

New Zealand.

AMENDED: SEE ACT, 1924 NO. 22

AMENDED: See Act. 1925 No. 12/13

Amended by 1926 No. 9/24

Amended by 1927 No. 12/18

Amended by 1928 No. 53



ANALYSIS.

Title.

1. Short Title.
2. Interpretation.

PART I.

ADMINISTRATION.

3. Power to appoint Commissioner and Deputy Commissioner of Taxes.
4. Powers of Deputy Commissioner.
5. Power to appoint other officers.
6. Officers to maintain secrecy.

PART II.

RETURNS AND ASSESSMENTS.

7. Annual returns by taxpayers for purposes of land-tax.
8. Annual returns by taxpayers for purposes of income-tax.
9. Other annual returns.
10. Dates by which returns to be furnished.
11. Commissioner may require other returns to be made for purposes of Act.
12. Returns deemed to have been made with authority unless contrary is proved.
13. Commissioner to make assessments.
14. Assessment in cases where default made in furnishing proper returns.
15. Amendment of assessments.
16. Limitation of time allowed for amendment of assessment.
17. Validity of assessments not affected by failure to comply with Act.
18. Except in proceedings on objection, assessments conclusively deemed to be correct.
19. Evidence of returns and assessments.
20. Notice of assessment to be given to taxpayer.
21. Returns by executors or administrators.

PART III.

OBJECTIONS TO ASSESSMENTS.

22. Objections to assessments, how originated.
23. Commissioner may amend assessment on objection. Objection may, on application of objector, be submitted to Stipendiary Magistrate.
24. Hearing of objections by Magistrate.
25. Burden of proof on objector.
26. Costs.

27. Court may confirm, cancel, or alter assessment.
28. Appeals to Supreme Court on questions of law or of fact.
29. Notice of appeal to Supreme Court.
30. Magistrate to state case on appeal.
31. Case to be transmitted by appellant to Registrar of Supreme Court, and set down for hearing.
32. Amendment of case stated.
33. Appeal to Court of Appeal on point of law.
34. Costs on appeal.
35. Objection, in so far as it relates to question of law only, may be referred in first instance to Supreme Court.
36. Obligation to pay tax as assessed by Commissioner not suspended by objection or appeal. Refund of tax in certain cases.
37. Determination of objection not to affect other land or income not included in assessment.
38. Extent of application of provisions as to objections.

PART IV.

VALUATION OF LAND.

39. Assessment of land-tax.
40. "Unimproved value" and "improvements" defined.
41. Unimproved value as shown on district valuation roll to be adopted for purposes of this Act. New valuation to operate as from 31st March succeeding application for revaluation.
42. Value of minerals, timber, or flax to be excepted from unimproved value.
43. Where unimproved value shown on subsidiary valuation roll, such value to be adopted.
44. In certain cases unimproved value as shown on valuation or subsidiary roll may be apportioned.
45. On request of Commissioner, Valuer-General to cause special valuation to be made in certain cases.
46. Taxpayer's own valuation of unimproved value may be accepted in certain cases.
47. Mode of determining unimproved value of land as at date other than 31st March of any year.

PART V.

LAND-TAX.

48. Land-tax.
49. Land-tax to be levied on total unimproved value of land, diminished by certain exemptions. Interpretation.
50. Alternative exemption in cases of hardship. Special exemption where taxpayer is widow with dependent children.
51. Special provisions as to land-tax on unimproved land.
52. Lessees liable as if owners. Deduction from tax payable by lessee.
53. Life tenant liable as if owner of fee-simple.
54. Joint owners to be assessed jointly.
55. Joint owners to be severally assessed also.
56. Limitation of special exemptions in cases of joint ownership.
57. Shareholders liable as if they were owners of the company's land. "Business premises" defined.
58. Two or more companies with substantially the same shareholders to be deemed a single company.
59. Joint occupiers to be liable as if joint owners.
60. Buyer in possession liable although conveyance has not been executed.
61. Seller to remain liable until possession delivered to purchaser. Tax payable by buyer may be deducted from amount payable by seller.
62. No disposition of land to be effective for purposes of land-tax so long as possession retained.
63. Equitable owners to be liable as if legal owners.
64. Trustees to be liable as if beneficially entitled.
65. Mortgagees in possession to be liable for land-tax.
66. In cases of double taxation for land-tax Commissioner may make adjustment.
67. Increase of land-tax in case of absentee taxpayers.
68. Notice to be given to Commissioner of change of ownership of land.
69. Exemption from land-tax of certain classes of land.
70. Reduced rate of land-tax in respect of land held by religious society exclusively for religious or charitable purposes.

Land-tax on Native Land.

71. Special provisions as to land-tax in case of Native land.

PART VI.

INCOME-TAX.

72. Income-tax imposed.
73. Rates of tax to be fixed by annual taxing Act. Deductions by way of special exemption to be made in first place from earned income.
74. Special exemption not exceeding £300.
75. Special exemption in respect of dependent children.
76. Special exemption in respect of contributions towards support of widowed mother.
77. Special exemption in respect of insurance premiums.
78. Certain incomes to be wholly exempt from taxation.
79. Items deemed to be included in assessable income.
80. How assessable income to be calculated.
81. Losses incurred in business may be set off against profits earned within three following years.
82. Commissioner may allow deduction in respect of contributions to superannuation fund or benefit fund for employees.
83. Special exemption in respect of income derived from use of land.
84. Residents in New Zealand liable in respect of income, wherever derived. All income assessable if derived from New Zealand.
85. Special provisions as to resident companies carrying on business out of New Zealand.
86. Place of residence, how determined.
87. Classes of income deemed to be derived from New Zealand.
88. Apportionment, in cases where income derived partly in New Zealand and partly elsewhere.
89. Income not derived from New Zealand exempt if chargeable with tax in other part of British dominions.
90. Income credited in account or capitalized, &c., deemed to have been received for purposes of this Act.
91. Special provisions with respect to income of banking companies.
92. Special provisions aforesaid not applicable in certain cases.
93. Special provisions with respect to income of insurance companies.
94. State Fire Insurance Office to pay income-tax.
95. Special provisions with respect to income of foreign insurance companies.
96. Partial exemption of insurance companies from income-tax.
97. Special provisions as to companies engaged in gold-mining or scheelite-mining.
98. For purposes of income-tax two or more companies with substantially the same shareholders may be treated as one company.
99. Allowance to shareholders and debenture-holders in certain cases.
100. Special provisions with respect to income of co-operative dairy companies.
101. Special provisions with respect to income derived jointly by partners, co-trustees, &c.
102. Special provisions with respect to income derived by trustees.
103. Special provisions as to resident agents of principals resident or carrying on business out of New Zealand.
104. Special provisions as to commission agents. "Commission agency contract" defined.
105. Provisions as to principal and agent in certain cases.
106. Income-tax payable in respect of contracts of insurance effected with persons or foreign companies not carrying on business in New Zealand.
107. Income received in anticipation may be apportioned by Commissioner.
108. Commissioner may in certain cases demand special returns, and make special assessments and levies of income-tax.
109. Non-resident agents and non-resident traders not to carry on business without warrant of Commissioner.
110. Commissioner may require non-resident agent or non-resident trader to give security.

PART VII.

AGENTS.

111. "Absentee" defined.
112. Liability of agent of absentee principal to make returns and pay tax.
113. Person having disposal of income deemed to be the agent of absentee principal.
114. Partner of absentee deemed to be his agent.
115. Master of ship deemed to be the agent of absentee owner.
116. Company deemed to be agent of debenture-holders.
117. Special provisions as to floating-rate of interest on debentures.
118. Local and public authorities to be agent of debenture-holders.
119. As to debentures issued by public or local authorities.
120. Company deemed to be the agent of absentee shareholders.
121. Banking company to be the agent of absentee depositors.
122. Non-resident trader deemed to be the agent of persons employed by him in New Zealand.
123. Tenant, mortgagor, or other debtor deemed to be the agent of absentee landlord, mortgagee, or other creditor.
124. Guardian of person under disability deemed to be his agent.
125. Person having control of land or of rents and profits deemed to be the agent of absentee owner.
126. Agents to be personally liable for payment of tax.
127. Agent to make returns and to be assessed as if he were the principal.
128. Rate and amount of tax payable by agent, how determined.
129. Liability of principal not affected by obligation imposed on agent.
130. Agent may recover from principal amount of tax paid by him.
131. Agent may retain from moneys of principal amount required for payment of tax.
132. Assessment of Commissioner deemed sufficient authority for payment of tax by agent.

PART VIII.

PAYMENT AND RECOVERY OF TAX.

133. Governor-General in Council to fix dates for payment of taxes. Notice to be gazetted.
134. Allowance by way of interest on income-tax paid in advance.
135. If default made in payment of tax, additional amount to be charged.
136. Mode of recovery of unpaid tax.
137. Procedure in Supreme Court where defendant absent from New Zealand.
138. Procedure in Magistrate's Court where defendant absent from New Zealand.
139. Notice to be given by defendant of intention to defend action in Magistrate's Court.
140. Particulars of claim or demand to be stated by Commissioner.
141. Commissioner may appear, in legal proceedings, by officer of Public Service.
142. Costs against Commissioner.

143. Proceedings not affected by vacancy or change in office of Commissioner.
144. No limitation of action to recover tax.
145. Crown Suits Act not affected by this Act.
146. Special provisions where name of owner of land not known.
147. Recovery of land-tax from persons other than owner of land.
148. Tax paid by one person on behalf of another may be recovered as a debt.

PART IX.

PENALTIES.

149. Penalty for failure to furnish returns, &c.
150. Fines recoverable summarily on information of Commissioner.
151. Information may be laid within four years.
152. Penal tax payable in case of evasion or attempted evasion.
153. Nature of penal tax.
154. Assessment of penal tax.
155. Objections to penal tax.
156. Recovery of penal tax.
157. Recovery of penal tax from executors or administrators of deceased taxpayer.
158. Amendment of assessment of penal tax.
159. Penal tax not to be assessed after expiration of four years from date of assessment of deficient tax.
160. Recovery of penal tax not affected by conviction of taxpayer for offence under Act.

PART X.

GENERAL.

161. Conduct of inquiries by Commissioner for purposes of Act.
162. Commissioner to have free access to lands, buildings, books, documents, &c., for purposes of Act.
163. Information to be furnished on request of Commissioner.
164. Employers to make returns as to persons employed by them.
165. Banking companies to make returns of amounts paid by way of interest on deposits.
166. Companies, &c., to make returns as to debentures issued and interest paid thereon.
167. Declarations made for purposes of land and income tax to be exempt from stamp duty.
168. Excess tax may be refunded within three years.
169. In case of serious hardship, Commissioner may release taxpayer wholly or in part.
170. Agreements purporting to alter the incidence of taxation to be void.
171. Provisions applicable where companies profess to issue debentures free of income-tax.
172. Regulations.
173. Power to extend time for doing anything under Act.
174. Application of Act.
175. Officers under repealed Acts deemed to have been appointed under this Act.
176. Taxes imposed by this Act deemed to be the same taxes as imposed under repealed Acts.
177. Repeals and savings.
Schedule.

1923, No. 21.

Title.

AN ACT to consolidate and amend the Law relating to Land-tax and
Income-tax. [28th August, 1923.]

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

Short Title.

1. This Act may be cited as the Land and Income Tax Act, 1923.

Interpretation.

2. In this Act, except where a contrary intention appears,—

1916, No. 5, sec. 2

“Agent” means any person declared by this Act to be an agent
for the purposes of land-tax or of income-tax, as the case
may be :

“Annual taxing Act” means an Act by which the rates of land-
tax or income-tax are determined for any year :

“Assessable income” means income of any kind which is not
exempted from income-tax otherwise than by way of a
“special exemption” expressly authorized as such by this
Act :

“Business” includes any profession, trade, manufacture, or
undertaking carried on for pecuniary profit :

“Charity” means the relief (otherwise than for private pecuniary
profit) of poverty, sickness, blindness, old age, or any other
form of physical or mental disability, and “charitable” has
a corresponding meaning :

“Company” means any body corporate, whether incorporated
in New Zealand or elsewhere, but does not include a local
or public authority :

“Debentures” includes debenture-stock, and “debenture-holder”
includes the owner of debenture-stock :

“Encumbrance” means in respect of an estate or interest in
land any trust, contract, easement, condition, or contingency
affecting the same, and any restriction, howsoever imposed,
on the owner’s power of user, alienation, or disposition :

“Estate” or “interest” means any estate or interest in land,
whether legal or equitable, and whether vested or contin-
gent, in possession, reversion, or remainder, and includes
any right to the possession of land or to the receipt of the
rents or profits thereof, or to the proceeds of the sale or
other disposition thereof, whether immediate or through
a trustee, or otherwise howsoever, but does not include a
mortgage :

“European” means any person other than a Native, and includes
a body corporate :

“Foreign company” means any company other than one incor-
porated in New Zealand :

“Friendly society” means any society registered or incorporated
in New Zealand under any Act relating to friendly societies,
industrial and provident societies, industrial unions, indus-
trial associations, or trade-unions :

“Income year” means, in respect of the income of any person,
the year in which that income has been derived by him :

- “Land owned” means an estate or interest owned in land, or deemed to be so owned by virtue of the provisions of this Act :
- “Lease” means any disposition whatever by which a leasehold estate is created :
- “Leasehold estate” includes any estate, howsoever created, other than a freehold estate :
- “Local authority” means a borough, county, and other body corporate possessing rating-powers in New Zealand, and any Harbour Board, Hospital and Charitable Aid Board, Education Board, or other incorporated instrument of local government in New Zealand, whether possessing rating-powers or not :
- “Minerals” includes all minerals, metals, coal, oil, kauri-gum, clay, stone, gravel, sand, and precious stones :
- “Mortgage” means any mortgage, charge, or other security whether legal or equitable, and includes any rent charge or annuity, and for the purposes of this definition all unpaid purchase-money in respect of any estate or interest in land shall be deemed to be charged thereon :
- “Mortgagee” means the owner of a mortgage :
- “Native” means a person who is a Native within the meaning and for the purposes of the Native Land Act, 1909, save that a half-caste, within the meaning of that Act, shall not be deemed to be a Native :
- “Native land” means Native freehold land within the meaning and for the purposes of the Native Land Act, 1909 :
- “New Zealand company” means a company incorporated in New Zealand :
- “Non-resident agent” means an agent within the meaning of this Act who, being in New Zealand, has no fixed and permanent place of business or abode there :
- “Non-resident trader” means any person who, being in New Zealand, carries on business there without having any fixed and permanent place of business or abode there :
- “Notice” means a notice in writing given by causing the same to be delivered to any person, or to be left at his usual or last known place of abode or business in New Zealand or elsewhere, or to be sent by post addressed to such usual or last known place of abode or business, or if there are several such places of business, then to any of them :
- “Owner of land” means a person who is the owner, or is deemed by virtue of this Act to be the owner, of any estate or interest in land, whether separately or jointly or in common with any other person ; and “to own land” means to be an owner of land as so defined :
- “Person” includes a company and a local or public authority :
- “Possession” includes any use which is in fact or effect substantially exclusive, whether by virtue of a right of exclusive occupation or not :
- “Prescribed” means prescribed by regulations under this Act :

- “Public authority” means the Public Trustee, the Native Trustee, the State Advances Superintendent, and every other incorporated Department or instrument of the Executive Government of New Zealand :
- “Shareholder” includes any member of a company, whether the capital of that company is divided into shares or not; and “share” includes any interest in the capital of a company :
- “Superannuation fund” means the Public Service Superannuation Fund, the Teachers’ Superannuation Fund, the Government Railways Superannuation Fund, and any superannuation fund established under the Local Authorities Superannuation Act, 1908, and includes any superannuation fund established for the benefit of the employees of any employer and approved for the time being by the Commissioner for the purposes of this Act :
- “Tax” means land-tax or income-tax :
- “Taxable income” means the residue of assessable income after deducting the amount of all special exemptions to which the taxpayer is entitled :
- “Taxpayer” means a person chargeable with land-tax or income-tax, as the case may be, whether on his own account or as the agent or trustee of any other person, and includes the executor or administrator of a deceased taxpayer :
- “Trustee” includes an executor and administrator, and also includes the Public Trustee and the Native Trustee :
- “Year” means a year commencing on the first day of April and ending on the thirty-first day of March, both of these days being included :
- “Year of assessment” means the year for which land-tax or income-tax is payable.

PART I.

ADMINISTRATION.

3. For the due administration of this Act there shall from time to time be appointed a fit person to be the Commissioner of Taxes (hereinafter referred to as the Commissioner), and a like person to be the Deputy Commissioner of Taxes (hereinafter referred to as the Deputy Commissioner).

4. (1.) The Deputy Commissioner shall, under the control of the Commissioner, perform such general official duties as he is called upon to perform under this Act or by the Commissioner.

