

# FINANCES ADJUSTMENT ACT.

Act No. 13, 1938.

**George VI.** An Act to provide for certain exemptions from  
**No. 13, 1938.** Special Income Tax and from Wages Tax; to make provision in relation to the discontinuance of the collection of Family Endowment Tax, and the discontinuance of contributions to the County of Cumberland Main Roads Fund by the Municipal Council of Sydney; to amend the Special Income and Wages Tax (Management) Acts, 1936-1937, the Stamp Duties Act, 1920-1933, and certain other Acts in certain respects; and for purposes connected therewith. [Assented to, 25th October, 1938.]

**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:—

## PART I.

### PRELIMINARY.

**Short title.** **1.** This Act may be cited as the "Finances Adjustment Act, 1938."

**2.**

2. This Act is divided into Parts as follows:—

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PART I.—PRELIMINARY.

Division  
into Parts.

PART II.—AMENDMENT OF THE SPECIAL INCOME AND  
WAGES TAX (MANAGEMENT) ACTS, 1936-1937.

PART III.—AMENDMENT OF THE STAMP DUTIES ACT,  
1920-1933.

PART IV.—AMENDMENT OF THE FAMILY ENDOW-  
MENT ACT, 1927-1937.

PART V.—AMENDMENT OF THE MAIN ROADS ACT,  
1924-1937.

PART II.

AMENDMENT OF THE SPECIAL INCOME AND WAGES TAX  
(MANAGEMENT) ACTS, 1936-1937.

3. (1) The Special Income and Wages Tax (Man- Citation.  
agement) Acts, 1936-1937, is in this Part of this Act  
referred to as the Principal Act.

(2) The Principal Act, as amended by this Part of  
this Act, may be cited as the Special Income and Wages  
Tax (Management) Act, 1936-1938.

4. The Principal Act is amended—

Amendment of  
Act No. 43,  
1936.

- (a) (i) by inserting in the definition of “Depend- Sec. 2.  
ant” in subsection two of section two after (Defini-  
the words “sixteen years” the words “In tions.)  
relation to net assessable income derived  
during the year ending on the thirtieth day  
of June, one thousand nine hundred and  
thirty-seven, and to income from wages  
derived between the first day of December,  
one thousand nine hundred and thirty-  
seven, and the thirty-first day of October,  
one thousand nine hundred and thirty-eight  
(both days inclusive).”
- (ii) by inserting at the end of the same defini-  
tion the words “In relation to net assess-  
able income derived during the year ending  
on the thirtieth day of June, one thousand  
nine

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nine hundred and thirty-eight, and to income from wages derived after the thirty-first day of October, one thousand nine hundred and thirty-eight, a spouse shall be deemed to be wholly maintained if the net amount of income derived by such spouse from all sources during the year ending on the thirtieth day of June, one thousand nine hundred and thirty-eight, did not exceed one hundred pounds."

Sec. 8  
(1) (1).  
(Reciprocal  
arrange-  
ments.)

(b) by inserting at the end of paragraph (1) of subsection one of section eight the words "unless the Governor by proclamation published in the Gazette in accordance with subsection one of section nine of this Act, declares such State to be a reciprocating State for the purposes of this Act in respect of such part of the income derived from property which is not subject to any such tax."

Sec. 8.  
New subsec.  
(4).  
(Exemp-  
tions.)

(c) by adding at the end of the same section the following new subsection:—

(4) Notwithstanding anything contained in this Act, the income from wages derived after the thirty-first day of December, one thousand nine hundred and thirty-eight, by an employee while he is in receipt of such income at a rate less than four pounds four shillings per week, or the equivalent hourly or daily rate, shall, if the taxpayer has a dependant and in consequence thereof would, if this subsection had not been enacted, be entitled under section 18A of this Act, to a rebate from Wages Tax payable upon such income, be exempt from tax:

Provided that this exemption shall not apply to any income from wages derived by an employee whose total income from all sources during the year of income ending on the thirtieth day of June, one thousand nine hundred and thirty-nine, is not less than two hundred and nineteen pounds, in which case such income from wages shall be deemed to be net assessable income of the year of income in which it is derived.

(d)

**Finances Adjustment Act.**

17.

(d) by inserting in subsection one of section nine after the words "New South Wales" where secondly occurring the words "or is satisfied that the laws of that State do not impose any such tax upon such income or such particular class of income as the case may be, derived by such person."

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Sec. 9 (1).  
(Reciprocal  
arrange-  
ments.)

(e) by inserting at the end of section twelve the following new subsection:—

Sec. 12.

New subsec.  
(8).  
(Rebates.)

(8) Any person (other than a company) domiciled in this State who has a dependant and in consequence thereof is entitled to a rebate of tax under subsection three of this section, shall, if his total income derived from all sources during the year ended on the thirtieth day of June, one thousand nine hundred and thirty-eight, was less than two hundred and nineteen pounds, be entitled to a further rebate in his assessment upon the income of that year of an amount of tax equal to one half of the tax which would be payable by him if this subsection had not been enacted. The rebate under this subsection shall be calculated upon the amount of tax payable after allowing all other rebates allowable under this Act.

