

**Reprint
as at 3 June 2017**

National Expenditure Adjustment Amendment Act 1932

Public Act 1932 No 18
Date of assent 9 December 1932

National Expenditure Adjustment Amendment Act 1932: repealed, on 3 June 2017, pursuant to section 3(1) of the Statutes Repeal Act 2017 (2017 No 23).

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Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this eprint. See the notes at the end of this eprint for further details.

This Act is administered by the Treasury.

Miscellaneous

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An Act to amend the National Expenditure Adjustment Act 1932**1 Short Title**

This Act may be cited as the National Expenditure Adjustment Amendment Act 1932, and shall be read together with and deemed part of the National Expenditure Adjustment Act 1932 (hereinafter referred to as the principal Act).

Amendments of Part 3 of principal Act**2 Definition of term chattels for purposes of Part 3 of principal Act**

- (1) This subsection inserted the definition of the term **chattels** in s 29(1) of the principal Act.
- (2) Without affecting the meaning of the term **chattels** as defined by section 2 of the Chattels Transfer Act 1924 aforesaid, it is hereby expressly declared that a policy for securing a life insurance, endowment, or annuity is not a chattel for the purposes of Part 3 of the principal Act. Every such policy shall be deemed to be property situated in New Zealand if the premiums in respect thereof are payable in New Zealand or if the interest under any instrument of security granted in respect thereof is payable in New Zealand.
- (3) *[Spent]*

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4 For purpose of fixing basis of reduction of rent the assignee of lease deemed a party thereto

Where the rent reserved by any contract to which Part 3 of the principal Act applies has, before or after the passing of this Act, been assigned as security for any debt, the assignee shall be deemed to be a party to such contract for the purpose of making an application to the appropriate Court under subsection (2) of section 32 of the principal Act, but not for any other purpose and not to the exclusion of any other party to such contract.

5 Special provisions as to reduction of interest payable under company debentures and debenture stock

- (1) Notwithstanding anything to the contrary in Part 3 of the principal Act, the following provisions shall apply, and be deemed at all times since the passing of

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the principal Act to have applied, with respect to all debentures and debenture stock included within the definition of the term **mortgage** as defined by section 29 of the said Act, namely:

- (a) The standard reduction in the rate of interest payable under any such debenture or debenture stock shall be 20 percent of the rate fixed thereby, irrespective of the date of the contract evidenced by such debenture or debenture stock:
- (b) Except as provided in the proviso to subsection (1) of section 36 of the principal Act (relating to company debentures issued free of income tax), the net rate of interest payable under any debenture or debenture stock as aforesaid shall not be reduced below the rate of 5 percent per annum, but, subject to this limitation, the rate of interest payable under any such debenture or debenture stock shall be reduced by the standard reduction:
- (c) Subsection (3) of section 36 of the principal Act (providing for an apportionment of the money secured by mortgages that comprise both chattels and land or other property) shall have no application with respect to debentures or debenture stock.

(2) *[Spent]*

6 Governor-General may in special cases vary date fixed by principal Act as the basic date for computation of reductions of interest on mortgages

- (1) If in respect of any company or association, whether corporate or unincorporate, whose business consists wholly or substantially of the lending of money on mortgage, the Governor-General is satisfied that the company or association made a general reduction in its interest rate after the 1st day of January 1925, but prior to the 1st day of January 1930, he may, by Order in Council, vary the provisions of section 32 of the principal Act in its application to the mortgage investments of such company or association, or to any specified class or specified classes of such mortgage investments, by substituting for the several references therein to the 1st day of January 1930 (except the first such reference in paragraph (b) of subsection (1) of the said section), references to any earlier date intermediate between that date and the 1st day of January 1925.
- (2) Where an Order in Council is issued under this section in respect of the mortgage investments of any company or association, or in respect of any specified class or specified classes of such investments, section 32 of the principal Act, in its application to the mortgage investments of such company or association, or to investments of the specified class or specified classes, shall be read subject to the following additional modification, namely:
 - (a) The words “within the period of 5 years immediately preceding that date” in paragraph (a) of subsection (1) shall be read as referring to the period intervening between the 1st day of January 1925 and the date fixed by the Order in Council (whatever its duration):

