

INCOME TAX AND SOCIAL SERVICES
CONTRIBUTION.

No. 49 of 1950.

An Act to impose upon Incomes a Tax by
the name of Income Tax and Social
Services Contribution.

[Assented to 14th December, 1950.]

BE it enacted by the King's Most Excellent Majesty, the Senate,
and the House of Representatives of the Commonwealth of
Australia, as follows:—

1. This Act may be cited as the *Income Tax and Social Services Contribution Act 1950.* Short title.
2. This Act shall come into operation on the day on which it receives the Royal Assent. Commencement.
3. In this Act, "the Assessment Act" means the *Income Tax and Social Services Contribution Assessment Act 1936-1950.* Definition.
4. The Assessment Act shall be incorporated and read as one with this Act. Incorporation.
- 5.—(1.) A tax by the name of income tax and social services contribution is imposed at the rates declared in this Act. Imposition of income tax and social services contribution.

(2.) Notwithstanding anything contained in this Act, income tax and social services contribution is not imposed upon a taxable income which does not exceed One hundred and four pounds derived by a person who is not a company or derived by a company in the capacity of a trustee.

Rates of income tax and social services contribution.

6.—(1.) Subject to this Act, the rates of income tax and social services contribution are as set out in the First Schedule to this Act.

(2.) The rate of income tax and social services contribution in respect of a taxable income to which Division 16 of Part III. of the Assessment Act applies is as set out in the Second Schedule to this Act.

(3.) The rate of income tax and social services contribution in respect of a taxable income in any case where sub-section (1.) of section eighty-six of the Assessment Act applies is as set out in the Third Schedule to this Act.

(4.) The rates of income tax and social services contribution payable by a trustee are as set out in the Fourth Schedule to this Act.

Further tax and contribution on property income.

7.—(1.) Where, in the case of a person other than a company or in the case of a company in the capacity of a trustee, the taxable income or any part thereof is derived from property, and the total taxable income exceeds Four hundred pounds, the rates of income tax and social services contribution are—

- (a) the appropriate rate or rates declared by sub-section (1.), (2.), (3.) or (4.) of the last preceding section ; and
- (b) in respect of so much of the taxable income derived from property as exceeds One hundred pounds but does not exceed Ten thousand pounds—the further rates set out in the Fifth Schedule to this Act.

(2.) Where the total taxable income does not exceed One thousand pounds, the amount of income tax and social services contribution payable by reason of paragraph (b) of the last preceding sub-section shall not exceed Twelve pence for every pound by which the total taxable income exceeds Four hundred pounds.

Minimum tax and contribution.

8. Where, apart from this section, the amount of income tax and social services contribution which a person would be liable to pay under the preceding provisions of this Act, after deducting all rebates to which he is entitled in his assessment, is less than Ten shillings, the income tax and social services contribution payable by that person shall be Ten shillings.

9. Subject to the next succeeding section, the rates of income tax and social services contribution payable by a company, other than a company in the capacity of a trustee, are as set out in the Sixth Schedule to this Act.

Rates of income tax and social services contribution payable by a company.

10.—(1.) Where the taxable income derived by a company exceeds Five thousand pounds, the rates of income tax and social services contribution are—

Super tax on certain companies.

- (a) the appropriate rate or rates declared by the last preceding section ; and
- (b) as super-tax, in respect of so much of the taxable income as exceeds Five thousand pounds—the further rate of Twelve pence for every One pound of that excess.

(2.) The last preceding sub-section does not apply to—

- (a) a company in the capacity of a trustee ;
- (b) a private company as defined in section one hundred and three of the Assessment Act ;
- (c) a co-operative company as defined in section one hundred and seventeen of the Assessment Act ; or
- (d) a mutual life assurance company, as defined in sub-section (1A.) of section one hundred and sixty c of the Assessment Act, or the mutual income, as defined in that sub-section, of a life assurance company.

11. Where, apart from this section, the income tax and social services contribution which a person would be liable to pay under the preceding provisions of this Act, before deducting any rebate to which he is entitled in his assessment, leaves, when expressed in pounds and shillings, an amount of pence remaining—

Elimination of pence.