(2.) On the occurrence from any cause of a vacancy in the office of Commissioner (whether by reason of death, resignation, or otherwise), and in case of the absence from duty of the Commissioner (from whatever cause arising), and so long as such vacancy or absence continues, the Deputy Commissioner shall have and may exercise all the powers, duties, and functions of the Commissioner.

Power to appoint
Commissioner
and Deputy
Commissioner of
Taxes.

1916, No. 5, sec. 3

Powers of Deputy
Commissioner.

Ibid., sec. 4

(3.) The fact of the Deputy Commissioner exercising any power, duty, or function as aforesaid shall be conclusive evidence of his authority so to do, and no person shall be concerned to inquire whether the occasion has arisen requiring or authorizing him so to do.

(4.) So far as regards the assessment and recovery of any tax with which the person holding office as Commissioner may be chargeable under this Act, all references in this Act to the Commissioner shall be construed as references to the Deputy Commissioner.

5. There shall be appointed from time to time such assessors, clerks, receivers, and other officers as are necessary for the purpose of carrying out the provisions of this Act.

Power to appoint
other officers.
1916, No. 5, sec. 3

6. (1.) Every person appointed or employed under this Act—

Officers to maintain
secrecy.
Ibid., sec. 6

(a.) Shall maintain and aid in maintaining the secrecy of all matters relating to this Act which come to his knowledge, and shall not communicate any such matters to any person, except for the purpose of carrying into effect this Act, or any other Act imposing taxes or duties payable to the Crown; and also

(b.) Shall, before he begins to perform any official duty under this Act, take and subscribe such oath of fidelity and secrecy as is prescribed, which oath may be administered by the Commissioner or Deputy Commissioner, or by any Justice.

(2.) Every person who wilfully acts in contravention of the true intent of such oath is liable, on summary conviction before a Magistrate, to imprisonment for any term not exceeding six months, or to a fine not exceeding one hundred pounds.

PART II.

RETURNS AND ASSESSMENTS.

7. For the purposes of the assessment and levy of land-tax every taxpayer shall in each year furnish to the Commissioner a return in the prescribed form setting forth a complete statement of all land in respect whereof he is assessable for land-tax, as owned by him at noon on the thirty-first day of March in the preceding year, together with such other particulars as may be prescribed.

Annual returns by
taxpayers for
purposes of
land-tax.
Ibid., sec. 7

8. (1.) For the purposes of the assessment and levy of income-tax every taxpayer shall in each year furnish to the Commissioner a return in the prescribed form setting forth a complete statement of all the assessable income derived by him during the preceding year, together with such other particulars as may be prescribed.

Annual returns by
taxpayers for
purposes of
income-tax.
Ibid., sec. 8

(2.) Where such a return cannot conveniently be made the Commissioner may, in his discretion, accept a return of the income so derived by any person during the year ending on the date of the annual balance of his accounts, and in such case the income derived during that year shall for the purposes of this Act be deemed to have been derived during the year ending on the thirty-first day of March nearest to that date.

9. In addition to the foregoing returns every person, whether a taxpayer or not, shall make to the Commissioner such annual returns as may be prescribed for the purposes of this Act.

Other annual
returns.
Ibid., sec. 9

Dates by which returns to be furnished.

1916, No. 5, sec. 10

Commissioner may require other returns to be made for purposes of Act.

Ibid., sec. 11

Returns deemed to have been made with authority unless contrary is proved.

Ibid., sec. 12

Commissioner to make assessments.

Ibid., sec. 13

Assessment in cases where default made in furnishing proper returns.

Ibid., sec. 14

Amendment of assessments.

Ibid., sec. 15

Limitation of time allowed for amendment of assessment.

Ibid., sec. 16

Validity of assessments not affected by failure to comply with Act.

Ibid., sec. 17

Except in proceedings on objection, assessments conclusively deemed to be correct.

Ibid., sec. 18

10. (1.) The above-mentioned returns shall be made in each year before a date or dates of which the Commissioner gives public notice.

(2.) Such notice shall be given by publishing the same in the *Gazette* and in such other manner (if any) as the Commissioner may think necessary and sufficient.

11. In addition to the returns above mentioned every person, whether a taxpayer or not, shall, as and when required by the Commissioner, make such further or other returns as the Commissioner requires for the purposes of this Act.

12. A return purporting to be made by or on behalf of any person shall for all purposes be deemed to have been made by that person or by his authority, as the case may be, unless the contrary is proved.

13. (1.) From the returns made as aforesaid and from any other information in his possession the Commissioner shall in and for every year, and from time to time and at any time thereafter as may be necessary, make assessments in respect of every taxpayer, setting forth the amount upon which tax is payable and the amount of the tax.

(2.) Every such assessment shall be made in the form and manner prescribed by regulations, and in default of such regulations or so far as they do not extend, then as the Commissioner thinks fit, and shall be signed by him.

14. If any person makes default in furnishing any return, or if the Commissioner is not satisfied with the return made by any person, or if the Commissioner has reason to suppose that any person, although he has not made a return, is a taxpayer, he may make an assessment of the amount on which in his judgment tax ought to be levied and of the amount of that tax, and such person shall be liable to pay the tax so assessed, save in so far as he establishes on objection that the assessment is excessive or that he is not chargeable with tax.

15. (1.) The Commissioner may from time to time and at any time make all such alterations in or additions to an assessment as he thinks necessary in order to ensure the correctness thereof, notwithstanding that tax already assessed may have been paid.

(2.) If any such alteration or addition has the effect of imposing any fresh liability or increasing any existing liability, notice thereof shall be given by the Commissioner to the taxpayer affected, who shall, unless the alteration or addition was made with his consent, be entitled to object thereto in accordance with the provisions as to objections hereinafter contained.

16. When any person has made returns and has been assessed for land-tax or income-tax for any year, it shall not be lawful for the Commissioner to alter the assessment so as to increase the amount thereof after the expiration of four years from the end of the year in which the assessment was made.

17. The validity of an assessment shall not be affected by reason that any of the provisions of this Act have not been complied with.

18. Except in proceedings on objection to an assessment in accordance with the provisions hereinafter contained, no assessment made by the Commissioner shall be disputed in any Court or in any proceedings either on the ground that the person so assessed is not a taxpayer or on any other ground; and, except as aforesaid, every such assessment and all the particulars thereof shall be conclusively deemed and taken

to be correct, and the liability of the person so assessed shall be determined accordingly.

19. The production of any document under the hand of the Commissioner or Deputy Commissioner purporting to be a copy of or extract from any return or assessment shall in all Courts and in all proceedings be sufficient evidence of the original, and the production of the original shall not be necessary, and all Courts shall in all proceedings take judicial notice of the signature of the Commissioner or Deputy Commissioner either to the original or to any such copy or extract.

Evidence of returns and assessments.
1916, No. 5, sec. 19

20. (1.) As soon as conveniently may be after an assessment is made the Commissioner shall cause notice of the assessment to be given to the taxpayer.

Notice of assessment to be given to taxpayer.
Ibid., sec. 20

(2.) The omission to give any such notice shall not invalidate the assessment or in any manner affect the operation thereof.

21. (1.) The executor or administrator of a deceased taxpayer shall in respect of all income derived or land owned by that taxpayer in his lifetime make the same returns as the taxpayer ought to have made or would have been bound to make if he had remained alive; and the Commissioner may from time to time require the executor or administrator to make such further returns relative to that land or income as the Commissioner thinks necessary, and may assess the executor or administrator for land-tax or income-tax on that land or income in the same manner in which the taxpayer might have been assessed had he remained alive.

Returns by executors or administrators.
Ibid., sec. 21

(2.) The tax so assessed shall be deemed to be a liability incurred by the deceased taxpayer in his lifetime, and the executor or administrator of the taxpayer shall be liable for the same accordingly.

PART III.

OBJECTIONS TO ASSESSMENTS.

22. (1.) Any person who has been assessed for land-tax or income-tax may object to that assessment by delivering or posting to the Commissioner a written notice of objection stating shortly the grounds of his objection, within such time as may be specified in that behalf in the notice of assessment, not being less than fourteen days after the date on which that notice of assessment is given.

Objections to assessments, how originated.
Ibid., sec. 22

(2.) No notice of objection given after the time so specified shall be of any force or effect unless the Commissioner in his discretion accepts the same and gives notice to the objector accordingly.

23. The Commissioner shall consider all such objections, and may alter the assessment pursuant thereto; but an objection which is not allowed by the Commissioner shall, if the objector so desires, be heard and determined in a Magistrate's Court, before a Stipendiary Magistrate alone; and the Court shall for the purpose of hearing and determining the objection, whatever the amount involved, have all the powers vested in it in its ordinary civil jurisdiction as if in an action between the objecting taxpayer and the Commissioner.

Commissioner may amend assessment on objection. Objection may, on application of objector, be submitted to Stipendiary Magistrate.
Ibid., sec. 23

24. (1.) The procedure for the institution, hearing, and determination of such proceedings in the Magistrate's Court shall be in accordance with regulations to be made under this Act, and, subject

Hearing of objections by Magistrate.
Ibid., sec. 24

to such regulations or so far as they do not extend, shall be in accordance with the ordinary practice of that Court.

(2.) No objection to an assessment of income-tax shall be heard by a Magistrate in open Court.

Burden of proof on objector.
1916, No. 5, sec. 25

25. On the hearing and determination of all objections to assessments of land-tax or income-tax the burden of proof shall be on the objector, and the Court may receive such evidence as it thinks fit, whether receivable in accordance with law in other proceedings or not.

Costs.
Ibid., sec. 26

26. In such proceedings the Magistrate's Court may award such costs as it deems just either against the Commissioner or against the objector.

Court may confirm, cancel, or alter assessment.
Ibid., sec. 27

27. On the determination of any such objection the Magistrate's Court may either confirm or cancel the assessment, or increase or reduce the amount thereof, and the assessment shall be altered by the Commissioner, if necessary, so as to conform to that determination.

Appeals to Supreme Court on questions of law or of fact.
Ibid., sec. 28

28. The determination of the Magistrate's Court on any such objection shall be subject to appeal to the Supreme Court on any question of law, but shall be final and conclusive as to any question of fact unless the Magistrate is satisfied that the amount of tax *bona fide* in dispute between the objector and the Commissioner exceeds two hundred pounds, in which case the Commissioner or the objector may appeal to the Supreme Court on any question of fact.

Notice of appeal to Supreme Court.
Ibid., sec. 29

29. In case of such appeal the appellant shall, within thirty days after the determination appealed from, file in the Magistrate's Court a notice of appeal, and (except when he is the Commissioner) give security for the costs of the appeal to such amount and in such form as may be approved by a Magistrate.

Magistrate to state case on appeal.
Ibid., sec. 30

30. (1.) The Magistrate whose determination is appealed from shall thereupon state and sign a case setting forth the facts and the questions of law arising for the determination of the Supreme Court, and shall deliver the case so signed by him to the appellant.

(2.) If and so far as any such appeal relates to a question of fact, the case so stated by the Magistrate shall set forth the evidence taken before the Magistrate's Court, instead of the facts as found by that Court.

Case to be transmitted by appellant to Registrar of Supreme Court, and set down for hearing.
Ibid., sec. 31

31. The appellant shall, within fourteen days after receiving the case, transmit the same to a Registrar of the Supreme Court in the judicial district in which the objection was heard in the Magistrate's Court, and the Registrar shall thereupon enter the appeal for hearing at the first practicable sitting of the Court.

Amendment of case stated.
Ibid., sec. 32

32. (1.) On the hearing of the appeal the Supreme Court may, if it thinks fit, cause the case so stated to be sent back to the Magistrate for amendment, and thereupon the case shall be amended accordingly, and the Court shall thereupon proceed to hear and determine the questions so submitted.

(2.) If and so far as the appeal relates to questions of fact, the Supreme Court may, as it thinks fit, either determine the same on the case as so stated, or take additional evidence (either orally or on affidavit), or rehear the whole case.

Appeal to Court of Appeal on point of law.
Ibid., sec. 33

33. Except on a question of fact, the decision of the Supreme Court on any such appeal shall be subject to appeal to the Court of Appeal, and any case so stated for the decision of the Supreme Court on a question of law only may be removed into the Court of Appeal.

34. (1.) The Supreme Court or Court of Appeal may award such costs to or against the Commissioner as it thinks just.

(2.) The Commissioner shall not be required to give security in any such proceedings before the Supreme Court or Court of Appeal.

(3.) All costs awarded against the Commissioner by the Magistrate's Court, Supreme Court, or Court of Appeal shall be payable out of moneys appropriated by Parliament, and not otherwise.

35. (1.) Notwithstanding anything hereinbefore contained, any objection made in the manner and within the time aforesaid to an assessment of land-tax or income-tax, if and so far as it relates to any question of law only, may, at the option of the objector, be referred directly to the Supreme Court by way of case stated in accordance with the following provisions.

(2.) The objector (hereinafter called the appellant) may deliver to the Commissioner together with the notice of objection, or at any time within two months after the receipt thereof by the Commissioner, a notice in writing requiring him to state a case for the opinion of the Supreme Court.

(3.) The Commissioner shall thereupon state and sign a case accordingly, setting forth the facts, the questions of law to be decided, and the assessment made by him, and shall deliver the case so signed to the appellant.

(4.) The appellant shall, within fourteen days after receiving the case, transmit the same to the Registrar of the Supreme Court in such judicial district as the appellant thinks fit, and the Registrar shall thereupon enter the case for hearing at the first practicable sitting of the Court.

(5.) The provisions of sections thirty-two to thirty-four of this Act shall extend and apply to any such case stated by the Commissioner, in the same manner, with all necessary modifications, as to a case stated by a Magistrate.

(6.) On the determination of any such case stated the Supreme Court may either confirm or cancel the assessment, or increase or reduce the amount thereof, and the assessment shall be altered by the Commissioner, if necessary, so as to conform to that determination.

36. The obligation to pay and the right to receive and recover any tax shall not be suspended by any objection, appeal, or case stated; but if the objector succeeds the amount (if any) of the tax received by the Commissioner in excess of the amount which, according to the decision on the hearing of the objection, appeal, or case stated, was properly payable shall forthwith be repaid to him by the Commissioner.

37. The determination of an objection under any of the foregoing provisions shall relate solely to the land or income which is the subject of the assessment objected to, and shall not affect the right of the Commissioner to assess any other land or income of the objector, or to amend the assessment objected to in any manner rendered necessary by the assessment of such other land or income.

38. The foregoing provisions as to objections shall have no application to an objection relating to any matter which by this Act is left to the discretion, judgment, or determination of the Commissioner, or (save so far as hereinafter expressly provided) to an objection to any valuation of land made by the Valuer-General under the Valuation of Land Act, 1908, or this Act.

Costs on appeal.

1916, No. 5, sec. 34

Objection, in so far as it relates to question of law only, may be referred in first instance to Supreme Court.

Ibid., sec. 35

Obligation to pay tax as assessed by Commissioner not suspended by objection or appeal. Refund of tax in certain cases.

Ibid., sec. 36

Determination of objection not to affect other land or income not included in assessment.

Ibid., sec. 37

Extent of application of provisions as to objections.

Ibid., sec. 38

PART IV.

VALUATION OF LAND.

Assessment of
land-tax.

1916, No. 5, sec. 39

"Unimproved
value" and
"improvements"
defined.

Ibid., sec. 40

Unimproved value
as shown on district
valuation roll to be
adopted for purposes
of this Act.

Ibid., sec. 41

New valuation to
operate as from
31st March
succeeding
application for
reevaluation.

1922, No. 12, sec. 3

Value of minerals,
timber, or flax to be
excepted from
unimproved value.

1916, No. 5, sec. 42

Where unimproved
value shown on
subsidiary valuation
roll, such value to
be adopted.

Ibid., sec. 43

In certain cases
unimproved value
as shown on
valuation or
subsidiary roll
may be apportioned.

Ibid., sec. 44

39. Land-tax shall be assessed on the unimproved value of the land owned by the taxpayer as determined in accordance with the provisions of this Part of this Act.

40. (1.) The unimproved value of any land so owned means the sum which the owner's estate or interest therein, if free from any mortgage or encumbrance, might be expected to realize if offered for sale on such reasonable terms and conditions as a *bona fide* seller might be expected to impose and if no improvements had been made on the land.

(2.) "Improvements" has the same meaning as in the Valuation of Land Act, 1908.

41. (1.) Subject to the following provisions of this Part of this Act, if the unimproved value of any land appears on the district valuation roll in force under the Valuation of Land Act, 1908, on the thirty-first day of March in the year preceding the year of assessment, whether in the name of the taxpayer or of any predecessor in title, trustee, or other person, the unimproved value so appearing on that roll shall be deemed and be taken to be the unimproved value of that land on that day for the purposes of this Act.

