

## INCOME TAX ACT.

### Act No. 42, 1928.

George V.  
No. 42, 1928.

An Act to impose an Income Tax : to make provision for the application of rates of tax different from those applied by the Income Tax Act, 1927; to repeal the Income Tax (Amendment) Act, 1925; to amend certain other Acts; and for purposes connected therewith. [Assented to, 26th December, 1928.]

**B**E it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows :—

Short title,  
&c.

**1.** This Act may be cited as the "Income Tax Act, 1928," and shall be construed with the Income Tax (Management) Act, 1928.

Levy of  
income tax.

**2.** In respect of the taxable income which has been derived by any person during the year ended on the thirtieth day of June, one thousand nine hundred and twenty-eight, or such other period as may be accepted by the Commissioner in lieu thereof, and during each subsequent income year, there shall be annually levied and paid under the provisions of the Income Tax (Management) Act, 1928, and in the manner therein prescribed, income tax at the respective rates in this Act provided.

Repeals.

**3.** The Income Tax (Amendment) Act, 1925, and section five of the Income Tax Act, 1924, as inserted therein by that Act and section five of the Income Tax Act, 1927, and subsection two of section two of the Income Tax (Companies) Act, 1927, are hereby repealed, and such repeal shall take effect retrospectively from the respective dates of the enactments hereby repealed.

**4.**

**4.** (1) In the case of a person other than a company— No. 42, 1928.

- (a) the rate of income tax in respect of income derived from personal exertion shall be as set out in the First Schedule to this Act; Rates of income tax.
- (b) the rate of income tax in respect of income derived from property shall be as set out in the Second Schedule to this Act;
- (c) the rates of income tax in respect of a total taxable income, part being income derived from personal exertion and the remainder being income derived from property, shall be as set out in the Third Schedule to this Act.

(2) Notwithstanding anything contained in the last preceding subsection, where a person would, apart from this subsection, be liable to pay income tax of an amount less than ten shillings the tax payable by that person shall be ten shillings.

(3) The rates of income tax payable by a trustee shall be as set out in the Fourth Schedule to this Act.

(4) Subject to the last preceding subsection, the rates of income tax payable by a company shall be as set out in the Fifth Schedule to this Act.

**5.** In addition to the income tax payable by a company under subsection four of section four of this Act, there shall be payable by every company in respect of its taxable income derived during the year ended on the thirtieth day of June, one thousand nine hundred and twenty-eight, or such other period as may be accepted by the Commissioner in lieu thereof, as and by way of income tax, a super tax of threepence in each and every pound sterling of the taxable income of the company, except taxable income referred to in the Fourth Schedule, in paragraph two, subparagraph (a) of paragraph three, and in paragraph four of the Fifth Schedule to this Act. Super tax on companies for year ending 30th June, 1928.

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**SCHEDULES.**

SCHEDULES.  

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FIRST SCHEDULE.  

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## RATE OF TAX UPON INCOME DERIVED FROM PERSONAL EXERTION.

1. If the taxable income does not exceed seven thousand pounds, the rate of tax per pound sterling of the taxable income shall be sevenpence plus as many times one two-hundred-and-fiftieth of one penny as there are pounds sterling in the taxable income.

2. If the taxable income exceeds seven thousand pounds, the rate of tax on every pound sterling of the first seven thousand pounds thereof shall be thirty-five pence, and the rate of tax on every pound sterling of the taxable income in excess of seven thousand pounds shall be sixty pence.

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SECOND SCHEDULE.  

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## RATE OF TAX UPON INCOME DERIVED FROM PROPERTY.

1. If the taxable income does not exceed five thousand five hundred pounds, the rate of tax per pound sterling of the taxable income shall be ninepence plus as many times three five-hundredths of one penny as there are pounds sterling in the taxable income.

2. If the taxable income exceeds five thousand five hundred pounds the rate of tax on every pound sterling of the first five thousand five hundred pounds thereof shall be forty-two pence, and the rate of tax on every pound sterling of the taxable income in excess of five thousand five hundred pounds shall be sixty pence.

