



ANALYSIS

<p>Title</p> <p>1. Short Title and commencement</p> <p>2. Rates of estate duty</p> <p>3. Exemption for successions of widow, widower, and infant children</p> <p>4. Rates of gift duty</p>	<p>5. Estate and gift duty exemption for small gifts</p> <p>6. Abolishing prepayments towards estate duty</p> <p>7. Consequential repeals Schedule</p>
--	--

1961, No. 28

An Act to amend the Estate and Gift Duties Act 1955

[18 October 1961]

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

1. Short Title and commencement—(1) This Act may be cited as the Estate and Gift Duties Amendment Act 1961, and shall be read together with and deemed part of the Estate and Gift Duties Act 1955 (hereinafter referred to as the principal Act).

(2) Except as otherwise provided in this Act, this Act shall be deemed to have come into force on the twentieth day of July, nineteen hundred and sixty-one.

2. Rates of estate duty—(1) The principal Act is hereby amended by repealing the First Schedule (as substituted by section 2 of the Estate and Gift Duties Amendment Act 1958), and substituting the First Schedule set out in the Schedule to this Act.

(2) This section shall apply with respect to the estates of all persons dying after the commencement of this Act.

3. Exemption for successions of widow, widower, and infant children—(1) The principal Act is hereby amended by repealing section 17, and substituting the following section:

“17. (1) There shall, in respect of the succession acquired by the wife of the deceased in his dutiable estate, be deducted from the estate duty calculated in accordance with the scale of rates set out in the First Schedule to this Act an amount bearing the same proportion to that duty as the value of that succession or the amount of seven thousand five hundred pounds (whichever is the less) bears to the amount of the final balance of the estate.

“(2) There shall, in respect of the succession acquired by the husband of the deceased in her dutiable estate, be deducted from the estate duty calculated in accordance with the scale of rates set out in the First Schedule to this Act an amount bearing the same proportion to that duty as the value of that succession or the amount of one thousand pounds (whichever is the less) bears to the amount of the final balance of the estate.

“(3) There shall, in respect of the succession acquired by each infant child of the deceased in his dutiable estate, be deducted from the estate duty calculated in accordance with the scale of rates set out in the First Schedule to this Act an amount bearing the same proportion to that duty as the value of that succession or the amount of five hundred pounds (whichever is the less) bears to the amount of the final balance of the estate.”

(2) Section 18 of the principal Act is hereby consequentially amended—

(a) By repealing subsection (1):

(b) By omitting from subsection (4) the words “the wife or”.

(3) This section shall apply with respect to the estates of all persons dying after the commencement of this Act.

4. Rates of gift duty—(1) The principal Act is hereby amended by repealing the Second Schedule (as substituted by section 3 of the Estate and Gift Duties Amendment Act 1958), and substituting the Second Schedule as set out in the Schedule to this Act.

(2) Section 50 of the principal Act is hereby amended by omitting from paragraphs (a), (b), and (c) of subsection (3) the words “five hundred pounds”, and substituting in each case the words “one thousand pounds”.

(3) Subsections (1) and (2) of this section shall apply with respect to all gifts made after the commencement of this Act:

Provided that, in ascertaining the rate of gift duty in respect of a gift made before the commencement of this Act, the value of any gift or gifts made after the commencement of this Act shall not be taken into account unless the gift made before the commencement of this Act together with the value of all aggregated gifts (including the gift or gifts made after the commencement of this Act) exceeds one thousand pounds.

(4) Section 50 of the principal Act is hereby consequentially amended by omitting from subsection (2) the words “does not exceed five hundred pounds”, and substituting the words “if made before the twentieth day of July, nineteen hundred and sixty-one, does not exceed five hundred pounds or, if made on or after that date, does not exceed one thousand pounds”.

5. Estate and gift duty exemption for small gifts—(1) Section 46 of the principal Act is hereby amended by omitting from paragraph (a) of subsection (1) the words “fifty pounds”, and substituting the words “one hundred pounds”.