(2.) When a new valuation of any land is made by the Valuer-General pursuant to section thirty-six of the Valuation of Land Act, 1908, the amended value shall for the purposes of this Act be deemed to be the value appearing on the district valuation roll on the thirty-first day of March next succeeding the date of the application for a new valuation, notwithstanding that the new valuation may not then have been actually made.

42. (1.) Notwithstanding anything hereinbefore contained, the unimproved value of land shall not for the purposes of this Act include the value of any minerals, ^{or trees} timber, or flax (other than the roots of flax-plants).

(2.) The Valuer-General shall, in all cases in which the value of any minerals, ^{or trees} timber, or flax (other than roots as aforesaid) is included in the unimproved value as shown on the district valuation roll, show separately on that roll the value so included, and in such cases the remaining value only shall for the purposes of this Act be deemed to be the unimproved value as shown on the said roll.

43. Notwithstanding anything hereinbefore contained, if the unimproved value of any land appears on the subsidiary roll in force under the Land for Settlements Act, 1908, on the thirty-first day of March in the year preceding the year of assessment, whether in the name of the taxpayer or of any predecessor in title, trustee, or other person, the unimproved value so appearing on that roll shall be deemed and taken to be the unimproved value of that land on that day for the purposes of this Act in lieu of the value appearing on the district valuation roll.

44. (1.) If the valuation appearing on the district valuation roll or the subsidiary roll relates to an area of land a part only of which is assessable for the purposes of land-tax, or different parts of which are assessable at different rates or require for any reason to be separately

Refer 1929 inset

valued for the purposes of this Act, the unimproved value as appearing on that roll shall for the purposes of this Act be apportioned in such manner as may be just and reasonable between the several parts of that area, and the value so attributed to each part shall be deemed to be the unimproved value thereof for the purposes of this Act.

(2.) Such apportionment shall be made as follows:—

- (a.) The Commissioner, if satisfied that the value of any such part as stated in the return made by the taxpayer represents a just and reasonable apportionment, may accept that value and make the assessment accordingly.
- (b.) The Commissioner may agree with the taxpayer as to the apportionment to be made, and may make the assessment accordingly.
- (c.) In default of any such acceptance or agreement the apportionment shall be made by the Valuer-General on the requisition of the Commissioner, and the assessment shall be made in accordance with that apportionment.

45. (1.) If, in the case of any estate or interest in land, no valuation thereof appears either on the district valuation roll or on the subsidiary roll in force on the thirty-first day of March in the year preceding the year of assessment, or if the valuation thereof on the district valuation roll is made otherwise than in accordance with the provisions of this Act for the valuation of land for the purposes of land-tax, the Valuer-General shall, on the requisition of the Commissioner and for the purposes of this Act, cause a special valuation of the unimproved value of that estate or interest to be made in accordance with the provisions of this Act as at the thirty-first day of March in the year preceding the year of assessment, and the unimproved value of that estate or interest on that day shall for the purposes of this Act be determined in accordance with the valuation so made.

On request of Commissioner Refer 1929 Inset
Valuer-General to cause special valuation to be made in certain cases.

1916, No. 5, sec. 45

(2.) Any taxpayer who is assessed for land-tax on any such special valuation shall be entitled to dispute that valuation by way of objection to the assessment, and all the provisions of this Act as to objections to assessments shall apply accordingly, save that the decision of the Magistrate on any question of fact shall be final and conclusive.

(3.) Save as aforesaid, the provisions of this Act as to objections to assessments shall have no application to an objection to any valuation or apportionment by the Valuer-General in accordance with the Valuation of Land Act, 1908, or this Act.

46. (1.) Notwithstanding anything contained in this Part of this Act, if any taxpayer, in any return made by him for the purposes of land-tax, estimates, for the purposes of this section, any land owned by him as of an unimproved value in excess of the unimproved value computed in accordance with this Act and appearing in the district valuation roll in force on the thirty-first day of March preceding the year of assessment, and in excess of the unimproved value (if any) appearing on the subsidiary roll in force on that day, the value so stated in the return shall be deemed to be the unimproved value of the land on the thirty-first day of March preceding the year of assessment, and land-tax shall be assessed accordingly.

Taxpayer's own valuation of unimproved value may be accepted in certain cases.

Ibid., sec. 46

Refer 1929 Inset

(2.) For the purpose of the compulsory taking of land under the Land for Settlements Act, 1908, any such return shall for a period of

twelve months after the date thereof have the same effect as if the unimproved value so stated therein appeared in the subsidiary roll for the time being in force.

Mode of determining unimproved value of land as at date other than 31st March of any year. 1916, No. 5, sec. 47

47. Whenever for the purposes of this Act it is necessary to determine the unimproved value of land at any date other than the thirty-first day of March preceding the year of assessment, such value shall be determined in accordance with the provisions of this Part of this Act, save that all references to the thirty-first day of March preceding the year of assessment shall be read as references to the date as at which such value is to be determined.

PART V.

LAND-TAX.

Land-tax. 1917, No. 9, sec. 3

48. (1.) Subject to the provisions of this Act, there shall be levied and paid, for the use of His Majesty, in and for the year commencing on the first day of April, nineteen hundred and twenty-four, and in and for each year thereafter, a tax herein referred to as land-tax.

(2.) Subject to the provisions of this Act, such tax shall be payable by every person on all land of which he was the owner at noon on the thirty-first day of March preceding the year in and for which the tax is payable (herein referred to as the year of assessment).

(3.) Such tax shall be assessed, levied, and paid at such rate or rates as may be fixed from time to time by any Act to be passed for that purpose (herein referred to as the annual taxing Act).

Land-tax to be levied on total unimproved value of land, diminished by certain exemptions. Ibid., sec. 4 1920, No. 35, sec. 3

49. (1.) Subject to the provisions of this Act, land-tax shall in the case of each owner be levied at the rate or rates aforesaid on the total unimproved value of all land so owned by him after making, by way of special exemption from that value, the deduction following, that is to say :—

(a.) When that value does not exceed fifteen hundred pounds, a deduction of five hundred pounds ; or

(b.) When that value exceeds fifteen hundred pounds, a deduction of five hundred pounds diminished at the rate of one pound for every two pounds of that excess, so as to leave no deduction when that value amounts to or exceeds two thousand five hundred pounds.

(2.) In lieu of the deduction authorized by the last preceding subsection, there may be deducted as a special exemption from the total unimproved value of the land of the taxpayer, in cases where that land or any part thereof was at noon on the thirty-first day of March preceding the year of assessment subject to a mortgage or mortgages, the following amount, that is to say :—

(a.) Where the total unimproved value aforesaid does not exceed ~~six~~ ^{four} thousand pounds, the sum of ~~four~~ ^{four} thousand pounds ; or

(b.) Where the total unimproved value aforesaid exceeds ~~six~~ ^{four} thousand pounds, the sum of ~~four~~ ^{four} thousand pounds, diminished at the rate of two pounds for every one pound of that excess, so as to leave no deduction under this paragraph when that value amounts to or exceeds ~~eight~~ ^{eight} thousand pounds :

REFER TO INSET APPENDED

Provided that where the capital value of all mortgages owing by the taxpayer as aforesaid is less than the amount that would be deducted under paragraph (a) or paragraph (b) of this subsection, as the case may be, the capital value of those mortgages shall be deductible in lieu of the deduction provided for by those paragraphs.

(3.) In this section "mortgage" means any mortgage or charge upon land, howsoever created, if registered under any Act relating to the registration of deeds or instruments affecting title to land, and includes all unpaid purchase-money in respect of land purchased, and any annuity or rent charge charged upon land or secured by will and payable out of the rents and profits of land although no registered charge exists in respect thereof; but, except as aforesaid, does not include any mortgage or charge not so registered.

Interpretation.

(4.) For the purposes of this section the capital value of a mortgage means the full amount of the principal sum owing thereunder at noon on the thirty-first day of March preceding the year of assessment, and in the case of a rent charge or annuity the capital value thereof means the full amount of the present value of that rent charge or annuity on that day capitalized at five per centum per annum.

Refer 1929 Inset

50. (1.) In lieu of the special exemption provided for in the last preceding section, in any case where the Commissioner is satisfied that the total income of the owner from all sources, whether in New Zealand or elsewhere, during the year preceding the year of assessment did not exceed three hundred pounds, and that by reason of age, ill health, or other disability he is incapacitated from earning any further income, and that payment of the land-tax in full would cause hardship, the Commissioner may allow by way of special exemption a deduction not exceeding two thousand five hundred pounds.

Alternative exemption in cases of hardship.

1917, No. 9, sec. 5
1920, No. 35, sec. 4

(2.) In lieu of the special exemptions hereinbefore provided for, the Commissioner may, in his discretion, where he is satisfied that a taxpayer is a widow having a child or children wholly or partly dependent on her for support, and that payment of the land-tax in full would cause hardship, allow by way of special exemption a deduction not exceeding four thousand pounds.

Special exemption where taxpayer is widow with dependent children.

1917, No. 9, sec. 6
1920, No. 35, sec. 5

51. (1.) For the purposes of this section "unimproved land" means land on which there are not, on the thirty-first day of March immediately preceding the year of assessment, improvements of a value equal to one pound an acre or equal to one-third of the unimproved value, whichever is the less, and which in the opinion of the Commissioner it is reasonable should have been improved to that extent.

Special provisions as to land-tax on unimproved land.

Ibid., sec. 6

(2.) This section shall not apply with respect to land situated in a borough, but applies to all other unimproved land as hereinbefore defined.

(3.) This section shall apply separately to all lands of a taxpayer forming one continuous area or separated at their nearest points by a distance not exceeding three miles in a straight line.

(4.) Notwithstanding anything to the contrary in section forty-nine hereof, no deductions by way of special exemption under that section shall be made in respect of any unimproved land to which this section applies and of which the taxpayer has been the owner for three years or upwards.

(5.) In respect of any unimproved land to which this section applies and of which the taxpayer has been the owner for three years or upwards the rate of land-tax shall be fifty per centum more than the rate fixed by the annual taxing Act in respect of other lands.

Lessees liable as if owners.

1917, No. 9, sec. 7

Deduction from tax payable by lessee.

52. (1.) Any person owning any leasehold estate shall be deemed for the purposes of this Part of this Act (though not to the exclusion of the liability of any other person) to be the owner of the fee-simple, and shall be assessed and liable for land-tax accordingly.

(2.) In the case of the owner of a leasehold estate in land there shall be deducted from the amount of land-tax so payable by him in respect of that land (so far as it exceeds the land-tax, if any, that would be payable by him in respect of the value of his leasehold estate independently of this section) the amount of land-tax (if any) payable in respect of that land by the owner of any freehold estate or of any precedent leasehold estate in the land or any part thereof.

(3.) The provisions of this section shall not apply to leasehold estates in any land of the Crown, or in any Native land, or in any land vested in fee-simple in any person who in respect thereof is wholly exempted from land-tax.

(4.) The provisions of this section shall not apply to any leasehold estate (other than an estate at will or by sufferance, or determinable by the lessor or other person entitled in reversion or remainder) existing on the twenty-sixth day of October, nineteen hundred and seven (being the date of the coming into operation of the Land and Income Assessment Act, 1907), unless the owner of that leasehold estate or his predecessor in title has been at any time within five years next before that date the owner at law or in equity of a freehold estate in the land which is subject to the lease.

53. (1.) The owner of any life estate or of any other freehold estate less than the fee-simple shall be deemed for the purposes of this Part of this Act to be the owner of the fee-simple to the exclusion of any person entitled in reversion or remainder, and shall be assessed and liable for land-tax accordingly.

(2.) Notwithstanding anything in this section, if any person so entitled in reversion or remainder is also entitled in possession to any interest in the land or in the rents or profits thereof, or if the Commissioner is satisfied that any life estate or other freehold estate less than the fee-simple has been created, whether before or after the coming into operation of this Act, for the purpose of obtaining exemption from land-tax for any person entitled in reversion or remainder, the Commissioner may, if he thinks fit, from time to time elect to treat that life estate or other freehold estate as if it was a leasehold estate, and the provisions of the last preceding section shall thereupon apply accordingly.

54. (1.) Whenever two or more persons (hereinafter called joint owners) own land jointly or in common, whether as partners or otherwise, they shall be assessed and liable for land-tax in accordance with the provisions of this section.

(2.) The joint owners shall be jointly assessed and liable in respect of the land so owned by them jointly or in common (hereinafter called the joint estate) as if it was owned by a single person, without regard to their respective interests in the same, and without taking into

Life tenant liable as if owner of fee-simple.

Ibid., sec. 8

Joint owners to be assessed jointly.

Ibid., sec. 9

er 1931 Inset.

er 1931 Inset.

account any land owned by any one of them in severalty, or jointly or in common with any other person.

(3.) One special exemption only shall be allowed to such owners in respect of all land so owned by them jointly or in common.

55. (1.) In addition to the assessment under the last preceding section, each joint owner shall be assessed and liable in respect of his individual interest in the joint estate, together with any other land owned by him in severalty, and with his individual interests in any other land.

Joint owners to be severally assessed also.

1917, No. 9, sec. 10

(2.) In the case of each joint owner there shall be deducted from the tax so payable by him under the provisions of this section (so far as such tax exceeds the land-tax that would be payable by him if he owned no interest in any joint estate) his share of the tax so payable in respect of the joint estate.

(3.) The share of a joint owner in the tax so payable in respect of the joint estate shall bear the same proportion to the amount of that tax as his interest in the joint estate bears to the whole value of that estate.

56. (1.) No joint owner assessed under the two last preceding sections shall be entitled to a greater special exemption in the aggregate than the special exemption to which he would be entitled if he were assessed only under section fifty-five hereof, and in any such case the Commissioner shall, if and so far as necessary, reduce the exemptions otherwise allowable under either of the two last preceding sections.

Limitation of special exemptions in cases of joint ownership.

Ibid., sec. 11

(2.) For the purposes of this section, but not otherwise, any special exemption allowed in respect of a joint assessment shall be apportioned between the owners in proportion to the interest of each of them in the land in respect of which the exemption is so allowed.

57. (1.) For the purposes of this Part of this Act all land owned by a company shall be deemed (though not to the exclusion of the liability of the company or of any other persons) to be owned in common by the shareholders of that company in the proportions which their interests in the paid-up capital of the company bear to the total paid-up capital; and the said shareholders shall be individually assessed and liable for land-tax accordingly in manner provided by section fifty-five hereof, and shall be entitled to the same deduction as is therein provided; and all references in that section to a joint assessment shall be read as references to the assessment of the company.

Shareholders liable as if they were owners of the company's land.

Ibid., sec. 12

(2.) The term "shareholder" shall for the purposes of this and the next succeeding section include all persons on whose behalf a share in the company is held by a trustee or by any other person.

(3.) No shareholder shall be liable to land-tax under this section if his assessable interest, calculated in accordance with this section, in the lands (other than business premises as hereinafter defined) owned by the company is less than five hundred pounds.

(4.) "Business premises" means any piece of land included within the area of a building used for business purposes, together with such additional land as immediately adjoins that building and is used and occupied in connection therewith and does not exceed in extent the area of the building itself. When any area so adjoining a building and used and occupied in connection therewith exceeds the area of the

"Business premises" defined.

building, the Commissioner shall from time to time determine, as he thinks fit, what part of that adjoining area, equal to the area of the building, shall be deemed to be business premises.

(5.) A building shall be deemed to be used for business purposes within the meaning of this section if it is exclusively or principally used, whether by the owner or by any occupier or occupiers, for the purposes of any business.

58. (1.) If two or more companies consist substantially of the same shareholders, those companies shall be deemed for the purposes of land-tax to be a single company, and shall be jointly assessed and jointly and severally liable accordingly, with such right of contribution or indemnity between themselves as is just.

(2.) For the purposes of this section two companies shall be deemed to consist substantially of the same shareholders if not less than one-half of the paid-up capital of each of them is held by or on behalf of shareholders in the other. Shares in one company held by or on behalf of another company shall for this purpose be deemed to be held by the shareholders in the last-mentioned company.

59. (1.) When two or more persons own land in severalty but occupy it jointly, whether as partners or on joint account or otherwise, the same land-tax shall be payable by them and by each of them as if they owned the whole of the said land jointly, in the proportions which the unimproved values of the lands so severally owned bear to one another, and for the purposes of this Part of this Act they shall be deemed to be joint owners of those lands accordingly.

(2.) Without limiting in any way the meaning of the term "joint occupation," two or more persons shall be deemed to occupy lands jointly within the meaning of this section if those lands are occupied, worked, or managed by any one or more of those persons on behalf of all of them or on a joint account, or if those lands are occupied, worked, or managed by any other person as trustee for or otherwise on behalf of all of those persons.

