

Supplementary Order Paper

HOUSE OF REPRESENTATIVES

Thursday, the 24th Day of September 1959

LAND AND INCOME TAX AMENDMENT BILL

Proposed Amendment

Hon. Mr SHAND, in Committee, to move the following amendment:

Clause 42: To omit this clause and substitute the following clause:

42. Calculation of income tax at the rates which would have applied if it had been earned in fifty-two equal weekly instalments—The Income Tax Assessment Act 1957 is hereby further amended by inserting, after section twenty-six A as inserted by section forty-one of this Act, the following section:

“26B (1) Notwithstanding anything to the contrary in the principal Act or in any other section of this Act but subject to this section and to section twenty-three of this Act wherever the principal Act or this Act provides for the amount of income tax in respect of the income derived by a taxpayer in any year to be the amount of income tax that is or would be payable under an assessment made pursuant to the provisions of this section the amount of that income tax shall be determined exclusively and finally—

“(a) By assessing the amount of income tax that would become payable by the taxpayer on an assessment of ordinary income tax under Part VI of the principal Act.

“(b) For the purpose of making such assessment the taxpayer shall be allowed a minimum special exemption of £25 under section eighty-five of the principal Act regardless of whether he has effected such an insurance or not.

“(c) The tax payable by the taxpayer will be the tax determined by such assessment reduced by one shilling and sixpence for each one pound of his income which is assessable for social security income tax up to a limit of seven pounds sixteen shillings.

“(2) Where the Commissioner thinks fit in any case not provided for by the foregoing provisions of this section (whether by reason of a taxpayer being entitled to have any loss carried forward, or by reason of a taxpayer having had applied to him in respect of payments of income from employment made to him in a year a tax code differing from his terminal tax code or more than one tax code, or by reason of a reduction having been made under section seventeen of this Act in any tax deduction, or by reason of any tax deduction having been made pursuant to a special tax code certificate issued under section eighteen of this Act, or for any other reason), and the taxpayer has, not later than the end of the year next succeeding the year in which he has derived income or within such further period as the Commissioner in his discretion may allow in any case or class of cases, furnished to the Commissioner a return of that income and made application in writing for a reduction under this subsection, the Commissioner may reduce the amount of income tax otherwise payable pursuant to an assessment made in accordance with the foregoing provisions of this section in respect of that income by such amount as in his opinion is equitable for the purpose of meeting the special circumstances of the case, and every reduction so made shall be deemed to have been made in accordance with this section.”