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## THIRD SCHEDULE

## RATES OF TAX PAYABLE IN RESPECT OF TAXABLE INCOME, PART BEING INCOME DERIVED FROM PERSONAL EXERTION AND THE REMAINDER BEING INCOME DERIVED FROM PROPERTY.

1. For every pound sterling of taxable income derived from personal exertion the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under the First Schedule if the total taxable income of the taxpayer were derived exclusively from personal exertion by the amount of the total taxable income.

2. For every pound sterling of taxable income derived from property, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under the Second Schedule if the total taxable income of the taxpayer were derived exclusively from property by the amount of the total taxable income.

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## FOURTH

## FOURTH SCHEDULE.

No. 42, 1928.

## RATES OF TAX PAYABLE BY A TRUSTEE

For every pound sterling of the taxable income in respect of which a trustee is liable to be separately assessed and to pay tax, the rate of tax shall be the rate which would be payable under the First, Second or Third Schedules, as the case requires, if one individual were liable to be separately assessed and to pay tax on that taxable income.

## FIFTH SCHEDULE.

## RATES OF TAX PAYABLE BY A COMPANY

The rates of income tax in respect of the incomes of companies shall be as follows:—

(1) On the taxable income of every New South Wales company if the taxable income of the company does not exceed six thousand pounds, the rate of tax per pound sterling of the taxable income of the company shall, except as is hereinafter specifically provided, be according to the following scale, that is to say:—

If the taxable income of the company—	The rate of tax per pound sterling of the taxable income shall be—
Does not exceed five hundred pounds...	Two shillings.
Exceeds five hundred and does not exceed one thousand pounds.	Two shillings and one penny.
Exceeds one thousand and does not exceed one thousand five hundred pounds.	Two shillings and twopence.
Exceeds one thousand five hundred pounds and does not exceed two thousand pounds.	Two shillings and threepence.
Exceeds two thousand and does not exceed two thousand five hundred pounds.	Two shillings and fourpence.
Exceeds two thousand five hundred and does not exceed three thousand pounds.	Two shillings and fivepence.
Exceeds three thousand and does not exceed three thousand five hundred pounds.	Two shillings and sixpence.
Exceeds three thousand five hundred and does not exceed four thousand pounds.	Two shillings and sevenpence.

FIFTH

FIFTH SCHEDULE—*continued.*

If the taxable income of the company—	The rate of tax per pound sterling of the taxable income shall be—
Exceeds four thousand and does not exceed four thousand five hundred pounds.	Two shillings and eightpence.
Exceeds four thousand five hundred and does not exceed five thousand pounds.	Two shillings and ninepence.
Exceeds five thousand and does not exceed five thousand five hundred pounds.	Two shillings and tenpence
Exceeds five thousand five hundred and does not exceed six thousand pounds.	Two shillings and elevenpence.

(2) On the taxable income of every mutual life assurance company the rate of tax per pound sterling of the taxable income of the company shall be twenty-four pence.

(3) On the taxable income of a company (other than a mutual life assurance company) carrying on the business of life assurance in the State, the rates of income tax shall be as follows:—

- (a) on so much of that part of the taxable income of the company which has been derived from its life assurance business as bears the same proportion to such part of the taxable income as the amount of the profits divided for the same income year amongst the life assurance policy holders of the company bears to the total profits of the company's life assurance business for the same income year the rate of income tax shall be twenty-four pence per pound sterling ;
- (b) on the remainder of the taxable income of the company the rate of income tax shall be thirty-six pence per pound sterling.

(4) For every pound sterling of the taxable income of a company as is assessed under the provisions of paragraph (a) of section seventeen of the Income Tax (Management) Act, 1928, the rate of tax shall be eighteen pence in each and every pound sterling of such taxable income.

(5) Except as hereinbefore in this Schedule specifically provided, on the taxable income of every New South Wales company and on the taxable income of every foreign company the rate of tax shall be thirty-six pence for every pound sterling of the taxable income.