60. Where an agreement has been made for the sale of land, whether before or after the coming into operation of this Act, the buyer shall be deemed to be the owner of the land for the purposes of this Part of this Act (though not to the exclusion of the liability of any other person) so soon as he has obtained possession of the land so purchased, although the agreement has not yet been completed by conveyance.

61. (1.) When any agreement has been made for the sale of land, whether before or after the coming into operation of this Act, and whether the same has been completed by conveyance or not, the seller shall be deemed to remain the owner of the land for the purposes of this Part of this Act (though not to the exclusion of the liability of any other person) until possession of the land has been delivered to the purchaser and at least fifteen per centum of the purchase-money has been paid:

Provided that in any case in which possession has been so delivered, but less than fifteen per centum of the purchase-money has been paid, it shall be lawful for the Commissioner to exempt the seller from the provisions of this section if the Commissioner is satisfied that the agreement for sale has been made in good faith and not for the purpose of

Two or more companies with substantially the same shareholders to be deemed a single company.

1917, No. 9, sec. 13
1920, No. 35, sec. 7

REFER TO INSET APPENDED

Joint occupiers to be liable as if joint owners.

1917, No. 9, sec. 14

Buyer in possession liable although conveyance has not been executed.

Ibid., sec. 15

Seller to remain liable until possession delivered to purchaser.

Ibid., sec. 16

evading the payment of land-tax, and that the agreement is still in force. In any such case the decision of the Commissioner shall be final and conclusive.

(2.) In estimating the amount of purchase-money which has been so paid all money owing by the purchaser to the seller and secured by any mortgage or other charge on the land, and all money lent to the purchaser by the seller, and all money owing by the purchaser to any other person and directly or indirectly guaranteed by the seller, shall be deemed to be unpaid purchase-money.

(3.) When by virtue of this and the last preceding section the buyer and seller of land are both liable for land-tax in respect thereof, there shall be deducted from the tax so payable by the seller in respect of the land the amount of the tax payable in respect thereof by the buyer.

Tax payable by buyer may be deducted from amount payable by seller.

(4.) Nothing in this section applies to any agreement of sale made, whether before or after the coming into operation of this Act, by a seller who at the date of that agreement was not the owner of land the unimproved value of which, including the unimproved value of the land so sold by him, was more than forty thousand pounds.

62. No conveyance, transfer, declaration of trust, settlement, or other disposition of land (whether made before or after the coming into operation of this Act) shall be effective so as to exempt the person making the same, so long as he remains or is in possession or in receipt of the rents or profits of any such land (whether on his own account or on account of any other person), from any land-tax which would have become payable in respect of that land had no such conveyance, transfer, declaration of trust, settlement, or disposition taken place; and for the purposes of this Part of this Act the person so making the same shall, while he remains or is so in possession of the land or in receipt of the rents or profits thereof, be deemed (though not to the exclusion of the liability of any other person) the owner of the land.

No disposition of land to be effective for purposes of land-tax so long as possession retained. 1917, No. 9, sec. 17

63. Subject to the other provisions of this Part of this Act, the owner of any equitable estate in land shall be assessed and liable in respect of land-tax as if the estate so owned by him were legal, but there shall be deducted from the tax so payable by him in respect of that estate the amount of any land-tax paid in respect thereof by the legal owner of the land.

Equitable owners to be liable as if legal owners.

Ibid., sec. 18

64. (1.) Any person owning land as a trustee shall be assessed and liable in respect of land-tax as if he were beneficially entitled to the land, save that when he is the owner of different lands in severalty in trust for different beneficial owners who are not, by reason of joint occupation or otherwise, liable to be jointly assessed for land-tax in respect of the same, the tax so payable by him shall be separately assessed in respect of each of those lands; and save also that when a trustee is also the beneficial owner of other land he shall be separately assessed in respect of that land and of the land of which he is a trustee, unless, by reason of joint occupancy or for any other reason, he is liable to be jointly assessed independently of this section.

Trustees to be liable as if beneficially entitled.

Ibid., sec. 19

(2.) Notwithstanding anything in this section, a trustee may be assessed for land-tax in respect of the interest of any beneficiary in the land owned by the trustee at the rate at which the beneficiary himself is liable to be assessed when, by reason of the ownership of other land, or his absence from New Zealand, or for any other reason,

the beneficiary is liable to be assessed at a higher rate than that at which the trustee would be assessed independently of this section.

(3.) For the purpose of any special exemption to be allowed either to the trustee or to the beneficial owner the land shall be deemed to be owned by the beneficial owner, and the exemption shall be allowed or apportioned by the Commissioner accordingly in such manner as he deems just and reasonable.

(4.) When land is held by His Majesty in trust the beneficiaries under that trust shall make returns and be assessable and liable for land-tax as if their interests were legal.

65. A mortgagee in possession of land shall be deemed for the purposes of this Part of this Act, so long as such possession continues (though not to the exclusion of the liability of any other person), to be the beneficial owner of the estate or interest which is subject to the mortgage, and shall be liable for land-tax accordingly; but there shall be deducted from the tax so payable by him the amount of land-tax (if any) paid in respect of that estate or interest by the mortgagor.

66. Whenever double taxation is imposed by this Part of this Act on the same estate or interest in land by reason of that estate or interest being owned or deemed to be owned by more than one person, and no provision is made in this Part of this Act for such a deduction as will prevent such double taxation, the Commissioner may make such deduction or other adjustment as he deems just and necessary for the avoidance of such double taxation.

67. (1.) Every taxpayer who on the thirty-first day of March in the year preceding the year of assessment is an absentee within the meaning of this section shall be assessed and liable for land-tax to an amount greater by fifty per centum than the amount for which he would have been assessed independently of this section, including in such last-mentioned amount his share of any land-tax for which he is assessable jointly with any other taxpayer, whether an absentee or not, and the annual taxing Act shall be read and construed accordingly.

(2.) Every person shall be deemed to be an absentee for the purposes of this section unless he has been personally present in New Zealand for at least one-half of the period of four years immediately preceding the year of assessment:

Provided that no person who has acquired all his land in New Zealand within the said period of four years shall be deemed to be an absentee if he has been personally present in New Zealand for at least one-half of the period which has elapsed between the time when he first acquired any of that land and the commencement of the year of assessment. *Add proviso See 1926 Inset*

(3.) This section shall not apply to companies, but shall apply to shareholders in companies, in accordance with the provisions of section fifty-seven hereof.

(4.) Where any shareholder in a company is assessable as an absentee for land-tax in respect of the land of the company, the company shall be deemed for the purposes of this Part of this Act to be the agent of the shareholder, and shall be liable to pay on his behalf the land-tax payable by him so far as it relates to the land of the company, and all the provisions of this Act as to agents shall apply accordingly:

Mortgagees in possession to be liable for land-tax. 1917, No. 9, sec. 20

In cases of double taxation for land-tax Commissioner may make adjustment. *Ibid.*, sec. 21

Increase of land-tax in case of absentee taxpayers. *Ibid.*, sec. 22

Provided that no tax shall be so recovered from the company unless a written demand therefor has been made upon the company by the Commissioner within one year from the due date of the tax, and while the taxpayer continues to remain a shareholder of the company.

(5.) No trustee assessed as such shall be deemed to be an absentee.

68. (1.) For the purposes of land-tax every person who is the owner of land at noon on the thirty-first day of March in any year may be deemed (though not to the exclusion of any other person) to continue to be the owner of that land at noon on the thirty-first day of March in the next succeeding year, unless written notice is given by him or on his behalf to the Commissioner, in accordance with this section, of the fact that he has ceased to be the owner of that land, and of the name of his successor in title.

(2.) Such notice shall be given to the Commissioner before the former owner has been assessed for land-tax, in pursuance of this section, for the year following that in which he ceased to be the owner of the land.

(3.) The fact that the former owner has not made a return of the land as still owned by him, or that his successor in title has made a return of that land, shall not in itself be deemed a sufficient notice for the purposes of this section.

(4.) Where no such notice has been given in accordance with this section the Commissioner may assess either the former owner or his successor in title, or both of them; but the tax shall be recoverable from one of them only.

(5.) Any tax so paid by the former owner shall be deemed to be paid on behalf of his successor in title, so far as it does not exceed the tax for which the successor in title might himself have been assessed in respect of that land, and may to that extent be recovered by the former owner from his successor in title accordingly.

(6.) A former owner shall not be assessable under this section for any year except the year of assessment immediately subsequent to the year in which he ceased to be the owner of the land.

69. (1.) Land shall be exempt from land-tax in the following cases, and to the following extent:—

- Take in addition, 1923 Inset
- (a.) Land owned by or in trust for a local or public authority;
 - (b.) Land owned by or in trust for a university, college, high school, secondary school, or other public educational institution in New Zealand not carried on for private pecuniary profit;
 - (c.) Land owned by or in trust for a separate institution under the Hospitals and Charitable Institutions Act, 1909;
 - (d.) Land owned by or in trust for a friendly society, a registered building society, or a savings-bank established under the Savings-banks Act, 1908;
 - (e.) Land owned by or in trust for a society incorporated under the Agricultural and Pastoral Societies Act, 1908, and used by that society as a showground or place of meeting;
 - (f.) Land owned by or in trust for any company and used by that company as the permanent-way of a public railway or tramway, or for yards and buildings used for the purposes of the traffic on that railway or tramway;

Notice to be given to Commissioner of change of ownership of land.

1917, No. 9, sec. 23

Exemption from land-tax of certain classes of land.

Ibid., sec. 24

Take in addition, 1923 Inset

- (g.) Land owned by or in trust for a society incorporated under the Libraries and Mechanics' Institutes Act, 1908, and used by that society as a site for the purposes of the society :
- (h.) Land owned by or in trust for any society or trustees and used by such society or trustees (otherwise than for private pecuniary profit) as the site of a public library, public museum, public cemetery or burial-ground, public recreation-ground, or public garden, domain, or reserve :
- (i.) Land owned by or in trust for any society or institution established exclusively for charitable, educational, religious, or scientific purposes of a public nature, and not carried on for private pecuniary profit, if the land is used as a site for the purposes of that society or institution :

Provided that if any such site exceeds fifteen acres in extent this exemption shall be limited to fifteen acres thereof to be selected by the Commissioner :

- (j.) Native customary land within the meaning of the Native Land Act, 1909 ^{take in addition 1923 Inset.}

(2.) The benefit of the exemptions provided by this section shall in each case be limited to the owner specified in this section, and shall not extend to any other person who is the owner of any estate or interest in the land (whether as purchaser, lessee, or otherwise howsoever), nor shall it extend to land held by an owner specified in this section in trust for an owner not so specified.

Reduced rate of land-tax in respect of land held by religious society exclusively for religious or charitable purposes.

1917, No. 9, sec. 25
1921, No. 34, sec. 4

70. (1.) Notwithstanding anything in the foregoing provisions of this Part of this Act, land-tax shall be chargeable in respect of the class of land mentioned in subsection two hereof, in so far as such land is not exempt from land-tax by virtue of the last preceding section, at one-half the rate that would be chargeable in respect thereof if this section had not been passed.

(2.) This section relates to land owned by or in trust for any religious society, if such land or the rents or profits thereof are used exclusively for religious, charitable, or educational purposes, and if the principal purpose for which that society is established is the teaching, maintenance, or advancement of religion.

Land-tax on Native Land.

Special provisions as to land-tax in case of Native land.

1917, No. 9, sec. 26
1920, No. 35, sec. 8
1922, No. 12, sec. 4

71. (1.) No Native shall be chargeable with land-tax in respect of his interest in Native land unless the land is, as to his interest therein, in the occupation or possession of any person other than the Native owner or a trustee for him.

(2.) A Native shall be chargeable with land-tax in respect of his interest in Native land at one-half of the rate applicable to European land if such Native land is, as to his interest therein, in the occupation or possession of any person other than the Native owner or a trustee for him :

Provided that no Native shall, for any year of assessment, be chargeable with an amount of land-tax in respect of his interest in Native land in excess of ~~one-fourth~~ ^{one-fifth} of the total revenue derived or derivable from that land in respect of the year ending on the thirty-first day of March preceding the year of assessment.

Refer: 1923 Inset

(3.) A European shall be chargeable with land-tax in respect of any interest owned by him in Native land in the same manner and to the same extent as if it was not Native land, save that the owner of a leasehold estate in Native land shall not be deemed by virtue of this Part of this Act to be the owner of the fee-simple thereof.

(4.) If any Native land is held by a trustee (not being a Native) in trust for the Native owner, the tax shall be payable on behalf of the Native owner by the trustee. In all other cases the tax shall be payable on behalf of the Native owner by the occupier of the land.

(5.) This section shall apply to the trustee of a Native in the manner in which it applies to that Native himself. REFER TO INSET APPENDED.

PART VI.

INCOME-TAX.

72. (1.) Subject to the provisions of this Act, there shall be levied and paid for the use of His Majesty in and for the year commencing on the first day of April, nineteen hundred and twenty-four, and in and for each year thereafter, a tax herein referred to as income-tax.

Income-tax imposed.
1916, No. 5, sec. 79

(2.) Subject to the provisions of this Act, such tax shall be payable by every person on all income derived by him during the year preceding the year in and for which the tax is payable.

(3.) The year in which income is so derived is in this Act referred to as "the income year," and the year in and for which income-tax is payable is in this Act referred to as "the year of assessment."

73. (1.) Income-tax shall be assessed and levied on the taxable income of every taxpayer at such rate or rates as may be fixed from time to time by Acts to be passed for that purpose.

Rates of tax to be fixed by annual taxing Act.
Ibid., sec. 80

(2.) The Act by which the rate of income-tax is so fixed for any year is in this Act referred to as "the annual taxing Act."

(3.) For the purpose of computing the taxable income of any taxpayer, all deductions from the assessable income by way of special exemption as hereinafter provided (other than exemptions under section eighty-three hereof) shall to the extent of the earned income of the taxpayer be made from that income, and the balance (if any) shall, save as otherwise expressly provided in any case, be deducted from the unearned income.

Deductions by way of special exemption to be made in first place from earned income.
1920, No. 35, sec. 16

74. (1.) From the yearly assessable income of every person, other than a company or an absentee, there shall, for the purpose of assessing income-tax on that income, be deducted by way of special exemption the sum of three hundred pounds, diminished at the rate of one pound for every pound of the excess of that income over six hundred pounds, so as to leave no deduction under this section when the yearly assessable income amounts to or exceeds nine hundred pounds.

Special exemption not exceeding £300.
1917, No. 9, sec. 27
1920, No. 35, sec. 10

(2.) "Absentee" means, in this Part of this Act, a person whose home has not been in New Zealand during any part of the income year:

Provided that a taxpayer whose assessable income for the income year does not exceed three hundred pounds shall not be deemed to be an absentee within the meaning of this Part of this Act if the Commissioner is satisfied that the absence of the taxpayer from New Zealand during the income year has been for the sake of his or her health, or

Refer to 1927 Inset

of the health of the husband or wife, as the case may be, or of any child of the taxpayer. **ADD PROVISIONS SEC. 1923 INSET**

Special exemption
in respect of
dependent children.

1916, No. 5, sec. 82
1917, No. 9, sec. 28
1920, No. 35, sec. 11
1922, No. 12, sec. 8

75. (1.) In addition to the special exemption provided for by the last preceding section, a further sum of fifty pounds shall be deducted by way of special exemption from the yearly assessable income of every person, other than an absentee, in respect of each of his children or grandchildren who at the end of the income year are under the age of eighteen years and are dependent upon him :

Provided that a special exemption for any year shall not be allowed to any taxpayer in respect of any grandchild if an exemption in respect of such child has been allowed for that year to either parent of the child.

(2.) Where the father of any child is entitled to a special exemption under this section, no such deduction shall also be made from the income of the mother.

(3.) In this section the term "children" includes stepchildren.

Special exemption
in respect of
contributions
towards support of
widowed mother.

1920, No. 35, sec. 13

76. Every person, other than an absentee, shall be entitled to a deduction by way of special exemption from his assessable earned income of the amount contributed by him during the income year (not exceeding in the aggregate fifty pounds) towards the support of his widowed mother :

Provided that where claims under this section are made by two or more persons for deductions by way of special exemption exceeding fifty pounds in the aggregate in respect of contributions towards the support of the same person the Commissioner shall not allow a greater exemption in the aggregate than fifty pounds, to be apportioned among the several taxpayers in such manner as the Commissioner thinks fit.

Special exemption
in respect of
insurance
premiums.

1916, No. 5, sec. 83
1920, No. 35, sec. 12

77. (1.) Every person, other than an absentee, who has effected an insurance on his own life for his own benefit or for the benefit of his wife or children shall be entitled to a deduction by way of special exemption from his assessable income of the amount of premiums paid in the income year in respect of that insurance.