- (a) if the remaining pence do not exceed six—the income tax and social services contribution payable by that person shall be the amount so expressed in pounds and shillings ; or
- (b) if the remaining pence exceed six—the income tax and social services contribution payable by that person shall be the amount so expressed in pounds and shillings plus One shilling.

12.—(1.) Notwithstanding anything contained in the preceding provisions of this Act, where a person has, in accordance with section two hundred and twenty-one H of the Assessment Act, forwarded to

Tax and contribution where amount to be collected or refunded would not exceed Two shillings.

the Commissioner a tax stamps sheet or group certificate issued to him in respect of deductions made in a year from his salary or wages, and the difference between the available deductions and the income tax and social services contribution which would, apart from this sub-section, be payable by that person in respect of the taxable income derived by him in that year is not more than Two shillings, the income tax and social services contribution payable by that person in respect of that taxable income shall be an amount equal to the available deductions.

(2.) The last preceding sub-section does not apply—

(a) in relation to a person who is liable to pay provisional tax and contribution in respect of his income of the year immediately succeeding the year referred to in that sub-section; or

(b) in any case in which the amount of income tax and social services contribution which would, apart from this section, be payable is Ten shillings and the available deductions exceed Ten shillings.

(3.) In this section, “the available deductions” means the sum of the amount represented by the face value of the tax stamps duly affixed to a tax stamps sheet referred to in sub-section (1.) of this section and the amount of the deductions specified in a group certificate so referred to.

Levy of income tax and social services contribution.

13.—(1.) The income tax and social services contribution imposed by the preceding provisions of this Act shall be levied and paid for the financial year which commenced on the first day of July, One thousand nine hundred and fifty, upon the taxable income derived during the year of income as defined by section six of the Assessment Act.

(2.) Until the commencement of the Act for the levying and payment of income tax and social services contribution for the financial year commencing on the first day of July, One thousand nine hundred and fifty-one, the preceding provisions of this Act also apply for all financial years subsequent to that which commenced on the first day of July, One thousand nine hundred and fifty.

(3.) Section six of the *Income Tax Act* 1949 is amended by omitting sub-section (2.).

Provisional tax and contribution.

14. Provisional tax and contribution is imposed and is payable, in accordance with the provisions of the Assessment Act, in respect of the income of the year of income ending on the thirtieth day of June, One thousand nine hundred and fifty-one.

THE SCHEDULES.

FIRST SCHEDULE.

S. 6 (1).

BASIC RATES OF TAX AND CONTRIBUTION.

The rate of income tax and social services contribution for every £1 of each part of the taxable income specified in the first column of the following table is the rate set out in the second column of that table opposite to the reference to that part of the taxable income :—

FIRST COLUMN. Parts of Taxable Income.	SECOND COLUMN. Rates.
The part of the taxable income which—	
does not exceed £100	One penny
exceeds £100 but does not exceed £150	6 pence
exceeds £150 but does not exceed £200	11 pence
exceeds £200 but does not exceed £250	16 pence
exceeds £250 but does not exceed £300	21 pence
exceeds £300 but does not exceed £400	26 pence
exceeds £400 but does not exceed £500	32 pence
exceeds £500 but does not exceed £600	38 pence
exceeds £600 but does not exceed £700	44 pence
exceeds £700 but does not exceed £800	48 pence
exceeds £800 but does not exceed £900	52 pence
exceeds £900 but does not exceed £1,000	56 pence
exceeds £1,000 but does not exceed £1,200	64 pence
exceeds £1,200 but does not exceed £1,400	72 pence
exceeds £1,400 but does not exceed £1,600	80 pence
exceeds £1,600 but does not exceed £1,800	88 pence
exceeds £1,800 but does not exceed £2,000	96 pence
exceeds £2,000 but does not exceed £2,400	104 pence
exceeds £2,400 but does not exceed £2,800	112 pence
exceeds £2,800 but does not exceed £3,200	120 pence
exceeds £3,200 but does not exceed £3,600	128 pence
exceeds £3,600 but does not exceed £4,000	136 pence
exceeds £4,000 but does not exceed £4,400	144 pence
exceeds £4,400 but does not exceed £5,000	152 pence
exceeds £5,000 but does not exceed £6,000	160 pence
exceeds £6,000 but does not exceed £8,000	168 pence
exceeds £8,000 but does not exceed £10,000	176 pence
exceeds £10,000	180 pence

SECOND SCHEDULE.