- (b) For the words “5 years before the 1st day of January 1930” in paragraph (b) of the same subsection there shall be substituted the words “the 1st day of January 1925”:
 - (c) The words “at any time after that date” in the said paragraph (b) shall be read as referring to the date fixed by the Order in Council.
- (3) Every Order in Council under this section shall come into force on a date to be fixed therein in that behalf, being either before or after the date of such Order, but no such Order in Council shall affect the amount of any interest that became due before the 1st day of April 1932.
- (4) Any Order in Council under this section may in like manner be at any time varied or revoked.

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8 *[Repealed]*

Sections 8 to 10 were repealed, as from 1 January 1972, by section 101(1) of the Stamp and Cheque Duties Act 1971.

9 *[Repealed]*

Sections 8 to 10 were repealed, as from 1 January 1972, by section 101(1) of the Stamp and Cheque Duties Act 1971.

10 *[Repealed]*

Sections 8 to 10 were repealed, as from 1 January 1972, by section 101(1) of the Stamp and Cheque Duties Act 1971.

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12 *[Repealed]*

Section 12 was repealed by section 36(2)(a) of the Finance Act 1951.

Amendments of Part 6 of principal Act

13 **Minister of Finance may determine whether a company, etc, is a trading company or an investment society**

- (1) This subsection amended the definition of the term **trading company** in s 57(1) of the principal Act.
- (2) If with respect to any company, society, association, firm, or person (being either an investment society within the meaning of Part 5 of the principal Act or a trading company within the meaning of Part 6 of that Act) any question arises as to whether it or he is properly classifiable as a trading company or as an investment society, such question shall be determined by the Minister of Finance, whose decision shall be final.

Miscellaneous

14 Governor-General may fix maximum rates of interest payable on deposits with local authorities

[Repealed]

In subsection (1) the references to the Local Authorities Loans Act 1956 and section 20 of that Act were substituted, as from 1 April 1957, for references to the Local Bodies Finance Act 1921-22, and section 3 of that Act by section 135(1) Local Authorities Loans Act 1956 (1956 No 63).

In subsection (5) the references to section 122 Local Authorities Loans Act 1956 and sections 123 and 124 of that Act were substituted, as from 1 April 1957, for references to section 59 Local Bodies' Loans Act 1926 and sections 60 and 61 of that Act respectively by section 135(1) Local Authorities Loans Act 1956 (1956 No 63).

Section 14 was repealed, as from 1 July 1998, by section 16(1) Local Government Amendment Act (No 3) 1996 (1996 No 83).

15 Penalty for payment of interest in excess of rate fixed by the Governor-General in Council

- (1) If any savings bank, . . . investment society, or trading company pays or offers to pay, or advertises or otherwise represents that it is willing to pay, interest on any money deposited with it in excess of the rate or of the appropriate rate fixed by the Governor-General in Council pursuant to Part 5 or Part 6 of the principal Act, as the case may be, it shall be guilty of an offence and shall be liable for each such offence to a fine of \$200.
- (2) Where an offence against the last preceding subsection is committed by any savings bank, . . . investment society, or trading company as aforesaid, every trustee, director, or manager, and the principal administrative officer of such savings bank, society, or company, shall also be guilty of an offence and shall be severally liable to a fine of \$40.

Subsections (1) and (2) were amended, as from 1 January 1966, by section 139(3) Building Societies Act 1965 (1965 No 22) by omitting the words "building society".

Eprint notes**1 *General***

This is an eprint of the National Expenditure Adjustment Amendment Act 1932 that incorporates all the amendments to that Act as at the date of the last amendment to it.

2 *About this eprint*

This eprint is not an official version of the legislation under section 18 of the Legislation Act 2012.

3 *Amendments incorporated in this eprint*

Statutes Repeal Act 2017 (2017 No 23): section 3(1)