(2.) Every person, other than an absentee, who is a contributor to the National Provident Fund, or to any superannuation fund, or to the insurance fund of a friendly society, shall be entitled to a deduction by way of special exemption from his assessable income of the amount of his contributions during the income year.

(3.) The deductions by way of special exemption provided for in this section shall not in any case exceed in the aggregate fifteen per centum of the earned income of the taxpayer, or in cases where the total income of the taxpayer from all sources does not exceed two thousand pounds, then fifteen per centum of that income.

78. The following incomes shall be exempt from taxation :—

(a.) The salary and emoluments of the Governor-General in respect of his office :

(b.) The income, other than income received in trust, of a local authority, or of any public authority other than the Public Trustee and the State Advances Superintendent :

(c.) Income derived from sinking funds in respect of the public debt or of the debt of any local authority :

(d.) The income of a building society under the Building Societies Act, 1908, or of a savings-bank under the Savings-banks Act, 1908

Certain incomes to
be wholly exempt
from taxation.

1916, No. 5, sec. 84
1920, No. 35, sec. 14
1921, No. 25,
secs. 6 and 7

REFER TO INSET APPENDED

- (e.) The income of a separate institution under the Hospitals and Charitable Institutions Act, 1909 : **ADD hereto** (62) REFER TO INSET APPENDED
- (f.) Income derived by any person from any pension under the War Pensions Act, 1915 : **ADD para. (2F) 1929 Inset**
- (g.) Dividends and other profits derived from shares or other rights of membership in companies, other than companies which are exempt from income-tax :
- (h.) Income derived by a person who is not (within the meaning of this Part of this Act) resident in New Zealand, from stock or debentures which have been issued by the Government of New Zealand, or by any local or public authority, or by the Public Trustee acting as the agent of a land-settlement association under the Land Settlement Finance Act, 1909, and the interest on which is payable out of New Zealand :
- (i.) Income derived by the trustees of a superannuation fund :
- (j.) The income of a friendly society, except so far as derived from business carried on beyond the circle of its membership :
- (k.) Income derived by trustees in trust for charitable, religious, educational, or scientific purposes of a public nature within New Zealand, or derived by any society or institution established exclusively for such purposes and not carried on for private pecuniary profit :

Provided that if the aforesaid purposes are not limited to New Zealand the Commissioner may apportion the income in such manner as he deems just and reasonable between such purposes within New Zealand and the like purposes out of New Zealand, and may allow to the trustees, society, or institution a partial exemption accordingly :

- (l.) Income derived by any owner of land in respect of the profits derived from the direct use or cultivation thereof, save that this exemption shall not apply with respect to any profits or gains referred to in paragraphs (d) and (e) of the next succeeding section : **REFER TO INSET APPENDED** Cf. 1908, No. 95, sec. 14 (e) **Refer 1929 Inset**
- (m.) Income expressly exempted from income-tax by any other Act to the extent of the exemption so provided. **REFER TO INSET APPENDED**

79. (1.) Without in any way limiting the meaning of the term, the assessable income of any person shall for the purposes of this Act be deemed to include, save so far as express provision is made in this Act to the contrary,—

Items deemed to be included in assessable income.
1916, No. 5, sec. 85
1917, No. 9, sec. 29
1922, No. 12, sec. 10

- (a.) All profits or gains derived from any business :
- (b.) All salaries, wages, or allowances (whether in cash or otherwise), including all sums received or receivable by way of bonus, gratuity, extra salary, or emolument of any kind, in respect of or in relation to the employment or service of the taxpayer **AND provided hereto**
- (c.) All profits or gains derived from the sale or disposition of land or any interest therein, if the business of the taxpayer comprises dealing in such property, or if the property was acquired for the purpose of selling or otherwise disposing of it at a profit :
- (d.) All profits or gains derived from the extraction, removal, or sale of minerals or timber, whether by the owner of land or by any other person **ADD hereto** (d d) **Refer 1929 Inset**

Cf. 1908, No. 95,
sec. 79 (g)

Refer 1929 Inset

1912, No. 10,
sec. 16 (3)

Provided that in the case of profits or gains derived as aforesaid from the removal or sale of timber or coal a deduction shall be allowed equal to the cost of the timber or coal removed or sold by the taxpayer during the income year :

- (e.) All profits or gains derived from the business of dealing in live-stock, meat, butter, cheese, or wool, or in grain, fruit, or other crops, being the natural products of land (other than flax) carried on by any person other than the owner of that land :

Provided that when the taxpayer is the owner of other land, which being used for purposes of the said business, is not in itself sufficient for the full sustenance of such live-stock or production of such other products, then the Commissioner shall assess for income-tax only the profits derived from dealing in so much of the above-named live-stock or products as is in excess of the capacity of the said land to fully sustain or produce :

- (f.) All rents, royalties, fines, premiums, or other revenues (including payments for or in respect of the goodwill of any business, or the benefit of any statutory license or privilege) derived by the owner of land from any lease, license, or easement affecting the land, or from the grant of any right of taking the profits thereof :

(g.) All interest, dividends, annuities, and pensions :

(h.) Income derived from any other source whatsoever.

(2.) For the purposes of this Act the term "earned income" shall be deemed to include—

(a.) All income as defined in paragraph (b) of the foregoing provisions of this section ; and

(b.) All other income derived from any source by a taxpayer (not being a company, or a public or local authority) by reason of his personal exertions.

80. (1.) In calculating the assessable income derived by any person from any source no deduction shall be made in respect of any of the following sums or matters :—

(a.) The repair of premises, or the repair, alteration, or supply of implements, utensils, or machinery used in the production of income, beyond the sum usually expended in any year for those purposes :

Provided that in cases where depreciation of such implements, utensils, or machinery, whether caused by fair wear-and-tear or by the fact of such implements, utensils, or machinery becoming obsolete or useless, cannot be made good by repair, the Commissioner may allow such deduction as he thinks just :

Provided also that where the Commissioner has, for any year of assessment (whether before or after the coming into operation of this Act) allowed a deduction in respect of the depreciation of any implements, utensils, or machinery, and the taxpayer at any time afterwards sells such implements, utensils, or machinery at a price in excess of the amount to which the value of those assets

How assessable
income to be
calculated.

1916, No. 5, sec. 86
1917, No. 9, sec. 30
1920, No. 35,
secs. 17, 30
1922, No. 12, sec. 11

Refer 1930 Inset

has been reduced by such allowance, the Commissioner may make a revised assessment for that or any subsequent year without allowing such deduction or without allowing such portion thereof as he thinks fit, and may recover the additional amount of income-tax accordingly :

- (b.) Investment, expenditure, loss, or withdrawal of capital ; money used or intended to be used as capital ; money used in the improvement of premises occupied ; interest which might have been made on such capital or money if laid out at interest :
- (c.) Bad debts, except debts which are proved to the satisfaction of the Commissioner to have become bad and to have been actually written off by the taxpayer in the income year :
 Provided that all amounts at any time received on account of any such bad debt shall be credited as income in the year in which they are received, and shall be subject to tax accordingly :
- (d.) Any expenditure or loss recoverable under any insurance or contract of indemnity :
- (e.) Payments of any kind made by a husband to his wife or by a wife to her husband :
- (f.) Rent of any dwellinghouse or domestic offices, save that, so far as such dwellinghouse or offices are used in the production of the assessable income, the Commissioner may allow a deduction of such proportion of the rent as he may think just and reasonable :
- (g.) Land-tax or income-tax :
- (h.) Interest, except so far as the Commissioner is satisfied that it is payable on capital employed in the production of the assessable income.

(2.) In calculating the assessable income of any person deriving such income from one source only, any expenditure or loss exclusively incurred in the production of the assessable income for any income year may be deducted from the total income derived for that year. In calculating the assessable income of any person deriving such income from two or more sources, any expenditure or loss exclusively incurred in the production of assessable income for any income year may be deducted from the total income derived by the taxpayer for that year from all such sources as aforesaid. Save as herein provided, no deduction shall be made in respect of any expenditure or loss of any kind for the purpose of calculating the assessable income of any taxpayer.

81. (1.) Nothing in this section shall apply with respect to any loss incurred by a taxpayer prior to the year commencing on the first day of April, nineteen hundred and twenty-three.

(2.) For the purposes of this section any loss incurred by a taxpayer shall be ascertained in accordance with the provisions of this Act for the calculation of assessable income.

(3.) Notwithstanding anything to the contrary in the last preceding section, any taxpayer who satisfies the Commissioner that he has in any year incurred a loss in any business carried on by him shall be entitled to claim that such loss be carried forward, and, so far as may

REFER: S. 11(3) 1929 No. 11

Losses incurred in business may be set off against profits earned within three following years.

1922, No. 12, sec. 6

be, deducted from or set off against his assessable income for the three following years :

Provided that any relief under this section shall be given so far as possible from the first assessment within the aforesaid period of three years, and, so far as it cannot then be given, shall be given from the next assessment, and so on. *Take in addition 1930 Inset.*

Commissioner may allow deduction in respect of contributions to superannuation fund or benefit fund for employees.

1921, No. 25, sec. 13
1922, No. 12, sec. 13

82. In calculating the taxable income of any employer the Commissioner may allow a deduction of any amount set aside or paid by the employer as or to a fund to provide individual personal benefits, pensions, or retiring-allowances to employees of that employer :

Provided that a deduction shall not be allowed under this section unless the Commissioner is satisfied that the fund has been established or the payment made in such a manner that the rights of the employees to receive the benefits, pensions, or retiring-allowances have been fully secured.

Special exemption in respect of income derived from use of land.

1916, No. 5, sec. 87
1917, No. 9, sec. 31

83. (1.) When any land in which a taxpayer owns an interest, or any portion of such land, has throughout the income year or any portion thereof been actually used by the taxpayer exclusively for the purposes of his business or for the purpose of deriving rent, royalties, or other profits therefrom, he shall be entitled, by way of special exemption, to deduct from the assessable income derived by him during the income year, so far as derived from such use of the land, a sum computed in respect of the period of such use at the rate of five per centum per annum on the ^{unimproved} capital value for the time being of his interest in the land or in the portion thereof so actually used by him, as the case may be, and income-tax shall be assessed and payable accordingly. *Take in addition 1930 Inset.*

Refer 1931 Inset.

(2.) When a taxpayer has so used any land or any portion thereof partly for the purposes aforesaid and partly for other purposes, he shall be entitled to deduct such proportion of the amount which would have been allowable under the last preceding subsection, had the use been exclusively for the purposes aforesaid, as the Commissioner determines, in his discretion, to be justly proportionate to the use so made of the land for the purposes aforesaid.

(3.) When the ^{unimproved} capital value as appearing in the district valuation roll in force under the Valuation of Land Act, 1908, includes the interest of the taxpayer in any other land the Commissioner shall apportion the ^{unimproved} capital value as so appearing on that roll in such manner as he thinks just and reasonable between the two areas of land, and the deduction provided for by this section shall be computed in accordance with that apportionment.

(4.) This section shall apply only to the interests actually owned at law or in equity by the taxpayer, and shall not extend to interests constructively deemed to be owned by him for the purposes of this Act.

REFER TO INSET APPENDED

(5.) For the purposes of this section the term "capital value," with respect to the interest of a taxpayer in any land, has the same meaning as in the Valuation of Land Act, 1908.

Residents in New Zealand liable in respect of income, wherever derived.

1916, No. 9, sec. 88

84. (1.) Subject to the provisions of this Act, all income derived by any person who is resident in New Zealand at the time when he derives that income shall be assessable for income-tax, whether it is derived from New Zealand or from elsewhere.

(2.) Subject to the provisions of this Act, all income derived from New Zealand shall be assessable for income-tax, whether the person deriving that income is resident in New Zealand or elsewhere.

All income assessable if derived from New Zealand.

(3.) Subject to the provisions of this Act, no income which is neither derived from New Zealand nor derived by a person then resident in New Zealand shall be assessable for income-tax.

85. Any company resident in New Zealand and carrying on business exclusively in any of the islands of the Pacific Ocean, not being British possessions, shall be assessable for income-tax only in respect of such part of its income as is received in New Zealand.

Special provisions as to resident companies carrying on business out of New Zealand.

86. (1.) A person other than a company shall be deemed to be resident in New Zealand within the meaning of this Part of this Act if his home is in New Zealand.

1922, No. 12, sec. 7
Place of residence, how determined.
1916, No. 5, sec. 89

(2.) A company shall be deemed to be resident in New Zealand within the meaning of this Part of this Act if it—

(a.) Is incorporated in New Zealand; or

(b.) Has its head office in New Zealand.

(3.) The head office of a company means the centre of its administrative management.

87. Subject to the provisions of the next succeeding section, the following classes of income shall be deemed to be derived from New Zealand:—

Classes of income deemed to be derived from New Zealand.

(a.) Income derived from any business carried on in New Zealand:

Ibid., sec. 90

(b.) All salaries, wages, allowances, and emoluments of any kind earned in New Zealand in the service of any employer or principal, whether resident in New Zealand or elsewhere:

(c.) Income derived by any person as the owner of land in New Zealand:

(d.) Income derived by any person from any mortgage of land in New Zealand:

(e.) Income derived from shares in or membership of a New Zealand company, or from debentures issued by a New Zealand company or by a local or public authority:

(f.) Income derived from debentures or other securities issued by the Government of New Zealand, or from any contract made with that Government:

(g.) Any pension or annuity payable by the Government of New Zealand, or out of any superannuation fund established in New Zealand:

(h.) Income derived from money invested in the Common Fund of the Public Trust Office or the Native Trust Office:

(i.) Income derived from the sale or other disposition of any property, corporeal or incorporeal, situated in New Zealand:

(j.) Income derived from money lent in New Zealand:

(k.) Income derived by a beneficiary under any trust, so far as the income of the trust fund is derived from New Zealand:

(l.) Income derived from contracts made or wholly or partly performed in New Zealand:

(m.) Income derived from the carriage by sea of merchandise, mails, or passengers shipped or embarked in New Zealand:

(n.) Income derived directly or indirectly from any other source in New Zealand.

Apportionment, in cases where income derived partly in New Zealand and partly elsewhere. 1916, No. 5, sec. 91

88. Whenever by reason of the manufacture, production, or purchase of goods in one country and their sale in another, or by reason of successive steps of production or manufacture in different countries, or by reason of the making of contracts in one country and their performance in another, or for any other reason whatever, the source of any income is not exclusively in New Zealand, that income shall be apportioned between its source in New Zealand and its source elsewhere, or attributed to one of such sources to the exclusion of the other, in such manner as may be prescribed by regulations made under this Act; and in default of such regulations, or so far as they do not extend, then in such manner as the Commissioner thinks just and reasonable, having regard to the nature and relative importance of the sources of that income; and the income, so far as so apportioned or attributed to a source in New Zealand, shall be deemed to be derived from New Zealand, and shall be assessable for income-tax accordingly.

Income not derived from New Zealand exempt if chargeable with tax in other part of British dominions. Ibid., sec. 92

89. (1.) Income derived by a person resident in New Zealand but not derived from New Zealand shall be exempt from income-tax if and so far as the Commissioner is satisfied that it is derived from some other country within the British dominions and that it is chargeable with income-tax in that country.

(2.) In determining the country from which income is derived the Commissioner shall apply the same rules, with the necessary modifications, as are applicable in determining whether income is derived from New Zealand.

(3.) In this section "income-tax" means, in respect of any country other than New Zealand, any tax which in the opinion of the Commissioner is substantially of the same nature as income-tax under this Act.

Income credited in account or capitalized, &c., deemed to have been received for purposes of this Act. Ibid., sec. 93

90. For the purposes of this Act every person shall be deemed to have derived income although it has not been actually paid to or received by him, or already become due or receivable, but has been credited in account, or reinvested, or accumulated, or capitalized, or carried to any reserve, sinking, or insurance fund, or otherwise dealt with in his interest or on his behalf.

Special provisions with respect to income of banking companies. Ibid., sec. 94
1917, No. 9, sec. 33
1921, No. 25, sec. 3

91. Notwithstanding anything to the contrary in this Act, the taxable income of a banking company shall in each year be deemed for all the purposes of this Act to be a sum equal to thirty shillings in every hundred pounds of the average of its total assets and liabilities for the four quarters of the year according to the sworn statements published in the *Gazette* as required by law, less an amount equal to the income derived by the banking company on its own account during that year as interest on any debentures or other Government securities if and so far as such income is expressly exempted from income-tax by any Act, and income-tax shall be payable accordingly.

Special provisions aforesaid not applicable in certain cases. 1917, No. 9, sec. 34

92. (1.) The last preceding section shall not apply to a banking company in and for any year during the first ten years after it has commenced to carry on the business of banking in New Zealand if the Commissioner is satisfied that its business of banking in New Zealand for that year has resulted in a loss, or has produced a profit less than the amount of its taxable income for that year, computed in the manner prescribed by the said section.

