

## FINANCE BILL

### EXPLANATORY NOTE

*Clause 1* relates to the Short Title.

*Clause 2* authorises the Minister of Finance to borrow money overseas for the purpose of purchasing defence equipment and ancillary supplies, and to purchase such equipment and supplies under a system of deferred payment.

*Clause 3* abolishes amusement tax as from 14 June 1965. *Subclause (3)* enables refunds to be made of amusement tax paid before that date under section 7 of the Amusement Tax Act 1960 in respect of entertainments to be held after that date. That section provides for the apportionment of a lump sum representing payment for privileges, rights, or purposes in addition to a right to admission to an entertainment, and the payment of amusement tax on the part allocated to the entertainment.

*Clause 4*: By a deed dated 7 September 1965, J. E. F. Vogel, Esquire, and his wife declared that they held certain lands at Lower Hutt and the buildings thereon and certain contents of those buildings and a collection of silver known as "The Sir Julius Vogel Silver" in trust for the Crown, subject to certain reservations in favour of the donors during their lives, and to certain other terms and conditions, including a condition that Her Majesty would endeavour to have legislation passed granting exemptions from duties, etc., as provided in this clause. This clause gives effect to that undertaking.

*Clause 5* increases from £100,000 to £125,000 the maximum amount that may be advanced by way of loan by the Minister of Finance to the company formed for the purpose of purchasing, stockpiling, and selling timber extracted from the Eyrewell Forest consequent on the gales that destroyed part of that forest in 1964.

*Clause 6* authorises the construction of a railway spur line from Glenbrook on the Waiuku Branch to the site of the proposed mill to be built for the New Zealand Steel Company Limited, a distance of approximately 3 miles.

*Clause 7*: Before the commencement of the Coroners Act 1951, Coroners were Justices of the Peace by virtue of their office, but that provision was omitted from the 1951 Act. On 18 July 1954 those Coroners who had been *ex officio* Justices before the commencement of the 1951 Act were formally appointed as Justices of the Peace, but in the meantime some of them had continued to act as Justices in the belief that they still had jurisdiction to act as such.

The effect of this clause is that they will be indemnified by the Crown in respect of any damages or costs for which they are liable for so acting.

*Clause 8* extends the period of 12 months allowed by section 45 of the Public Works Act 1928 for making a claim for compensation for damage done by the execution of a public work to 3 years in the case of damage arising out of the execution of the Tongariro hydro-electric works.

*Hon. Mr Lake*

## FINANCE

### ANALYSIS

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### A BILL INTITULED

#### **An Act to make provision with respect to public finance and other matters**

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

**1. Short Title**—This Act may be cited as the Finance Act 1965.

**2. Authorising Minister of Finance to borrow for defence**—  
10 (1) The Minister of Finance is hereby empowered to borrow from time to time outside New Zealand on the security of and charged upon the public revenues of New Zealand such sums of money as he thinks fit, and on such terms and conditions as he thinks fit, for the purpose of purchasing defence equipment  
15 and supplies ancillary thereto.

(2) The authority to borrow money conferred on the Minister of Finance by subsection (1) of this section shall include authority to incur a debt in respect of defence equipment and ancillary supplies purchased under any arrangement whereby payment is deferred for such period or periods and on such terms as may be agreed upon between the Minister and the person, organisation, or government to whom the debt is due. 5

(3) All borrowing under this section shall be recorded in the Consolidated Revenue Account, and any repayments in respect of money borrowed and any payments made in accordance with any arrangement entered into pursuant to the provisions of subsection (2) of this section shall be made out of the Consolidated Revenue Account from money appropriated by Parliament for that purpose or from the Loans Redemption Account, as the Minister of Finance may determine. 10 15

(4) This section shall be deemed to be an authorising Act within the meaning of the New Zealand Loans Act 1953 and, subject to the provisions of this section, the money hereby authorised to be borrowed shall be borrowed under and subject to the provisions of that Act accordingly. 20

**3. Abolition of amusement tax**—(1) The following enactments are hereby repealed:

(a) The Amusement Tax Act 1960:

(b) The Amusement Tax Amendment Act 1963. 25

(2) The First Schedule to the Inland Revenue Department Act 1960 (as amended by section 1 (3) of the Amusement Tax Act 1960) is hereby further amended by omitting so much thereof as relates to the Amusement Tax Act 1960.

(3) Where the Commissioner of Inland Revenue is of opinion that any payment of amusement tax made pursuant to section 7 of the Amusement Tax Act 1960 before the commencement of this section was made in respect of an entertainment to be held after the commencement of this section, he shall, on the application of the proprietor of the entertainment, and without further appropriation than this section, refund to the proprietor such part of the amount of the payment as, in the opinion of the Commissioner, represented a payment of amusement tax in respect of that entertainment. 30 35 40

(4) This section shall be deemed to have come into force on the fourteenth day of June, nineteen hundred and sixty-five.

