

STAMP DUTIES AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill makes miscellaneous amendments to the Stamp Duties Act 1954.

Clause 1 relates to the Short Title.

Clause 2: At present, where shares are purchased for a consideration not exceeding £20, sharebrokers have the option of stamping share transfers with *ad valorem* conveyance duty by affixing and cancelling adhesive stamps, instead of having the transfers stamped by the Inland Revenue Department.

This clause has the effect of extending the sharebrokers' option to accountants and solicitors.

Clause 3: This clause reduces the totalisator duty payable by racing clubs.

At present racing clubs pay $2\frac{1}{2}$ per cent on the first £20,000 of gross investments on the totalisator and 5 per cent on investments in excess of £20,000. This clause increases to £50,000 the amount of investments on which the lower rate of $2\frac{1}{2}$ per cent is payable. Duty of 5 per cent will be payable on investments in excess of £50,000.

Clause 4 abolishes stakes duty, which at present amounts to 1 per cent of the aggregate amount of stakes won at a race meeting.

Clause 5 extends the limit of exemption from lottery duty. At present, where any real or personal property of a value in excess of £500 is disposed of by raffle or chance, a duty is levied of 10 per cent of the nominal value of all tickets represented in the drawing of the lottery. This clause provides for this duty to be levied where the value of the property being raffled is in excess of £750.

Hon. Mr Lake

STAMP DUTIES AMENDMENT

ANALYSIS

Title	
1. Short Title	3. Totalisator duty
2. Stamping of transfers of small lots of shares by sharebrokers, accountants, and solicitors	4. Abolition of stakes duty
	5. Lottery duty

A BILL INTITULED

An Act to amend the Stamp Duties Act 1954

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

1. Short Title—This Act may be cited as the Stamp Duties Amendment Act 1965, and shall be read together with and deemed part of the Stamp Duties Act 1954* (hereinafter referred to as the principal Act).

10 **2. Stamping of transfers of small lots of shares by sharebrokers, accountants, and solicitors**—(1) Section 66A of the principal Act (as inserted by section 3 of the Stamp Duties Amendment Act 1964) is hereby amended by inserting after
15 the word “sharebroker”, in both places where it occurs, the words “accountant, or solicitor”.

(2) The said section 66A is hereby further amended by adding the following subsection as subsection (2):

*Reprinted 1964, Vol. 3, p. 2241

“(2) In this section the term ‘accountant’ means a member of the New Zealand Society of Accountants; and includes a person licensed by the Council of the Society under subsection (1) of section 32A of the New Zealand Society of Accountants Act 1958 (as inserted by section 28 of the New Zealand Society of Accountants Amendment Act 1963).” 5

3. Totalisator duty—(1) Section 165 of the principal Act is hereby amended by omitting from subsection (2) the words “twenty thousand pounds”, in both places where they occur, and substituting in each case the words “fifty thousand pounds”. 10

(2) This section shall be deemed to have come into force on the first day of August, nineteen hundred and sixty-five, and shall apply to all race meetings held on or after that day.

4. Abolition of stakes duty—(1) Section 167 of the principal Act is hereby repealed. 15

(2) Section 169 of the principal Act is hereby amended by omitting from subsection (1) the words “totalisator duty, dividend duty, and stakes duty”, and substituting the words “totalisator duty and dividend duty”. 20

(3) Section 171 of the principal Act is hereby amended by omitting the words “totalisator duty, dividend duty, or stakes duty”, and substituting the words “totalisator duty or dividend duty”.

(4) This section shall be deemed to have come into force on the first day of August, nineteen hundred and sixty-five, and shall apply to all race meetings held on or after that day. 25

5. Lottery duty—(1) Section 172 of the principal Act (as amended by section 7 (1) of the Stamp Duties Amendment Act 1957) is hereby further amended by omitting from subsection (1) the words “five hundred pounds”, and substituting the words “seven hundred and fifty pounds”. 30

(2) Section 172A of the principal Act (as inserted by section 12 of the Stamp Duties Amendment Act 1961) is hereby amended by omitting the words “five hundred pounds”, and substituting the words “seven hundred and fifty pounds”. 35

(3) The Stamp Duties Amendment Act 1957 is hereby consequentially amended by repealing section 7.

(4) This section shall apply to all lotteries drawn on or after the date of the passing of this Act. 40