(2.) In any case where pursuant to this section the taxable income of any banking company is computed otherwise than in the manner

prescribed by the last preceding section, that company shall be assessed and liable for income-tax in the same manner as if it were a company carrying on in New Zealand a business other than the business of banking.

93. Notwithstanding anything to the contrary in this Act, the following provisions shall apply to the income of a company carrying on the business of insurance or guarantee against loss, damage, or risk of any kind whatever, except life assurance :—

Special provisions with respect to income of insurance companies.

1916, No. 5, sec. 95

Cf. 1917, No. 9, sec. 35

Cf. 1918, No. 4, sec. 22

Cf. 1921, No. 5, sec. 7

(a.) The assessable income of such a company shall not include income derived from insurance business carried on out of New Zealand :

(b.) The income of such a company shall not include sums recovered from companies which do not carry on business in New Zealand in respect of losses on risks reinsured with such companies, and no deduction shall be allowed from such income in respect of premiums paid for reinsurance with companies not carrying on business in New Zealand.

REFER TO INSET APPENDED

94. (1.) The corporation sole established under the State Fire Insurance Act, 1908, under the style of "The State Fire Insurance General Manager" shall be liable to income-tax in the same manner in all respects as if it were a company to which the last preceding section applies, save that nothing in paragraph (b) of that section shall apply to the said corporation.

State Fire Insurance Office to pay income-tax.

1917, No. 9, sec. 35

1919, No. 52, sec. 25

(2.) All moneys payable as income-tax by the said corporation shall be paid without further appropriation than this Act out of the State Fire Insurance Account.

95. (1.) Notwithstanding anything to the contrary in this Act, the taxable income of any foreign company carrying on the business of life insurance shall be deemed to be a sum equal to its total income from investments of any kind out of New Zealand held by or on behalf of its New Zealand branch and from investments of any kind in New Zealand, diminished by an amount equal to two per centum of its investments in New Zealand the income from which is not exempt from taxation, and income-tax shall be payable on that sum accordingly.

Special provisions with respect to income of foreign insurance companies.

1916, No. 5, sec. 96

1917, No. 9, sec. 36

1920, No. 35, sec. 19

(2.) The Government Life Insurance Department shall for the purposes of income-tax be deemed to be a New Zealand company, and shall be assessable and chargeable with income-tax accordingly.

Refer 1930 Inset

96. Unless otherwise provided in the annual taxing Act for any year, the amount of income-tax payable by any company carrying on the business of life insurance (other than income-tax payable in respect of income derived from debentures issued by a company or by a local or public authority) shall be one-half the amount that would be payable by the company if this section had not been passed.

Partial exemption of insurance companies from income-tax.

1921, No. 5, sec. 7

1921, No. 25, sec. 10

97. (1.) Notwithstanding anything to the contrary in this Act, if the Commissioner is satisfied that the sole or principal source of the income of a company, whether incorporated in New Zealand or elsewhere, is the business of gold-mining or scheelite-mining in New Zealand, the taxable income derived by that company in any year shall be deemed to be one-half of the total sum paid as dividends during that year to the shareholders of the company, and the company shall be assessed and liable accordingly.

Special provisions as to companies engaged in gold-mining or scheelite-mining.

1916, No. 5, sec. 97

Refer 1931 Inset.

(2.) The term "dividends" includes all sums distributed in any manner and under any name among shareholders of a company on account of profits made by the company.

For purposes of income-tax two or more companies with substantially the same shareholders may be treated as one company.
1920, No. 35, sec. 21

98. (1.) If the Commissioner is satisfied with respect to two or more companies consisting substantially of the same shareholders or under the control of the same persons that the separate constitution of those companies is not *bona fide* for the purpose of more effectively carrying out their objects, but is for the purpose of reducing their taxation, the Commissioner may, for the purposes of income-tax, treat those companies as if they were a single company, and in any such case those companies shall be jointly assessed and jointly and severally liable, with such right of contribution or indemnity between themselves as is just.

(2.) For the purposes of this section two companies shall be deemed to consist substantially of the same shareholders if not less than one-half of the paid-up capital of each of them is held by or on behalf of shareholders in the other. Shares in one company held by or on behalf of another company shall for this purpose be deemed to be held by the shareholders in the last-mentioned company.

Allowance to shareholders and debenture-holders in certain cases.
1917, No. 9, sec. 37
1920, No. 35, sec. 25

99. (1.) If the Commissioner is satisfied with respect to a shareholder in any company liable to income-tax that the total income of that shareholder from all sources, whether in New Zealand or elsewhere, during the income year did not exceed four hundred pounds, the Commissioner may pay to the shareholder an amount equal to the difference between the amount of tax paid or payable by the company in respect of an amount of its income equal to the dividends paid by it to the shareholder and the amount of tax that would have been payable by the shareholder in respect of those dividends if they had formed part of his taxable income :

Provided that no payment shall be made by the Commissioner to any shareholder, pursuant to this section, of such an amount that the total amount received by that shareholder by way of dividends on his shares, together with the payment under this section, shall exceed six per centum of the total amount paid up in respect of his shares.

(2.) If the Commissioner is satisfied with respect to the holder of any debenture or debentures issued by any local or public authority or by any company that the aggregate amount of income-tax paid or payable by or on behalf of the debenture-holder (including the tax paid in respect of interest on debentures) exceeds the amount of tax that would have been payable by him if the interest received by him on those debentures had ^{Take in addition 1920 Inset} formed part of his taxable income, the Commissioner shall, on application by the taxpayer, pay to him the amount of the excess.

(3.) Nothing in the last preceding subsection shall apply with respect to income-tax paid by a company pursuant to any such contract, agreement, or arrangement as is mentioned in section one hundred and seventy-one hereof, and the said subsection (in so far as it applies to tax paid in respect of interest on debentures) is hereby declared to be applicable only to such tax as is paid by the company as the agent of the debenture-holder and is deducted by the company from the interest expressed by the debenture to be payable to the debenture-holder.

(4.) All payments made by the Commissioner under this section may be paid as if they were refunds of tax paid in excess.

100. In calculating the assessable income of any co-operative company incorporated in New Zealand and having for its object or one of its objects the manufacture of cheese, dried milk, or butter, there shall be deductible from the gross income of the company, in so far as it is derived from the treatment, manufacture, and sale of products of milk, an amount equal to the amount paid or payable by the company during the income year to suppliers of milk to the company, so far as such amount is paid or payable in respect of milk or butterfat supplied and is apportioned among the suppliers in proportion to the quantity of milk or butterfat supplied by them.

Special provisions with respect to income of co-operative dairy companies.

1921, No. 25, sec. 5

REFER TO INSET APPENDED

101. (1.) When income is derived by two or more persons jointly as partners, co-trustees, or otherwise the following provisions shall apply:—

Special provisions with respect to income derived jointly by partners, co-trustees, &c.

1916, No. 5, sec. 98
1922, No. 12, sec. 14

(a.) In the case of trustees, they shall make a return of that income, and shall be jointly assessable thereon and jointly and severally liable for the tax so assessed:

(b.) In the case of partners—

(i.) They shall make a joint return of the income of the firm, setting forth the amount of that income and the shares of the several partners therein:

(ii.) Each partner shall make a separate return of all income derived by him and not included in any such joint return:

(iii.) There shall be no joint assessment, but each partner shall be separately assessed and liable for the tax payable on his total income, including his share of the income of any firm in which he is a partner:

(c.) In any case other than that of co-trustees or partners, each person by whom income is so derived shall include in his return the amount of his share in the joint income, and shall be assessed and liable accordingly.

(2.) For the purposes of this Act a husband and wife carrying on business together shall not be deemed to be carrying on business as partners, unless in fact they are carrying on business under a deed of partnership.

102. With respect to income derived by a trustee the following provisions shall apply:—

Special provisions with respect to income derived by trustees.

1916, No. 5, sec. 99
1920, No. 35, sec. 20

(a.) If and so far as the income of the trustee is also income derived by a beneficiary entitled in possession to the receipt thereof under the trust during the same income year, the trustee shall in respect thereof be deemed to be the agent of that beneficiary, and shall be assessable and liable for income-tax thereon accordingly, and all the provisions of this Act as to agents shall, so far as applicable, apply accordingly:

(b.) If and so far as the income of the trustee is not also income derived by any beneficiary as aforesaid, the trustee shall be assessable and liable for income-tax on that income in the same manner as if he was beneficially entitled thereto, save that the rate of tax shall be computed by reference to that income alone, and that, except as otherwise provided herein,

the trustee shall not be entitled to any deduction by way of special exemption under sections seventy-four to seventy-seven of this Act. In any case where income is held by the trustee in trust for the maintenance and education of children the same deductions by way of special exemption shall be allowed as if the trustee were beneficially entitled and as if the children were the children of the trustee:

- (c.) The trustee shall in every case make a return of the whole income so derived by him as trustee, and each such return shall be separate and distinct from any return of income derived by him under any other trust or in his own right:
- (d.) Nothing in this section shall be so construed as to exempt a beneficiary from any income-tax which would be payable by him had he derived the income to which he is entitled under the trust directly instead of through a trustee.

Special provisions as to resident agents of principals resident or carrying on business out of New Zealand.

1916, No. 5, sec. 100

103. When any person in New Zealand, on behalf of a principal resident or carrying on business out of New Zealand, is instrumental in procuring the purchase from that principal of goods or merchandise which are in New Zealand or are to be imported into New Zealand in pursuance or in consequence of such purchase, whether the contract of purchase is made in New Zealand or elsewhere, the principal shall in respect of the sale by him of such goods or merchandise be deemed to be carrying on business in New Zealand through the agency of that person; and the income derived from such business shall be deemed to be derived from New Zealand, in the same manner and to the same extent as if the contract had been made in New Zealand, and shall be assessable for income-tax accordingly, and the agent shall make returns and pay tax accordingly.

Special provisions as to commission agents.

Ibid., sec. 101

104. (1.) In this section the term "commission agent" means any person who carries on in New Zealand by himself or by any person on his behalf the business of making commission agency contracts in New Zealand or of procuring such contracts to be made with him elsewhere.

"Commission agency contract" defined.

(2.) In this section the term "commission agency contract" means a contract by which any person is authorized to sell out of New Zealand any goods or merchandise on commission or otherwise on behalf of any person resident or carrying on business in New Zealand.

(3.) The income derived by any commission agent in the performance out of New Zealand of commission agency contracts so made or procured in New Zealand shall, subject to any apportionment which may be made under this Act in respect of its source out of New Zealand, be deemed to be derived by him from the business so carried on in New Zealand, and income-tax shall be payable thereon accordingly.

Provisions as to principal and agent in certain cases.

1920, No. 35, sec. 22

105. When the Commissioner is satisfied that any person carrying on business in New Zealand (herein called the agent) is so far under the control of any other person carrying on business in New Zealand or elsewhere (herein called the principal) that the relation between them is in effect that of agent and principal, he may treat the first-mentioned business as that of the principal, and as being carried on by the agent on his behalf, and may require returns to be made, and may make assessments accordingly, and the principal and agent shall be liable for income-tax accordingly.

106. (1.) Where any person in New Zealand enters into a contract of insurance or guarantee against loss, damage, or risk of any kind whatever (not being a contract of life insurance) with any person or foreign company not carrying on business in New Zealand, such last-mentioned person or such company shall be liable to income-tax at a rate of five per centum of the amount of premium paid or payable by such first-mentioned person in respect of such contract.

Income-tax payable in respect of contracts of insurance effected with persons or foreign companies not carrying on business in New Zealand.

1921, No. 25, sec. 9
1922, No. 12, sec. 12

(2.) Where the amount of premium paid or payable in respect of any such contract is not disclosed, the amount shall be deemed to be the same amount as would be chargeable in respect of a similar contract of insurance or guarantee effected with a company carrying on business in New Zealand.

(3.) Every person who enters into a contract of insurance or guarantee as aforesaid shall for the purposes of this Act be deemed to be the agent of the person or foreign company with whom such contract is made, and shall make returns and be assessable and liable for income-tax accordingly.

(4.) Every person who exports any goods from New Zealand shall, on making entry therefor under the Customs Acts, state in the entry whether or not such goods are insured, and, if so, the name and description of the person or company with whom such goods are insured, and the amount of the premium payable in respect thereof.

(5.) A copy of every such entry shall forthwith be transmitted to the Commissioner by the Collector of Customs.

107. (1.) When income is derived by any person in any year by way of fines, premiums, or payment for goodwill on the grant of a lease, or in any other like manner by way of anticipation, the Commissioner may, if he thinks fit in his discretion, at the request of that person during the next succeeding year, apportion that income between the income year and any number of subsequent years not exceeding five, and the part so apportioned to each of those years shall be deemed to have been derived in that year, and shall be assessable for income-tax accordingly.

Income received in anticipation may be apportioned by Commissioner.

1916, No. 5, sec. 103

(2.) Any such apportionment may be at any time cancelled by the Commissioner, and thereupon the income so apportioned or the part thereof on which income-tax has not yet been paid shall become assessable for income-tax as if derived during the year preceding that in which the apportionment was so cancelled.

(3.) Any such apportionment made before the coming into operation of this Act under the corresponding provisions of any Act hereby repealed shall be deemed to have been made under this Act, and shall operate accordingly.

108. (1.) This section applies to the following persons :—

(a.) An agent :

(b.) A non-resident trader :

(c.) A person who is believed by the Commissioner to be about to leave New Zealand or to be about to discontinue the carrying-on of business in New Zealand :

(d.) A person who has ceased to carry on business in New Zealand or to derive assessable income :

Commissioner may in certain cases demand special returns, and make special assessments and levies of income-tax.

Ibid., sec. 104

(e.) The executors or administrators of a deceased taxpayer in respect of income derived by him in his lifetime :

(f.) A person who has become bankrupt, or a company which is in course of being wound up.

(2.) The Commissioner may, if he thinks fit, at any time during the income year or in any subsequent year, and either before or after the passing of the annual taxing Act or the due date of tax, require any person to whom this section applies to make a return of income derived from any specified transaction or transactions, or during any specified period, and may assess him for income-tax on the income so returned ; or, when default is made in making such return, or the Commissioner is dissatisfied therewith, then on such sum as the Commissioner thinks reasonable, and shall give notice of the assessment to the person so assessed.

(3.) Any person so assessed shall have the same right of objection as if he had been assessed in the ordinary course.

(4.) Tax so assessed shall be payable on demand, which may be made in and by the notice of assessment or at any later date, and the tax shall be recoverable in the same manner as income-tax assessed in the ordinary course.

(5.) If any such assessment of income derived in any year is made before the passing of the annual taxing Act by which the rate of tax payable on such income is fixed, the tax shall be assessed at the rate fixed by the annual taxing Act last passed before the date of the assessment.

(6.) No assessment made under this section shall in any manner preclude a subsequent assessment of the same person in the ordinary course in respect of the whole of the income derived by him during the income year with respect to which the assessment under this section was made, but in such case the tax paid under the earlier assessment shall be credited in the subsequent assessment.

109. (1.) In respect of the sale or purchase of goods, a non-resident agent shall not act as agent, and a non-resident trader shall not carry on business, unless that agent or trader is the holder of a warrant in that behalf issued in the prescribed form by the Commissioner or by a Collector of Customs.

(2.) A warrant so issued may be at any time revoked by the Commissioner by notice given to the holder.

(3.) In every case in which a warrant is issued by a Collector of Customs he shall forthwith notify the Commissioner of the issue thereof.

(4.) In all proceedings against any person for a breach of this section it shall be for the defendant to prove that he is the holder of a warrant.

110. (1.) The Commissioner may at any time and from time to time require any non-resident trader or non-resident agent to give security by way of bond, deposit, or otherwise, to the satisfaction of the Commissioner, for the payment of any income-tax which may become payable by him.

(2.) After security has been so demanded, and before it has been duly given, it shall not be lawful for the non-resident trader to carry on business or for the non-resident agent to act as an agent, except with the leave of the Commissioner.

Non-resident agents and non-resident traders not to carry on business without warrant of Commissioner.

1916, No. 5, sec. 105

Commissioner may require non-resident agent or non-resident trader to give security.

Ibid., sec. 106

PART VII.

AGENTS.

111. In this Part of this Act the term "absentee" means—

- (a.) Any person (other than a company) who is for the time being out of New Zealand :
- (b.) Any foreign company unless it has a fixed and permanent place of business in New Zealand at which it carries on business in its own name :
- (c.) Any foreign company which is declared by the Commissioner to be an absentee for the purposes of this Act by notice given to that company or to its agent or attorney in New Zealand, so long as that declaration remains unrevoked.