S. 6 (2).

RATE OF TAX AND CONTRIBUTION BY REFERENCE TO AN AVERAGE INCOME.

For every £1 of the taxable income derived by a taxpayer to whose income Division 16 of Part III. of the Assessment Act applies, the rate of income tax and social services contribution is the rate ascertained by applying the rates set forth in the First Schedule to a taxable income equal to his average income and dividing the resultant amount by that average income.

THIRD SCHEDULE.

S. 6 (3).

RATE OF TAX AND CONTRIBUTION BY REFERENCE TO A NOTIONAL INCOME.

For every £1 of the taxable income of a taxpayer deriving a notional income, as specified by sub-section (1.) of section eighty-six of the Assessment Act, the rate of income tax and social services contribution is the rate ascertained by dividing the tax and contribution which would be payable under the First Schedule upon a taxable income equal to his notional income by that notional income.

THE SCHEDULES—*continued.*

8. 6 (4).

FOURTH SCHEDULE.

RATES OF TAX AND CONTRIBUTION PAYABLE BY A TRUSTEE.

For every £1 of the taxable income in respect of which a trustee is liable, in pursuance of either section ninety-eight or section ninety-nine of the Assessment Act, to be assessed and to pay tax and contribution, the rate of income tax and social services contribution is the rate which would be payable under the First, Second or Third Schedule, as the case requires, if one individual were liable to be assessed and to pay tax and contribution on that taxable income.

8. 7 (1).

FIFTH SCHEDULE.

FURTHER RATES OF TAX AND CONTRIBUTION IN RESPECT OF TAXABLE INCOME DERIVED FROM PROPERTY.

The further rate of income tax and social services contribution for every £1 of each part of the taxable income derived from property specified in the first column of the following table is the rate set out in the second column of that table opposite to the reference to that part of that taxable income:—

FIRST COLUMN.	SECOND COLUMN.
Parts of Taxable Income derived from Property.	Rates.
The part of the taxable income derived from property which—	
exceeds £100 but does not exceed £1,000	8 pence
exceeds £1,000 but does not exceed £4,000	16 pence
exceeds £4,000 but does not exceed £6,000	8 pence
exceeds £6,000 but does not exceed £10,000	4 pence

8. 8.

SIXTH SCHEDULE.

RATES OF TAX AND CONTRIBUTION PAYABLE BY A COMPANY, OTHER THAN A COMPANY IN THE CAPACITY OF TRUSTEE.

1. In the case of a company which is not a life assurance company, the rates of income tax and social services contribution are—
 - (a) for every £1 of so much of the taxable income as does not exceed Five thousand pounds—Sixty pence; and
 - (b) for every £1 of the remainder of the taxable income—Seventy-two pence.
2. In the case of a mutual life assurance company, the rates of income tax and social services contribution are—
 - (a) for every £1 of so much of the taxable income as does not exceed Five thousand pounds—Forty-eight pence; and
 - (b) for every £1 of the remainder of the taxable income—Sixty pence.
3. In the case of a life assurance company other than a mutual life assurance company, the rates of income tax and social services contribution are—
 - (a) for every £1 of so much of the mutual income as defined in sub-section (1A.) of section one hundred and sixty of the Assessment Act, as does not exceed Five thousand pounds—Forty-eight pence;
 - (b) for every £1 of the remainder of the mutual income as so defined—Sixty pence;
 - (c) for every £1 of so much of the taxable income of the company, other than mutual income as so defined, as does not exceed the amount by which the mutual income, as so defined, is less than Five thousand pounds—Sixty pence; and
 - (d) for every £1 of that part of the taxable income to which none of the preceding sub-paragraphs of this paragraph applies—Seventy-two pence.
4. For every £1 of that portion of the taxable income which has not been distributed as dividends, on which the company is liable, in pursuance of Part IIIA. of the Assessment Act, to pay further tax and contribution, the rate of further tax and contribution is Twenty-four pence.
5. For every £1 of interest in respect of which a company is liable, in pursuance of sub-section (1.) of section one hundred and twenty-five of the Assessment Act, to pay income tax and social services contribution, the rate of income tax and social services contribution is Seventy-two pence.