500	27.600 pence
At a taxable income of £2000	33.600 pence

- III. For a taxable income exceeding £2000 the rate of tax shall be calculated in the following manner:—

For so much of taxable income as does not exceed £6500, the rate of tax shall increase continuously with the increase of the taxable income in a curve of the third degree in such a manner that the increment of tax per pound increase of taxable income shall be—

At a taxable income of £2000	33.600 pence
At a taxable income of £2500	40.000 pence
At a taxable income of £3000	45.300 pence
At a taxable income of £3500	49.600 pence
At a taxable income of £4000	53.000 pence
At a taxable income of £4500	55.600 pence
At a taxable income of £5000	57.500 pence
At a taxable income of £5500	58.800 pence
At a taxable income of £6000	59.600 pence
At a taxable income of £6500	60.000 pence

For every pound of taxable income in excess of £6500 the rate of tax shall be sixty pence.

Rates of Tax Upon Income which is Partly Income from Personal Exertion and Partly Income from Property.

- I. For every pound of the taxable income from personal exertion, the rate of tax shall be ascertained by dividing the total amount of tax that would have been payable under this schedule if the total taxable income of the taxpayer had been exclusively income from personal exertion, by such total taxable income.
- II. For every pound of the taxable income from property, the rate of tax shall be ascertained by dividing the total amount of the tax that would have been payable under this schedule if the total taxable income of the taxpayer had been exclusively income from property (other than dividends), by such total taxable income.

Income Tax.

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THE SECOND SCHEDULE.

REBATEMENTS FROM, AND ADDITIONS TO, THE
BASIC RATE.

Where the Taxpayer (not being a Company) is—	And his Assessable Income is—	There shall be deducted from, or added to, the Basic Rate, as the case may be, &c.—
I. Unmarried	(a) Under £126	A rebatement of 15%
	(b) Not less than £126 or more than £182	A rebatement of 5%
	(c) Not less than £183 or more than £212	An addition of 5%
	(d) Not less than £213 or more than £312	An addition of 10%
	(e) £313 or over	An addition of 15%
II. Married	(a) Under £213	In respect of income from personal exertion a rebatement of 20%
	(b) £401 or over	In respect of income from property a rebatement of 10% An addition of 10%

Where the taxpayer is a returned soldier, the rebatement or addition prescribed by this schedule shall be calculated and made on the tax assessed on the amount of the taxable income after the deduction therefrom of the allowance, if any, prescribed by section 54.