- 4. Exempting gift to Crown from duties**—Whereas by a deed made on the seventh day of September, nineteen hundred and sixty-five, James Edward FitzGerald Vogel, Esquire, of Lower Hutt, company director, and Jocelyn Vogel, his wife
- 5 (in this section referred to as the donors), declared that they stood possessed of the parcel of land described in subsection (4) of this section and all buildings and improvements thereon upon trust for Her Majesty, her heirs, and successors according to law, for the purposes of the Land Act 1948: And
- 10 whereas the donors by the same deed made a declaration of trust in favour of Her Majesty in respect of certain contents of the residence of the donors upon the said land: And whereas the donor, the said James Edward FitzGerald Vogel, by the same deed made a declaration of trust in favour of Her
- 15 Majesty in respect of the collection of silver known as “The Sir Julius Vogel Silver”: And whereas the declarations of trust in respect of the said land and of the said contents were subject to the reservation in favour of the donors of interests for their lives and the survivor of them in the said land and
- 20 contents and to other terms and conditions appearing in the deed: And whereas Her Majesty accepted the said trusts and agreed to endeavour to have legislation passed to grant the exemptions from duties provided for in this section: Be it therefore enacted as follows:
- 25 (1) Notwithstanding anything in the Stamp Duties Act 1954, no conveyance or other stamp duty shall be payable or shall be deemed at any time to have been payable in respect of the said deed or of any memorandum of transfer or deed of gift or deed of surrender of life interest pursuant to the
- 30 said deed, and no person shall be bound to present any such document for stamping.
- (2) Notwithstanding anything in the Estate and Gift Duties Act 1955, no gift duty shall be payable or shall be deemed at any time to have been payable in respect of any gift made or
- 35 evidenced by the said deed or by any surrender of life interest thereunder, and no such gift or surrender shall be aggregated with any other gift for the purpose of determining the gift duty on the other gift, and neither the donors nor any beneficiary under the said deed shall be bound to deliver to the
- 40 Commissioner of Inland Revenue any statement in respect of any gift or surrender made pursuant to or evidenced by the said deed or to include any such gift or surrender in any statement otherwise deliverable to that Commissioner.

(3) Notwithstanding anything in the Estate and Gift Duties Act 1955, and notwithstanding the interests in the said land or the said contents reserved to the donors by clauses 1 and 6 of the said deed, and irrespective of when the donors die or either of the donors dies, neither the said land nor the said contents nor the said silver shall be included in the dutiable estate of either of the donors for the purposes of any estate or other duties payable thereon, nor shall the value of any surrender of any life interest created by the said deed be included in the estate of either of the donors for the purposes aforesaid.

(4) The parcel of land to which this section relates is particularly described as follows:

All that parcel of land containing two acres one rood twenty-one perches, more or less, situate in the City of Lower Hutt, being part of Sections 21 and 25 Hutt District and accretion, and being also Lot 1 on Deposited Plan Number 22396, being all the land in certificate of title, Volume 940, folio 33 (Wellington Registry), subject to fencing covenant in transfer number 282208 and to water and incidental rights created by a transfer filed with application number 3008.

**5. Advances to timber stockpiling company**—Section 4 of the Finance Act 1964 is hereby amended by omitting from subsection (1) the words “one hundred thousand pounds”, and substituting the words “one hundred and twenty-five thousand pounds”.

**6. Authorisation of railway spur line near Glenbrook**—

(1) The Governor-General may from time to time, in the name and on behalf of Her Majesty, undertake or enter into contracts for the construction of the railway mentioned in the Schedule to this Act to the extent specified in that Schedule.

(2) The cost of constructing that railway shall be paid out of money to be appropriated for that purpose by Parliament.

(3) This section shall be deemed to be a special Act (authorising the construction of that railway to the extent specified in the Schedule to this Act) within the meaning and for the purposes of the Public Works Act 1928, which Act, so far as applicable, is hereby incorporated with this section.

7. **Indemnity to certain Coroners acting as Justices**—Where any person, being a Coroner immediately before the date of the commencement of the Coroners Act 1951, purported to exercise any jurisdiction as a Justice of the Peace at any time  
 5 on or after that date and before the eighteenth day of June, nineteen hundred and fifty-four, the provisions of section 197 of the Summary Proceedings Act 1957, as far as they are applicable and with the necessary modifications, shall apply with respect to him as if in exercising that jurisdiction he was  
 10 a Justice acting in excess of jurisdiction.

8. **Extension of time for claiming compensation for damage caused by Tongariro power scheme**—(1) The period of twelve months after the execution of the works allowed by section 45 of the Public Works Act 1928 for the making of any claim  
 15 for compensation in respect of damage done shall, in the case of a claim in respect of damage arising out of the execution of the hydro-electric works known as the Tongariro Power Development and authorised by Order in Council dated the twenty-ninth day of October, nineteen hundred and fifty-  
 20 eight, published in the *Gazette* of the thirtieth day of October, nineteen hundred and fifty-eight, at page 1463, be deemed to be a period of three years.

(2) Nothing in this section shall apply to any claim for compensation to which the provisions of section 34 of the  
 25 Finance Act (No. 3) 1944 or the Lake Taupo Compensation Claims Act 1947 apply.

Section 6

SCHEDULE

RAILWAY AUTHORISED

Name of Railway	Extent Authorised
Glenbrook Railway .....	A spur line leaving the Waiuku Branch Railway near Glenbrook Station and running generally in a westerly direction for approximately 3 miles to the New Zealand Steel Company's mill site at Mission Bush Road.