

# Supplementary Order Paper.

## HOUSE OF REPRESENTATIVES.

Tuesday, the 4th Day of September, 1917.

### FINANCE BILL.

AMENDMENTS proposed by his Excellency the Governor-General:—

Clause 24, subclause (1), paragraph (b): To omit the word "similar" in line 50.

Clause 37, subclause (1): To omit the word "seventeen" in line 13, and substitute the word "sixteen."

Clause 37, subclause (6): To omit the words "the Commissioner of Taxes" in line 8, and substitute the words "the Board of Appeal hereinafter constituted."

Clause 37: To insert after subclause (6) the following new subclauses:—

(6A.) For the purposes of this section there is hereby established a special Board of Appeal, consisting of the Controller and Auditor-General (who shall be the Chairman of the Board), the Commissioner of Taxes, the Secretary to the Treasury, and the Government Insurance Commissioner.

(6B.) Three members of the Board shall form a quorum. Every question before the Board shall be decided by a majority of the votes of the members present. The Chairman shall have a deliberative vote, and, in the event of an equality of voting, shall have a casting vote also.

(6C.) In the absence of the Chairman from any meeting of the Board the Commissioner of Taxes shall act as Chairman.

(6D.) If at any time any member is absent, or is unable to act, the Minister of Finance may, by warrant under his hand, appoint some person as the deputy of that member during his absence or inability, and the deputy so appointed shall, while the warrant of appointment remains unrevoked, have and exercise all the powers and functions of the member whose deputy he is.

(6E.) Every appeal under this section shall be heard and determined in private.

(6F.) Except as otherwise provided herein, the Board shall regulate its own procedure.

Clause 37, subclause (7): To omit the subclause, and substitute the following:—

(7.) For the purposes of an appeal under this section the Board constituted by this section shall have the powers of a Commission appointed under the Commissions of Inquiry Act, 1908.

Clause 37, subclause (8): To omit the word "Commissioner" in line 16, and substitute the word "Board"; and to omit the words "he shall deduct" in line 18, and substitute the words "there shall be deducted."

Clause 37, subclause (9) : To omit the words "the Commissioner may, if he thinks fit" in line 23, and substitute the words "the Board may, if it thinks fit"; and to omit the words "he may in his discretion," in lines 26 and 27, and substitute the words "may, in its discretion."

Clause 37, subclause (10) : To omit this subclause.

Clause 37, subclause (11) : To omit the word "Commissioner" in line 36, and substitute the word "Board."

Second Schedule : To omit clauses 1, 2, and 3 of this Schedule, and substitute the following clauses :—

1. On income assessable under subsection (3) of section 112 of the Land and Income Tax Act, 1916, the special war-tax shall be at the rate of 1s. 6d. for every £1 thereof.

2. In all cases other than those referred to in the *last preceding* clause the rate of special war-tax shall be determined as follows :—

- (a.) Where the income on which the special war-tax is payable does not exceed £400 the rate shall be 6d. for every £1 thereof, increased as provided in paragraph (c) hereof.
- (b.) Where the income on which the special war-tax is payable exceeds £400 the rate shall be 6d. for every £1 thereof increased by one two-hundredth part of 1d. for every £1 in excess of £400, but so as not to exceed 3s. in the £1, and further increased as provided in paragraph (c) hereof.
- (c.) To the rates prescribed by paragraphs (a) and (b) hereof respectively there shall be added an additional rate equal to 50 per centum thereof, and the total shall be the rate of special war-tax payable by the taxpayer.

Third Schedule (page 29) : To omit from Column 2 the rate of duty payable on cigarettes, not exceeding in weight 2½ lbs. per 1,000, and substitute the following rate, namely : "25s. 6d. the 1,000"; to omit from the same column the rate of duty payable on cigarettes not otherwise enumerated, and substitute the following rate, namely : "10s. 6d. the pound."

To add the following new clauses :—

Extension of special exemption in respect of dependent children of taxpayer.