(2) This section, in so far as it relates to gift duty, shall apply with respect to all gifts made after the commencement of this Act, and, in so far as it relates to estate duty, shall apply to all gifts made at any time, whether before or after the commencement of this Act, by a person who dies after the commencement of this Act.

6. Abolishing prepayments towards estate duty—(1) Part I of the Estate and Gift Duties Amendment Act 1960 and the Schedule to that Act are hereby repealed.

(2) This section shall be deemed to have come into force on the twenty-first day of July, nineteen hundred and sixty-one.

(3) The provisions repealed by subsection (1) of this section shall continue to apply with respect to every payment which is deemed under and for the purposes of those provisions to have been made on a date not later than the thirty-first day of July, nineteen hundred and sixty-one, if the amount of that payment was received by the Commissioner before the commencement of this section or was paid into the Public Account before the commencement of this section.

7. Consequential repeals—The following enactments are hereby consequentially repealed:

- (a) Subsection (2) of section 2, and section 4, of the Estate and Gift Duties Amendment Act 1957:
- (b) The Estate and Gift Duties Amendment Act 1958:
- (c) Subsection (1) of section 4 of the Estate and Gift Duties Amendment Act 1959.

SCHEDULE

NEW FIRST AND SECOND SCHEDULES TO PRINCIPAL ACT

“FIRST SCHEDULE

SCALE OF RATES OF ESTATE DUTY

<i>Final Balance of Estate</i>	<i>Rate</i>
Not exceeding £2,000	Nil.
£2,001– £3,000	6 per cent of the excess of the final balance over £2,000.
£3,001– £4,000	£60 plus 6 per cent of the excess of the final balance over £3,000.
£4,001– £5,000	£120 plus 8 per cent of the excess of the final balance over £4,000.
£5,001– £6,000	£200 plus 10 per cent of the excess of the final balance over £5,000.
£6,001– £7,000	£300 plus 12 per cent of the excess of the final balance over £6,000.
£7,001– £8,000	£420 plus 14 per cent of the excess of the final balance over £7,000.
£8,001– £9,000	£560 plus 16 per cent of the excess of the final balance over £8,000.
£9,001– £10,000	£720 plus 18 per cent of the excess of the final balance over £9,000.
£10,001– £11,000	£900 plus 20 per cent of the excess of the final balance over £10,000.
£11,001– £12,000	£1,100 plus 22 per cent of the excess of the final balance over £11,000.
£12,001– £14,000	£1,320 plus 18 per cent of the excess of the final balance over £12,000.
£14,001– £16,000	£1,680 plus 20 per cent of the excess of the final balance over £14,000.
£16,001– £18,000	£2,080 plus 22 per cent of the excess of the final balance over £16,000.
£18,001– £20,000	£2,520 plus 24 per cent of the excess of the final balance over £18,000.
£20,001– £22,000	£3,000 plus 26 per cent of the excess of the final balance over £20,000.
£22,001– £24,000	£3,520 plus 28 per cent of the excess of the final balance over £22,000.
£24,001– £26,000	£4,080 plus 30 per cent of the excess of the final balance over £24,000.

SCHEDULE—*continued*“FIRST SCHEDULE—*continued*”SCALE OF RATES OF ESTATE DUTY—*continued*