(f) by inserting after paragraph (b) of subsection four of section 18A the following new paragraphs:—

Sec. 18A (4).  
(Rebates—  
Dependant.)

(b1) The rebate from Wages Tax payable upon income from wages derived between the first day of November, one thousand nine hundred and thirty-eight, and the thirtieth day of June, one thousand nine hundred and thirty-nine (both days inclusive) shall be calculated according to the number of dependants of the employee on the first day of November, one thousand nine hundred and thirty-eight.

(b2) The rebate from Wages Tax payable upon income from wages derived during the period commencing on the first day of July, one thousand nine hundred and thirty-nine, and ending on the thirty-first day of October, one thousand

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thousand nine hundred and thirty-nine, or during any part of such period shall be calculated according to the number of dependants of the employee on the first day of July, one thousand nine hundred and thirty-nine.

Substituted  
sec. 19.

(g) by omitting section nineteen and by inserting in lieu thereof the following section:—

Agreements  
with the  
Common-  
wealth.

19. (1) The State of New South Wales may enter into an agreement with the Commonwealth for the deduction by the Commonwealth from periodical payments of wages, salaries or allowances paid to any officer of any tax imposed under the law of this State on those wages, salaries or allowances, and for the payment to this State of any amount deducted in pursuance of such agreement in such manner and at such times as are provided by the agreement.

(2) Expressions used in subsection one of this section shall have the meanings which those expressions bear in section 16A of the (Commonwealth) Income Tax Collection Act, 1923-1938.

(3) The officers in respect of whom any such agreement as is referred to in this section may be entered into shall as from the date or dates fixed by the agreement be deemed to be or to have been, as the case may be, employees of the Crown in right of the Commonwealth of Australia, and the Crown in right of the Commonwealth of Australia shall to the extent to which any such agreement provides for the deduction of tax from the wages, salaries or allowances of such persons and as from the date or dates fixed by the agreement be deemed to be or to have been as the case may be an employer who is bound to collect tax from such officers.

PART III.

AMENDMENT OF THE STAMP DUTIES ACT, 1920-1933.

5. The Stamp Duties Act, 1920-1933, as amended by the Statute Law Revision Act, 1937, and this Part of this Act, may be cited as the Stamp Duties Act, 1920-1933. Citation.

6. The Stamp Duties Act, 1920-1933, is amended— Amendment of Act No. 47, 1920.

(a) by inserting at the end of section seventy-one the following new subsection:— Sec. 71. (Sales of annuities, etc.)

(2) This section shall not apply and shall be deemed never to have applied to an instrument whereby provision is made for the payment of any annuity, pension or superannuation for the benefit of any person in relation to his employment and/or the dependants of any such person.

The enactment of this subsection shall not entitle any person to a refund of any duty paid by him before the commencement of the Finances Adjustment Act, 1938

(b) by inserting in the Second Schedule at the end of the exemptions appearing under the heading "Policies of Insurance" the following new paragraph:— (Second Schedule.) (Policies of insurance.)

(i) Any policy of insurance for the payment of a deferred annuity under any scheme of superannuation for the benefit of any person in relation to his employment and/or the dependants of any such person.

PART IV.

AMENDMENT OF THE FAMILY ENDOWMENT ACT, 1927-1937.

7. The Family Endowment Act, 1927-1937, as amended by the Statute Law Revision Act, 1937, and this Part of this Act, may be cited as the Family Endowment Act, 1927-1933. Citation.

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Amendment  
of Act No.  
39, 1927.Sec. 39 (4).  
(Contribu-  
tions.)

**8.** The Family Endowment Act, 1927-1937, is amended—

(a) by inserting at the end of subsection four of section thirty-nine the following paragraph:—

“Except in relation to any contribution the non-payment of which by an employer is, in the opinion of the Commissioner of Taxation, due to fraud or evasion, this subsection shall cease to have effect on the first day of July, one thousand nine hundred and thirty-nine.”

Sec. 43E (1).  
(Contribu-  
tions.)

(b) by inserting at the end of subsection one of section 43E the following paragraph:—

“Except in relation to any contribution, the non-payment of which by an employer is, in the opinion of the Commissioner of Taxation, due to fraud or evasion, this subsection shall cease to have effect on the first day of July, one thousand nine hundred and thirty-nine.”

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## PART V.

### AMENDMENT OF THE MAIN ROADS ACT, 1924-1937.

Citation.

**9.** The Main Roads Act, 1924-1937, as amended by the Statute Law Revision Act, 1937, and this Part of this Act, may be cited as the Main Roads Act, 1924-1938.

Amendment of  
Act No. 24,  
1924.Sec. 11.  
New subsec.  
(9).Discon-  
tinuance of  
contribu-  
tion by  
Municipal  
Council of  
Sydney.

**10.** The Main Roads Act, 1924-1937, is amended by inserting at the end of section eleven the following new subsection:—

(9) No contribution under this section shall be payable by the Municipal Council of Sydney for the year ending on the thirty-first day of December, one thousand nine hundred and thirty-eight, or for any subsequent year.

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SPECIAL