27A. Section eighty-two of the principal Act is hereby amended :—

- (a.) By omitting from subsection one thereof the words "but no such deduction shall be made in respect of more than five children";
- (b.) By repealing subsection two thereof; and
- (c.) By omitting from subsection three thereof the following words "except so far as the exemption allowable to the father is in excess of the exemption required to exempt him altogether from income-tax."

State Fire Insurance Office to pay income-tax.

33A. (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 carrying on in New Zealand the business of insurance or guarantee against loss, damage, or risk of any kind whatever (except life assurance), and the provisions of section ninety-five of the principal Act shall apply in the case of the said corporation accordingly.

(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.

Special provisions with respect to income of foreign insurance companies.

33B. Section ninety-six of the principal Act is hereby amended by inserting, after the words "investments of any kind in New Zealand," in subsection one, the words "diminished by an amount equal to *two* per centum of its investments in New Zealand the income from which is not exempt from taxation."

*As to the Making of Cigarettes by Hand.*

Fees payable on warrants for the making of cigarettes by hand.

47A. (1.) Section twenty-eight of the Tobacco Act, 1908, is hereby amended by omitting from subsection three the words "being in no case less than one pound or more than ten pounds," and substituting the words "being in no case less than *ten* pounds."

(2.) The said section twenty-eight is hereby further amended by omitting from subsection six the words "not less than ten pounds or more than fifty pounds," and substituting the words "not less than *twenty-five* pounds or more than *one hundred* pounds."

(3.) Any warrant issued under paragraph (a) or under paragraph (b) of subsection one of section twenty-eight of the Tobacco Act, 1908, may, with the approval of the Minister of Customs, be transferred to the successor in business of the person to whom such warrant is issued, but shall not be otherwise transferable.

#### *Gold Duty.*

47B. (1.) While this section remains in force duty shall be payable on gold held on behalf of the Imperial Government by any bank carrying on the business of banking in New Zealand as if that gold had been exported from New Zealand.

(2.) Such duty shall become payable immediately on the receipt by the bank of the purchase-money thereof, and shall be paid within forty-eight hours thereafter.

(3.) No duty shall thereafter be paid on such gold on its export from New Zealand.

(4.) All moneys paid as gold duty under this section shall be dealt with as if such moneys had been paid as gold duty under the Gold Duty Act, 1908.

(5.) This section shall remain in force during the present war with Germany and for six months thereafter, and no longer.

Protection for  
banks in respect  
of advances to  
clients for  
investment in  
war-purposes  
loan.

65c. (1.) Notwithstanding anything to the contrary in the New Zealand Inscribed Stock Act, 1917, if any bank carrying on the business of banking in New Zealand makes application for or on behalf of any person or company for any inscribed stock of the loan raised or to be raised under the authority of the War Purposes Loan Act, 1917, or for any inscribed stock of any loan hereafter to be raised for war purposes under the authority of any Act that may be hereafter passed, or if any such bank as aforesaid make advances to any person or company for the purpose of assisting such person or company to subscribe for inscribed stock of any such loan the Registrar of Inscribed Stock shall accept from the bank or from such person or company as aforesaid a certificate (hereinafter referred to as a certificate of lien), signed by or on behalf of that person or company, to the effect that the bank has advanced for the purposes of the investment the whole of the moneys required for that purpose, or such portion of those moneys as may be specified in the certificate of lien.

(2.) The Registrar shall thereupon enter in the Register of Inscribed Stock a memorandum as to such certificate of lien, and thereafter, until the certificate of lien is withdrawn with the consent of the bank, no dealings with the inscribed stock shall be recorded by the Registrar, and no stock-certificate or certificate of title shall be issued by him in respect of such inscribed stock except with the consent of the bank.

(3.) For the purposes of this section the Registrar shall accept as a sufficient certificate of lien any notice, signed by or on behalf of a person or company, to the effect that moneys have been advanced by any bank for the purposes aforesaid, to or on behalf of that person or company, whether such notice is given before or after the passing of this Act.