<i>Final Balance of Estate</i>	<i>Rate</i>
£26,001– £28,000	£4,680 plus 32 per cent of the excess of the final balance over £26,000.
£28,001– £30,000	£5,320 plus 34 per cent of the excess of the final balance over £28,000.
£30,001– £33,000	£6,000 plus 31 per cent of the excess of the final balance over £30,000.
£33,001– £36,000	£6,930 plus 33 per cent of the excess of the final balance over £33,000.
£36,001– £39,000	£7,920 plus 35 per cent of the excess of the final balance over £36,000.
£39,001– £42,000	£8,970 plus 37 per cent of the excess of the final balance over £39,000.
£42,001– £45,000	£10,080 plus 39 per cent of the excess of the final balance over £42,000.
£45,001– £48,000	£11,250 plus 41 per cent of the excess of the final balance over £45,000.
£48,001– £51,000	£12,480 plus 43 per cent of the excess of the final balance over £48,000.
£51,001– £54,000	£13,770 plus 45 per cent of the excess of the final balance over £51,000.
£54,001– £57,000	£15,120 plus 47 per cent of the excess of the final balance over £54,000.
£57,001– £60,000	£16,530 plus 49 per cent of the excess of the final balance over £57,000.
£60,001– £63,000	£18,000 plus 51 per cent of the excess of the final balance over £60,000.
£63,001– £66,000	£19,530 plus 53 per cent of the excess of the final balance over £63,000.
£66,001– £69,000	£21,120 plus 55 per cent of the excess of the final balance over £66,000.
£69,001– £72,000	£22,770 plus 57 per cent of the excess of the final balance over £69,000.
£72,001– £75,000	£24,480 plus 59 per cent of the excess of the final balance over £72,000.
£75,001– £80,000	£26,250 plus 51 per cent of the excess of the final balance over £75,000.
£80,001– £85,000	£28,800 plus 53 per cent of the excess of the final balance over £80,000.
£85,001– £90,000	£31,450 plus 55 per cent of the excess of the final balance over £85,000.
£90,001– £95,000	£34,200 plus 57 per cent of the excess of the final balance over £90,000.
£95,001–£100,000	£37,050 plus 59 per cent of the excess of the final balance over £95,000.
Over £100,000	40 per cent of the final balance.”

SCHEDULE—*continued*

"SECOND SCHEDULE

SCALE OF RATES OF GIFT DUTY

<i>Value of Gift (Together with Value of all Aggregated Gifts)</i>	<i>Rate</i>
Not exceeding £1,000	Nil.
£1,001– £1,500	9 per cent of the excess of the value over £1,000.
£1,501– £2,000	£45 plus 10 per cent of the excess of the value over £1,500.
£2,001– £3,000	£95 plus 9 per cent of the excess of the value over £2,000.
£3,001– £4,000	£185 plus 11 per cent of the excess of the value over £3,000.
£4,001– £5,000	£295 plus 13 per cent of the excess of the value over £4,000.
£5,001– £6,000	£425 plus 15 per cent of the excess of the value over £5,000.
£6,001– £7,000	£575 plus 17 per cent of the excess of the value over £6,000.
£7,001– £8,000	£745 plus 19 per cent of the excess of the value over £7,000.
£8,001– £9,000	£935 plus 21 per cent of the excess of the value over £8,000.
£9,001–£10,000	£1,145 plus 23 per cent of the excess of the value over £9,000.
£10,001–£11,000	£1,375 plus 25 per cent of the excess of the value over £10,000.
£11,001–£12,000	£1,625 plus 27 per cent of the excess of the value over £11,000.
£12,001–£14,000	£1,895 plus 23 per cent of the excess of the value over £12,000.
£14,001–£16,000	£2,355 plus 25 per cent of the excess of the value over £14,000.
£16,001–£18,000	£2,855 plus 27 per cent of the excess of the value over £16,000.
£18,001–£20,000	£3,395 plus 29 per cent of the excess of the value over £18,000.
£20,001–£22,000	£3,975 plus 31 per cent of the excess of the value over £20,000.
£22,001–£24,000	£4,595 plus 33 per cent of the excess of the value over £22,000.
£24,001–£26,000	£5,255 plus 35 per cent of the excess of the value over £24,000.
£26,001–£28,000	£5,955 plus 37 per cent of the excess of the value over £26,000.
£28,001–£30,000	£6,695 plus 39 per cent of the excess of the value over £28,000.
Over £30,000	25 per cent of the value, less £25."

This Act is administered in the Inland Revenue Department.