

Supplementary Order Paper

HOUSE OF REPRESENTATIVES

Thursday, the 27th Day of August 1953

NEW ZEALAND LOANS BILL

Proposed Amendments

Hon. Mr BOWDEN, in Committee, to move the following amendments:

Clause 22: To insert, after subclause (2), the following subclause:

(2A) If provision in that behalf has been made in the prospectus or terms of issue of the stock, the Minister may issue death duty stock that is available for the payment of income tax and social security charge, as well as death duties. In any such case the administrator of the estate of any deceased person may pay the whole or any part of the income tax and social security charge payable in respect of income derived by the deceased before his death by means of any such death duty stock issued to the deceased, and the Commissioner of Inland Revenue shall accept any such stock accordingly in satisfaction in whole or in part, as the case may be, of the amount of income tax and social security charge payable as aforesaid. This subsection shall be deemed to have come into force on the first day of April, nineteen hundred and fifty-three.

Clause 22, subclause (3): To insert, after the words "death duties" in line 10 (page 11), the words "income tax, or social security charge".

Clause 22, subclause (5): To insert, after the words "estate of the deceased" in line 23 (page 11), the words "or in the payment of income tax or social security charge payable by the deceased".

EXPLANATORY NOTE

The amendments will enable the Minister of Finance to issue death duty stock that is available for the payment of income tax and social security charge, as well as death duties. The income tax and social security charge must be owing after the death of the person to whom the stock was issued, in respect of income incurred by him before his death. The amendments are made retrospective to 1 April 1953, so as to validate the issue of such stock during the present financial year.