"Absentee" defined.
1916, No. 5, sec. 107

112. Every person who in New Zealand carries on any business for and on behalf of a principal who is an absentee shall for the purposes of this Act be the agent of that principal in respect of all income derived by the principal through the business so carried on in New Zealand by means of that agent, and the agent shall make returns and be assessable and liable for income-tax on that income accordingly, whether the income comes to the hands of the agent or not.

Liability of agent of absentee principal to make returns and pay tax.
Ibid., sec. 108

113. Every person who in New Zealand has the receipt, control, or disposal of any income derived by a principal who is an absentee shall for the purposes of this Act be the agent of the principal in respect of that income, and shall make returns and be assessable and liable for income-tax on that income accordingly.

Person having disposal of income deemed to be the agent of absentee principal.
Ibid., sec. 109

114. Every person who in New Zealand carries on business in partnership with an absentee shall for the purposes of this Act be the agent of that absentee in respect of his share of the income of the business, and shall make returns and be assessable and liable for income-tax accordingly.

Partner of absentee deemed to be his agent.
Ibid., sec. 110

115. (1.) When an absentee, by means of any ship owned by him or under charter to him, carries on the business of the carriage of merchandise, mails, or passengers, the master of that ship shall (though not to the exclusion of any other agent) be the agent of that absentee for the purposes of this Act in respect of all assessable income so derived by the absentee, and shall be assessable and liable for income-tax accordingly.

Master of ship deemed to be the agent of absentee owner.
Ibid., sec. 111

(2.) Pending the payment of any tax assessed against such an absentee or against any person who is his agent for the purposes of this Act, a Collector of Customs shall, on the requisition of the Commissioner, withhold the clearance of the ship in respect of which the tax is payable.

116. (1.) Save as otherwise provided in the next succeeding section, every company which has issued debentures, whether charged on the property of the company or not, shall for the purposes of this Act be the agent of all debenture-holders, whether absentees or not, in respect of all income derived by them from those debentures, and shall make returns and be assessable and liable for income-tax on that income accordingly.

Company deemed to be agent of debenture-holders.
Ibid., sec. 112

(2.) No deduction by way of special exemption or otherwise shall be allowed to the company as such agent, or to any debenture-holders, in respect of the income so derived from debentures.

(3.) Income so derived by debenture-holders in companies shall be assessable and chargeable with income-tax separately from income derived by the debenture-holders from other sources, and at the rate prescribed by the annual taxing Act as appropriate to income so derived.

(4.) Income derived from debentures held by a banking company shall not be liable to income-tax under this section.

Special provisions as to floating-rate of interest on debentures.
1920, No. 35, sec. 26

117. (1.) Where in any debenture issued by a company, whether before or after the coming into operation of this Act, the rate of interest payable in respect thereof is not specifically determined, but is determinable from time to time by reference to the dividend payable by the company or otherwise howsoever, the interest paid on the debenture shall be computed as part of the assessable income of the company and not of the debenture-holder.

(2.) The provisions of the last preceding section shall not apply with respect to any such debenture or to the interest paid or payable thereunder.

Local and public authorities to be agent of debenture-holders.
Ibid, sec. 24

118. (1.) Save as provided in the next succeeding section, every local or public authority which has issued debentures shall for the purposes of this Act be the agent of all debenture-holders, whether absentees or not, in respect of all income derived by them from those debentures, and shall make returns and be assessable and liable for income-tax on that income accordingly.

(2.) No deduction by way of special exemption or otherwise shall be allowed to any local or public authority as such agent, or to any debenture-holders, in respect of the income so derived from debentures.

(3.) Income so derived by the holders of debentures issued by a local or public authority shall be assessable and chargeable with income-tax separately from income derived by the debenture-holders from other sources, and at the rate prescribed by the annual taxing Act as appropriate to income so derived.

(4.) Nothing in this section shall be so construed as to render liable to income-tax any income that is exempt from taxation by virtue of section seventy-eight of this Act.

(5.) Income derived from debentures held by a banking company shall not be liable to income-tax under this section.

As to debentures issued by public or local authorities.
1921, No. 25, sec. 8

119. (1.) The duty to act as the agents of debenture-holders, imposed on local and public authorities by the last preceding section, shall not apply with respect to any debentures issued by any such local or public authority which has supplied to the Commissioner, before it has been assessed in any year for income-tax in respect of the income derived from such debentures, a certified list specifying the numbers of the debentures or other particulars sufficient to identify them, the names, addresses, and descriptions of the persons to whom the debentures have been issued, and such other particulars as may be prescribed.

(2.) Where any such list is supplied the person named therein as the holder of any debentures shall be personally responsible for the making of returns, and shall be assessable and liable for income-tax (though not to the exclusion of any other person) in respect of the income derived from those debentures at the rate fixed in respect thereof, unless and until he satisfies the Commissioner, before he has

been assessed for income-tax in any year, that he has transferred or assigned the debentures, and has given notice to the Commissioner in the prescribed form of the name, address, and description of the transferee or assignee.

(3.) Every person being the transferee or assignee of any debentures shall in like manner remain personally liable in respect thereof (though not to the exclusion of any other person), unless and until he has given notice to the Commissioner in the prescribed form of the transfer or assignment of the same.

(4.) Any tax paid by the former holder of any debentures in respect of the income derived therefrom by a subsequent holder shall be deemed to be paid on behalf of that subsequent holder so far as it does not exceed the tax to which the subsequent holder might himself have been liable in respect of such debentures, and may be recovered by the former holder from such subsequent holder accordingly.

120. A New Zealand company which is exempt from income-tax shall be the agent of all shareholders or members who are absentees, and the company shall make returns and be assessable accordingly on all dividends and other profits paid or credited by the company to such shareholders or members at any time while they are absentees.

Company deemed to be the agent of absentee shareholders.
1916, No. 5, sec. 113

121. Every banking company, and every other company, local or public authority, or other person, who in the course of business receives or holds money by way of deposit and allows interest thereon shall for the purposes of this Act be the agent of all depositors who are absentees, and shall make returns and be assessable and liable for income-tax accordingly on any interest which is paid or credited to a depositor while he is an absentee, if that interest exceeds fifty pounds in any year.

Banking company to be the agent of absentee depositors.
Ibid., sec. 114

122. Every non-resident trader shall for the purposes of this Act be the agent of all persons in his employment in New Zealand in respect of the salary, wages, or other emoluments received by them, and shall make returns and be assessable and liable for income-tax thereon accordingly. ~~make in addition 1926 Inset~~

Non-resident trader deemed to be the agent of persons employed by him in New Zealand.
Ibid., sec. 115

123. Any tenant, mortgagor, or other person who transmits from New Zealand to any landlord, mortgagee, or other creditor, being an absentee, any rent, interest, or other moneys being income derived by that absentee from New Zealand, shall for the purposes of this Act be the agent of that absentee in respect of all moneys so transmitted by him at any time after the Commissioner has given notice to him that he is accountable as the agent of that absentee, and he shall in respect of all such moneys make returns and be assessable and liable for income-tax accordingly.

Tenant, mortgagor, or other debtor deemed to be the agent of absentee landlord, mortgagee or other creditor.
Ibid., sec. 116

124. Every person who, as guardian, committee, or otherwise, has the receipt, control, or disposition of any income derived by a person under any legal disability shall for the purposes of this Act be the agent of that person in respect of that income, and shall make returns and be assessable and liable for income-tax accordingly.

Guardian of person under disability deemed to be his agent.
Ibid., sec. 117

125. Every person who on the thirty-first day of March in any year has the control or management of any land, or the receipt, control, or disposal of the rents or profits thereof, on behalf of an owner of that land who is an absentee or is under any legal disability, shall for the

Person having control of land or of rents and profits deemed to be the agent of absentee owner.
Ibid., sec. 118

purposes of this Act be the agent of the owner in respect of land-tax payable in and for the next succeeding year, and shall make returns and be assessable and liable for that tax accordingly.

Agents to be personally liable for payment of tax.
1916, No. 5, sec. 119

126. (1.) Every agent shall be personally liable for the tax on the land or income in respect of which he is an agent.

(2.) When the Commissioner is satisfied that an agent has no moneys of his principal with which he can pay the tax, and that he has not paid away any such moneys after notice of the assessment of the tax, and that immediate enforcement of payment by the agent would be a cause of hardship, the Commissioner may allow the agent such further period for the payment thereof, not exceeding six months after the date of the notice of assessment, as the Commissioner thinks necessary, and the additional tax imposed by section one hundred and thirty-five of this Act on taxpayers in default shall not accrue until the expiry of the period so allowed.

Agent to make returns and to be assessed as if he were the principal.
Ibid., sec. 120

127. Every agent shall make returns of the land and income in respect of which he is an agent, and shall be assessed thereon in the same manner as if he was the principal, save that he shall be entitled to no special exemption other than such exemption (if any) as his principal may be entitled to.

Rate and amount of tax payable by agent, how determined.
Ibid., sec. 121

128. Except where otherwise expressly provided by this Act, the rate of tax for which an agent shall be so assessed and liable shall be determined by reference to the total taxable land or income of the principal, but it shall be charged and payable only on the land or income in respect of which the agency exists, and in the same proportion which that land or income bears to the total taxable land or income of the principal.

Liability of principal not affected by obligation imposed on agent.
Ibid., sec. 122

129. (1.) Nothing in this Act relating to an agent shall be so construed as to release the principal from liability to make returns and to be assessed and chargeable with tax.

(2.) No assessment of the agent shall preclude an assessment of the principal for the same tax, nor shall an assessment of the principal preclude an assessment of the agent for the same tax, and the principal and agent shall be jointly and severally liable for all tax for which the agent is liable.

(3.) When two or more persons are liable to be assessed as agents in respect of the same tax, they shall be jointly and severally liable therefor.

Agent may recover from principal amount of tax paid by him.
Ibid., sec. 123

130. When an agent pays any tax he may recover the amount so paid from his principal, or may deduct the amount from any moneys in his hands belonging or payable to his principal.

Agent may retain from moneys of principal amount required for payment of tax.
Ibid., sec. 124

131. An agent may from time to time during the year preceding the year of assessment, or at any later time, retain out of any moneys belonging or payable to his principal such sums as may reasonably be deemed sufficient to pay the tax for which the agent is or may become liable.

Assessment of Commissioner deemed sufficient authority for payment of tax by agent.
Ibid., sec. 125

132. An assessment made by the Commissioner shall, as between an agent and his principal, be a sufficient authority for the payment by the agent of the tax so assessed, and the agent shall be entitled as against his principal to reimbursement accordingly.

PART VIII.

PAYMENT AND RECOVERY OF TAX.

133. (1.) Land-tax and income-tax shall, except where expressly made payable on demand by any provisions of this Act, be due and payable on such respective dates as are appointed in that behalf by the Governor-General in Council, and the Commissioner shall in each case give not less than fourteen days' public notice of the date so appointed.

Governor-General in Council to fix dates for payment of taxes: 1916, No. 5, sec. 126

(2.) Such notice shall be given by the publication thereof in the *Gazette* and in such other manner (if any) as the Commissioner thinks necessary and sufficient.

Notice to be gazetted.

134. (1.) Any taxpayer, on production to the Commissioner or other proper officer of a notice of assessment of income-tax for any year, may pay in advance the sum or any portion of the sum therein charged as income-tax for that year. Every person who makes any such payment in advance shall, subject to the provisions of this section and to such conditions as may be prescribed, be entitled to interest on the amount of such payment at the maximum rate for the time being allowed on deposits in the Post Office Savings-bank for the period commencing on the date of payment and ending on the day appointed as the due date of payment.

Allowance by way of interest on income-tax paid in advance.

1921, No. 25, sec. 12

ADD hereto

REFER TO INSET APPENDE

Provided that interest shall not be allowed under this section save in respect of an amount of ten pounds or a multiple of ten pounds, or in any case unless the tax is paid not less than three months before the due date of payment.

(2.) Where on the date of any payment as aforesaid the due date of payment has not been appointed, the due date of payment shall, subject to the next succeeding subsection, be deemed to be the date corresponding with the due date for the last preceding year.

(3.) On the appointment of the due date for the payment of any tax the Commissioner shall, on the request in writing of the taxpayer, make any adjustment that may be necessary in the amount of any allowance theretofore made under this section.

135. (1.) Subject to the provisions of this section, if any tax remains unpaid at the expiration of twenty-one days after the due date thereof (whether already assessed or not), or after the date of demand, as the case may be, five per centum on the amount of the tax unpaid shall be and be deemed to be added thereto by way of additional tax, and shall be payable accordingly.

If default made in payment of tax, additional amount to be charged.

1916, No. 5, sec. 127
1920, No. 35, sec. 28

(2.) In any case in which an assessment is not made until after the due date of the tax, or is increased after the due date of the tax, and the Commissioner is satisfied that the taxpayer has not been guilty of wilful neglect or default in making due and complete returns for the purposes of that tax, the Commissioner shall in his notice to the taxpayer of the assessment or amended assessment, or in any subsequent notice, fix a new date for the payment of the tax or of the increase, as the case may be, and the date so fixed shall be deemed to be the due date of that tax or increase for the purposes of the last preceding subsection.

(3.) Where the taxpayer is resident beyond New Zealand and has no agent in New Zealand, the Commissioner shall, before charging the additional tax as aforesaid, grant such further time, not exceeding six months after the due date of the tax, as he may deem necessary.

Mode of recovery of unpaid tax.

1916, No. 5, sec. 128

Procedure in Supreme Court where defendant absent from New Zealand.

Ibid., sec. 129

Procedure in Magistrate's Court where defendant absent from New Zealand.

Ibid., sec. 130

Notice to be given by defendant of intention to defend action in

Magistrate's Court.

Ibid., sec. 131

Particulars of claim or demand to be stated by Commissioner.

Ibid., sec. 132

Commissioner may appear, in legal proceedings, by officer of Public Service.

Ibid., sec. 133

Costs against Commissioner.

Ibid., sec. 134

Proceedings not affected by vacancy or change in office of Commissioner.

Ibid., sec. 135

136. All unpaid tax shall be recoverable in any Court of competent jurisdiction by the Commissioner on behalf of the Crown by suit in his official name.

137. In any action in the Supreme Court for the recovery of tax from a defendant absent from New Zealand the Supreme Court may grant leave to serve the writ out of New Zealand, or to proceed without service in the same manner as may be provided in other cases by the Rules of the Supreme Court for the time being in force, save that no security shall be required from the Commissioner.

138. In an action in a Magistrate's Court for the recovery of tax, if the defendant is absent from New Zealand or cannot after reasonable inquiry be found, service of the summons may with the leave of a Magistrate be effected by posting a duplicate or sealed copy thereof in a letter addressed to the defendant at his present or last known place of abode or business, whether in New Zealand or elsewhere.

139. In an action in a Magistrate's Court for the recovery of tax, if the summons is served on the defendant at least thirty days before the day appointed for hearing, then unless within the time limited by law for filing a notice of intention to defend an action in that Court notice of that intention is duly filed by or on behalf of the defendant, judgment shall be given for the amount claimed and costs without allowing any defence, and without it being necessary for the Commissioner or any one on his behalf to appear in Court or to prove the liability of the defendant.

140. In an action in any Court for the recovery of tax it shall be sufficient if the particulars of claim or demand state the amount sought to be recovered and the date on which the same became payable, and such further particulars (if any) as the Commissioner thinks necessary in order fully to inform the defendant of the nature of the claim.

141. In all proceedings in a Magistrate's Court on objection to an assessment of tax, and in any action in a Magistrate's Court for the recovery of tax, the Commissioner may, if he thinks fit, appear by some officer in the Public Service, and the statement of any person so appearing that he is such an officer and that he appears for the Commissioner shall be sufficient evidence of the facts so stated and of his authority in that behalf.

142. In all proceedings in any Court for the recovery of tax costs may be awarded to or against the Commissioner in the same manner as in other cases, but all costs so awarded against the Commissioner shall be payable out of moneys appropriated by Parliament, and not otherwise.

143. No action instituted by the Commissioner for the recovery of tax, and no proceedings on objection to an assessment of tax, shall abate by reason of any vacancy in the office of Commissioner, or shall be deemed defectively constituted by reason of any change in the holder of that office, and every such action or proceeding shall be continued in the ordinary course as if the Commissioner and his successors in office were a corporation sole.

144. No statute of limitations shall bar or affect any action or remedy for the recovery of tax.

No limitation of action to recover tax.

145. Nothing in this Act shall be so construed as to limit or affect the operation of the Crown Suits Act, 1908, and all rights and remedies conferred upon the Crown by that Act and by this Act shall coexist, and may be exercised independently of one another, and tax may be recovered accordingly.

1916, No. 5, sec. 136
Crown Suits Act not affected by this Act.
Ibid., sec. 137

146. Whenever, after reasonable inquiry to the satisfaction of the Commissioner, the name of the owner of any land cannot be ascertained the following provisions shall apply:—

Special provisions where name of owner of land not known.

