

New Zealand.



ANALYSIS.

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| <p>Title.</p> <p>1. Short Title.</p> <p>2. Exemptions from gift duty in certain other cases. Consequential repeals.</p> <p>3. Gifts for education of relative exempt from duty.</p> | <p>4. Section 46 of principal Act (providing for the accumulation of gifts by the same donor for the purpose of determining the rate of duty on any gift) affected.</p> <p>5. Administration not to be issued before payment of administration fees.</p> |
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1923, No. 19.

An Act to amend the Death Duties Act, 1921.

Title.

[22nd August, 1923.]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Death Duties Amendment Act, 1923, and shall be read together with and deemed part of the Death Duties Act, 1921 (hereinafter referred to as the principal Act). Short Title.

2. (1.) Notwithstanding anything to the contrary in the principal Act, no gift duty shall be payable in respect of any of the following matters, namely:— Exemptions from gift duty in certain other cases.

- (a.) The creation of any charitable trust in New Zealand, or the gift of any property in aid of any such charitable trust:
- (b.) Contributions by an employer to a fund established for the purpose of providing retiring-allowances or pensions for his employees or any class or classes of his employees:
- (c.) Payments made by an employer to an employee on the retirement of that employee from the service of the employer, and any gratuity or bonus paid by an employer to an employee during the continuance of the employment in recognition of special or faithful services rendered, if—
 - (i.) The employer is an incorporated public company; or
 - (ii.) The employer is an incorporated private company, and the Commissioner is satisfied that the employee is not connected by ties of blood or marriage with any director of such private company; or

(iii.) The employer is an unincorporated firm or an individual, and the Commissioner is satisfied that the employee is not connected by ties of blood or marriage with his employer or any of his employers :

- (d.) The discharge of any debt owing by a debtor to a creditor, if—
- (i.) The creditor is an incorporated public company ; or
 - (ii.) The creditor is an incorporated private company, and the Commissioner is satisfied that the debtor is not connected by ties of blood or marriage with any director of such private company ; or
 - (iii.) The creditor is an unincorporated firm or an individual, and the Commissioner is satisfied that the debtor is not connected by ties of blood or marriage with his creditor or any of his creditors :

- (e.) The discharge of any debt existing on the eleventh day of February, nineteen hundred and twenty-two (being the date of the commencement of the Finance Act, 1921–22), and then secured by a mortgage or charge, whether at law or in equity, over any land or interest in land, or being portion of the purchase-money payable under an agreement for the sale and purchase of any land executed on or before the said date, if in any such case it is proved to the satisfaction of the Commissioner that the donor and beneficiary are not connected by ties of blood or marriage, and if the Commissioner is satisfied that the discharge of the debt is granted with the object of enabling the beneficiary to continue in possession of the property affected, and not for the purpose of evading gift duty.

(2.) Section forty-three of the principal Act, section ten of the Finance Act, 1921–22, and section twenty-two of the Finance Act, 1922, are hereby repealed.

3. Section forty-four of the principal Act is hereby amended by inserting, after the words “relative of the donor” in paragraph (b), the words “or for or towards the education of any such relative”; and by adding to the said paragraph the words “or means of education.”

4. (1.) The value of any gift which is exempt from gift duty by virtue of the provisions of section forty-one, or section forty-two, or section forty-four of the principal Act, or section two of this Act, shall not be taken into account in computing the aggregate value of the gifts made by the same donor in any period for the purpose of determining the rate of duty payable in respect of any other gift or gifts in accordance with the provisions of section forty-six of the principal Act.

(2.) Section forty-six of the principal Act is hereby consequentially amended as follows:—

(a.) By inserting, after the words “the value of all other gifts” in subsection one, the words “not exempt from gift duty by reason of their nature and”:

(b.) By omitting from the same subsection the words “otherwise than by way of charitable trust.”

(3.) Nothing in this section shall be construed to exclude from the computation of the aggregate value of any gifts the value of any gift on

Consequential repeals.

Gifts for education of relative exempt from duty.

Section 46 of principal Act (providing for the accumulation of gifts by the same donor for the purpose of determining the rate of duty on any gift) affected.

which no gift duty is payable only because that value does not exceed ^{take in addition 1930 Inset.} one thousand pounds.

5. Section thirty-six of the principal Act is hereby amended as follows:—

Administration
not to be issued
before payment of
administration fees.

(a.) By adding to subsection one the words “and on being satisfied that all fees payable to the Crown in respect of the grant of probate or letters of administration (in this section referred to as ‘administration fees’) have been paid.”

(b.) By inserting, after subsection three, the following subsection:—

“(3A.) Where an extension of time is allowed as hereinbefore provided for the payment of death duties, a like extension may be allowed for the payment of administration fees, and in any such case the administrator shall give such additional security (if any) as the Commissioner may require.”

(c.) By inserting, after the words “without payment of duty” in subsection four, the words “or administration fees.”