(a.) He shall be assessed for land-tax under the designation of "the owner" of that land:

Ibid., sec. 138

(b.) Proceedings for the recovery of such tax may be taken and judgment may be given against him and enforced under the designation aforesaid:

(c.) Good service of any notice, summons, or writ may be effected on him by affixing the same or a sealed copy or duplicate thereof on a conspicuous part of any land to which the tax relates, any Act or rule of Court to the contrary notwithstanding.

147. (1.) When land-tax has been assessed and has become due and payable in respect of any land, and the taxpayer has made default in payment thereof, the Commissioner may thereupon or at any time thereafter, so long as such default continues, by notice in writing, demand payment of the tax from any of the following persons, who shall thereupon become personally liable in the same manner as the taxpayer:—

Recovery of land-tax from persons other than owner of land.

Ibid., sec. 139

(a.) Any person who is at the time of demand the owner at law or in equity of the estate or interest in respect of which the tax was assessed, as the successor in title of the taxpayer:

(b.) Any person who is at the time of demand a tenant of the land, holding under the taxpayer or his successor in title:

(c.) Any person who is at the time of demand a mortgagee of the estate or interest in respect of which the tax was assessed.

(2.) If the land so held by a successor in title or tenant, or so subject to a mortgage, is only part of the land in respect of which the tax was assessed, the tax shall for the purposes of this section be apportioned by the Commissioner in such manner as he deems just, and the liability of the successor in title, tenant, or mortgagee shall be determined accordingly.

REFER TO INSET APPENDED

(3.) All payments made under this section by any person on whom demand has been so made shall be deemed to be made on behalf of the taxpayer.

148. Every person who in pursuance of this Act pays any tax for or on behalf of any other person shall be entitled to recover the same from that other person as a debt, or to retain or deduct the same out of or from any money which is or becomes payable by him to that other person; and if he has paid the same as mortgagee, then, until repaid, it shall be deemed to form part of the moneys secured by the mortgage, and shall bear interest at the same rate accordingly.

Tax paid by one person on behalf of another may be recovered as a debt.

Ibid., sec. 140

PART IX.

PENALTIES.

Penalty for failure
to furnish returns,
&c.
1916. No. 5, sec. 141

149. Every person who—
- (a.) Refuses or fails to furnish any return or information as and when required by this Act or the regulations made thereunder, or by the Commissioner; or
 - (b.) Wilfully or negligently makes any false return, or gives any false information, or misleads or attempts to mislead the Commissioner, in relation to any matter or thing affecting his own or any other person's liability to taxation; or
 - (c.) Refuses or fails without lawful justification to duly attend and give evidence when required by the Commissioner, or to truly and fully answer any question put to him, or to produce any book or paper required of him; or
 - (d.) Obstructs any officer acting in the discharge of his duties or in the exercise of his powers under this Act; or
 - (e.) Commits any other offence against this Act or against any regulation made thereunder for which no other penalty is expressly provided; or
 - (f.) Aids, abets, or incites any other person to commit any offence against this Act or against any regulation made thereunder—
- is liable to a fine not exceeding one hundred pounds and not less than two pounds.

Fines recoverable
summarily on
information of
Commissioner.
Ibid., sec. 142

150. All fines under this Act shall be recoverable by way of summary prosecution, and only upon the information of the Commissioner or Deputy Commissioner, or of some person authorized in writing by the Commissioner in that behalf, and the signature of the Commissioner to any warrant of authority under this section shall be judicially noticed.

Information may be
laid within four
years.
Ibid., sec. 143

151. Notwithstanding anything in the Justices of the Peace Act, 1908, or in any other Act to the contrary, any information in respect of any offence against this Act or against any regulation made thereunder may be laid at any time within four years after the termination of the year in which the offence was committed.

Penal tax payable
in case of evasion
or attempted
evasion.
Ibid., sec. 144

152. If any taxpayer evades, or attempts to evade, or does any act with intent to evade, or makes default in the performance of any duty imposed upon him by this Act or the regulations thereunder with intent to evade, the assessment or payment of any sum which is or may become chargeable against him by way of tax (which sum is hereinafter referred to as the deficient tax), he shall be chargeable, by way of penalty for that offence, with additional tax (hereinafter called penal tax) equal to treble the amount of the deficient tax.

Nature of penal tax.
Ibid., sec. 145

153. Subject to the provisions of this Part of this Act, penal tax shall for all purposes be deemed to be tax of the same nature as the deficient tax, and shall be deemed to be payable in and for the same year of assessment as the deficient tax.

Assessment of penal
tax.
Ibid., sec. 146

154. The penal tax shall be assessed by the Commissioner in the same manner, so far as may be, as the deficient tax, but separately therefrom.

155. (1.) Any such assessment of penal tax shall be subject, in the same manner as any other assessment of tax, to objection on the ground that the person so assessed is not chargeable with penal tax, or on the ground that the amount so assessed is excessive.

Objections to penal tax.
1916, No. 5, sec. 147

(2.) All the provisions of this Act as to objections shall apply to an objection to an assessment of penal tax, save that the burden of proving the offence in respect of which penal tax is chargeable shall lie upon the Commissioner.

156. (1.) An assessment of penal tax may be made and the tax so assessed shall be recoverable at any time whether before or after the passing of the annual taxing Act by which the rate of the deficient tax is determined, and whether before or after the deficient tax has been assessed, or become assessable or payable, or has been paid.

Recovery of penal tax.
Ibid., sec. 148

(2.) When an assessment of penal tax is made before the passing of the annual taxing Act by which the rate of the deficient tax is determined, the deficient tax shall for that purpose be estimated by reference to the rate determined by the last preceding annual taxing Act.

157. (1.) Penal tax shall be assessable against and recoverable from the executors or administrators of a deceased taxpayer, but, if so assessed, the amount thereof shall be recoverable only as a debt incurred by the deceased in his lifetime.

Recovery of penal tax from executors or administrators of deceased taxpayer.
Ibid., sec. 149

(2.) No penal tax shall be recoverable from any person other than the taxpayer himself, or his executors or administrators.

158. An assessment of penal tax may be amended from time to time in the same manner as any other assessment.

Amendment of assessment of penal tax.
Ibid., sec. 150

159. No assessment of penal tax shall be made or increased at any time after the expiration of four years after the year of assessment of the deficient tax.

Penal tax not to be assessed after expiration of four years from date of assessment of deficient tax.
Ibid., sec. 151

160. The assessment or recovery of penal tax in respect of any offence shall not be in any manner barred or affected by the fact that the taxpayer has been convicted under this Act of the same or any other offence; but no person who has paid the penal tax assessed against him for any offence shall be thereafter convicted of the same offence.

Recovery of penal tax not affected by conviction of taxpayer for offence under Act.
Ibid., sec. 152

PART X.

GENERAL.

161. (1.) The Commissioner may, by notice in writing, require any person, whether a taxpayer or not, to attend and give evidence before him, or before any officer authorized by him in that behalf, concerning any land, income, return, or assessment, and to produce all books and documents in that person's custody or under his control relating thereto.

Conduct of inquiries by Commissioner for purposes of Act.
Ibid., sec. 154

(2.) The Commissioner may require such evidence to be given on oath, and either verbally or in writing, and for that purpose he or the officer authorized as aforesaid may administer an oath.

162. The Commissioner or any officer authorized by him in that behalf shall at all times have full and free access to all lands, buildings, places, books, and documents for the purpose of inspecting the same in the execution of his office, and for this purpose may make extracts from or copies of any such books or documents.

Commissioner to have free access to lands, buildings, books, documents, &c., for purposes of Act.
Ibid., sec. 155

Information to be furnished on request of Commissioner.

1916, No. 5, sec. 156

Employers to make returns as to persons employed by them.

Ibid., sec. 157

Banking companies to make returns of amounts paid by way of interest on deposits.

Ibid., sec. 158

Companies, &c., to make returns as to debentures issued and interest paid thereon.

Ibid., sec. 159

Declarations made for purposes of land and income tax to be exempt from stamp duty.

1921, No. 5, sec. 9

Excess tax may be refunded within three years.

1916, No. 5, sec. 160

1920, No. 35, sec. 29

In case of serious hardship, Commissioner may release taxpayer wholly or in part.

1916, No. 5, sec. 161

Agreements purporting to alter the incidence of taxation to be void.

Ibid., sec. 162

Provisions applicable where companies profess to issue debentures free of income-tax.

1921, No. 25, sec. 4

163. Every person shall from time to time, as required by the Commissioner, furnish in writing any information or produce any books or documents relating to any land, income, return, or assessment (including lists of shareholders of companies, with the amount of capital contributed by and dividends paid to each shareholder, and also copies of balance-sheets and of profit and loss and other accounts) which may be in his knowledge, possession, or control.

164. Every person shall from time to time, as required by the Commissioner, make a return of all persons employed by him during any year, and of all salaries, wages, allowances, and other emoluments received during that year by each person so employed.

165. Every bank, local or public authority, or other company or person who in the course of business holds money by way of deposit and allows interest thereon shall from time to time, as required by the Commissioner, make a return of all interest so allowed during the year or other period to which the requisition of the Commissioner relates, together with the names, addresses, and occupations of the persons to whom such interest has been allowed.

166. Every company or local or public authority shall from time to time, as required by the Commissioner, make a return giving such particulars as the Commissioner requires relative to debentures issued by that company or local or public authority, the holders thereof, and the interest paid or payable thereon.

167. Every affidavit or declaration made for the purposes of this Act shall be exempt from stamp duty.

168. In any case where the Commissioner is satisfied that tax has been paid in excess of an assessment of the amount properly payable he shall refund the excess, provided that written application therefor has been made by or on behalf of the taxpayer within three years from the end of the year of assessment.

169. In any case where it is shown to the satisfaction of the Commissioner that any taxpayer has suffered such loss that the exaction of the full amount of tax owing by him will entail serious hardship, the Commissioner may release that taxpayer wholly or in part from his liability and make such alterations in the assessment as are necessary for that purpose.

170. Every contract, agreement, or arrangement made or entered into, whether before or after the coming into operation of this Act, shall be absolutely void in so far as, directly or indirectly, it has or purports to have the purpose or effect of in any way altering the incidence of land-tax or income-tax, or relieving any person from his liability to pay such tax.

171. (1.) Nothing in the last preceding section shall be so construed as to render void any contract, agreement, or arrangement made or entered into by any company (whether before or after the coming into operation of this Act) to the effect that the interest on any debentures issued by that company shall be free of income-tax; and all such contracts, agreements, and arrangements are hereby declared to be valid and effective in accordance with this section unless the company is expressly or impliedly prohibited, by its memorandum or articles of association, from making or entering into any such contract, agreement, or arrangement.

(2.) Where any debentures issued by a company purport to be issued free of income-tax the company shall be liable for the payment of the income-tax payable in respect thereof, and the debenture-holders shall be entitled to receive the full amount of interest payable pursuant to the debentures.

172. (1.) The Governor-General may from time to time, by Order in Council gazetted, make regulations, not inconsistent with this Act, for the following purposes:—

Regulations.

1916, No. 5, sec. 163

(a.) Prescribing the duties and functions of officers and other persons appointed or employed under this Act:

(b.) Prescribing the form of returns to be made, the particulars to be set forth therein, the persons by whom and the time when or within which such returns shall be made, and the forms of the assessments, notices, and other documents referred to in this Act or necessary in order to give effect thereto:

(c.) Providing, where there is no provision in this Act or no sufficient provision in respect of any matter or thing necessary to give effect to this Act, in what manner and form the deficiency shall be supplied:

(d.) Making any provision which may be convenient for the administration of this Act or which may be desirable or necessary in order to carry its objects into full effect.

(2.) All regulations made under this Act shall have the same force and effect as if they were contained in this Act, and the existence and provisions thereof shall be judicially noticed.

173. (1.) If anything required by or under this Act to be done at or within a fixed time cannot be or is not so done, the Governor-General, by Order in Council, may from time to time appoint a further or other time for doing the same, whether the time within which the same ought to have been done has or has not expired.

Power to extend time for doing anything under Act.

Ibid., sec. 164

(2.) Anything done within the time prescribed by such Order in Council shall be as valid as if it had been done within the time fixed by or under this Act.

174. (1.) This Act shall, so far as it relates to income-tax, extend and apply to all income derived during the year ending on the thirty-first day of March, nineteen hundred and twenty-four, or during any subsequent year.

Application of Act.

Ibid., sec. 165

(2.) This Act shall, so far as it relates to land-tax, extend and apply to all land owned at noon on the thirty-first day of March in the year nineteen hundred and twenty-four or in any subsequent year.

175. The Commissioner of Taxes, Deputy Commissioner of Taxes, and all other officers holding office at the commencement of this Act under the Land and Income Tax Act, 1916, shall be deemed to have been duly appointed to the like offices under this Act, and to have duly taken the oath of office required by this Act, and for all purposes whatever the office of Commissioner of Taxes under this Act shall be deemed to be the same office as that of the Commissioner of Taxes under the Land and Income Tax Act, 1916.

Officers under repealed Acts deemed to have been appointed under this Act.

Ibid., sec. 167

176. Land-tax and income-tax as imposed by this Act shall for all purposes be deemed to be the same taxes as those imposed under the same name by the Acts hereby repealed.

Taxes imposed by this Act deemed to be the same taxes as imposed under repealed Acts.

Ibid., sec. 168

Repeals and savings.

177. (1.) The enactments mentioned in the Schedule hereto are hereby repealed to the extent indicated in that Schedule.

(2.) For all purposes whatsoever in respect of any tax which at the commencement of this Act has been already assessed or paid or is still assessable or payable in or for the year ending on the thirty-first day of March, nineteen hundred and twenty-four, or in or for any previous year, in accordance with the provisions of any enactment hereby repealed, that enactment and all the provisions thereof, including its penal provisions, and all regulations, warrants, and other acts of authority originating thereunder, shall, notwithstanding the repeal thereof, be deemed to remain in full force and effect; and all proceedings under any such enactment, including proceedings for the recovery of any fine or penalty in respect of any offence committed, whether before or after the commencement of this Act, may be taken or continued accordingly as if this Act had not been passed.

(3.) All proceedings in respect of offences committed against any enactment hereby repealed or any regulations thereunder before the commencement of this Act may be instituted or continued as if this Act had not been passed.

Schedule.

SCHEDULE.

ENACTMENTS REPEALED.

Title of Enactment.	Extent of Repeal.
1907, No. 21.—The Land-tax and Income-tax Act, 1907	.. The whole Act.
1908, No. 252.—The Land-tax and Income-tax Act, 1908	.. The whole Act.
1909, No. 4.—The Land-tax and Income-tax Act, 1909	.. The whole Act.
1910, No. 24.—The Land-tax and Income-tax Act, 1910	.. The whole Act.
1911, No. 10.—The Land-tax and Income-tax Act, 1911	.. The whole Act.
1912, No. 11.—The Land-tax and Income-tax Act, 1912	.. The whole Act.
1913, No. 12.—The Land-tax and Income-tax Act, 1913	.. The whole Act.
1914, No. 3.—The Land-tax and Income-tax Act, 1914	.. The whole Act.
1916, No. 5.—The Land and Income Tax Act, 1916 ..	.. The whole Act.
1916, No. 7.—The Finance Act, 1916 .. ..	.. Part I.
1917, No. 9.—The Finance Act, 1917 .. ..	.. Part I.
1917, No. 29.—The Appropriation Act, 1917 .. ..	.. Section 28.
1918, No. 2.—The Finance Act, 1918 .. ..	.. Sections 5, 6, and 7, and Schedule.
1918, No. 4.—The Finance Act, 1918 (No. 2) .. ..	.. Part III.
1918, No. 24.—The Appropriation Act, 1918 .. ..	.. Section 21.
1919, No. 3.—The Land and Income Tax (Annual) Act, 1919..	.. The whole Act.
1919, No. 52.—The Finance Act, 1919 .. ..	.. Section 25.
1920, No. 17.—The Land and Income Tax (Annual) Act, 1920..	.. The whole Act.
1920, No. 35.—The Land and Income Tax Amendment Act, 1920	.. The whole Act.
1921, No. 5.—The Finance Act, 1921 .. ..	.. Part II.
1921, No. 13.—The Land-tax Amendment Act, 1921 .. ..	.. The whole Act.
1921, No. 25.—The Finance Act, 1921 (No. 2) .. ..	.. Part I.
1921, No. 34.—The Valuation of Land Amendment Act, 1921–22	.. Section 4.
1922, No. 3.—The Land-tax (Annual) Act, 1922 .. ..	.. The whole Act.
1922, No. 12.—The Land and Income Tax Amendment Act, 1922	.. The whole Act.