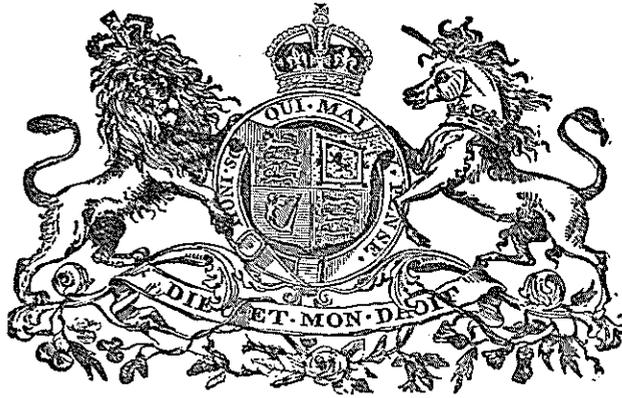


WESTERN AUSTRALIA.



ANNO NONO

GEORGI QUINTI REGIS,

XII.

No. 22 of 1918.

AN ACT to further amend the Dividend Duties Act, 1902.

[Assented to 13th June, 1918.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *Dividend Duties Act Amendment Act*, 1918, and shall be read as one with the Dividend Duties Act, 1902, hereinafter referred to as the principal Act, and its amendments.

Short title.

2. Section two of the principal Act is hereby amended by omitting the interpretation of the term "Minister" and inserting in place thereof the words "Commissioner of Taxation" means the Commissioner of Taxation appointed under the Land and Income Tax Assessment Act, 1907," and by inserting after the words "A Life Assurance Company as hereinafter defined" the words "in relation to its life assurance business, except in respect of interest on its investments."

Amendment of Section 2.

3. The principal Act and the Acts amending the same are amended by substituting for the word "Minister" the words "Commissioner of Taxation" throughout the said Acts.

Substitution of "Commissioner of Taxation" for "Minister."

Amendment of
Section 3.

4. Section three of the principal Act is repealed, and the following is inserted in its place:—

Administration
of Act.

“3. (1) The Commissioner of Taxation, under the Colonial Treasurer, shall be charged with the administration of this Act.”

(2.) The Commissioner of Taxation and all other persons appointed for carrying out the provisions of this Act shall keep secret and aid in preserving secrecy with regard to all matters which may come to their knowledge in their official capacity, and shall not, except as hereinafter provided, communicate any such matter to any other person unless in the performance of their duties.”

Amendment of
Section 4.

5. Subsection one of Section four of the principal Act is amended by omitting the words “every person employed by the Minister” and inserting in place thereof “the Commissioner of Taxation and all persons appointed for carrying out the provisions of this Act.”

Amendment of
Section 7.

6. Section seven of the principal Act is amended as follows:—

(1.) By omitting in subsection two the word “Treasurer,” and inserting in its place the words “Commissioner of Taxation.”

(2.) By omitting in subsection two the words “one shilling,” and inserting in their place the words “one shilling and threepence.”

(3.) By omitting in subsection five the words “shipping companies or other.”

(4.) By omitting in subsection six the words “until an agreement as in the last preceding subsection mentioned shall have been made,” and inserting in place thereof “Subject to any agreement under the last preceding subsection.”

(5.) By omitting in paragraph (a) of subsection six the words “five per centum of five per centum,” and inserting the words “six and one-fourth per centum of five per centum,” in place thereof, and by omitting in paragraphs (b) and (c) of the said subsection the words “five per centum” and inserting in each case the words “six and one-fourth per centum” in place thereof.

(6.) By inserting the following additional subsection:—

“(7.) The Commissioner of Taxation may disallow as expenditure any money paid by a company as salary, fees, or otherwise to any director, officer, or employee of the company in so far as, in the opinion of the Commissioner, such payment was not made *bona fide* as remuneration for services rendered, but as a means of avoiding taxation.”

(7.) By adding to Subsection (3.) the following words “or Section 8a.”

See Section 4
of Act No. 30
of 1906.

7. Section eight of the principal Act is hereby amended as follows:—

Amendment of
Section 8.

(a) by omitting the word “twenty,” in paragraph (b) of subsection (1), and inserting the word “forty” in place thereof; and

(b) by adding thereto a subsection as follows:—

(3.) Where any company not engaged in insurance business exclusively carries on within Western Australia, insurance business (not being life assurance) whether as principal or as agent for another company carrying on business outside Western Australia, or where any such first-mentioned company, under the authority of a general cover or floating policy issued by any company or person carrying on insurance business outside Western Australia, issues declaration of insurance or other documents in the nature thereof in Western Australia, such first mentioned company shall be liable to forward returns and to pay duty in respect of such business in the manner and at the rate prescribed by this section.

8. A section is hereby inserted in the principal Act, and shall have effect, as follows:—

Life Assurance
Companies.

8a. (1.) Every life assurance company shall—

(a) on or before the first day of September in every year, or within three months after each of its annual balancing days, forward to the Commissioner of Taxation a return in the prescribed form stating the amount of interest on its investments received by the company during the year ending the thirtieth day of June next preceding, or ending on such other balancing day, verified by statutory declaration; and

(b) pay to the Commissioner of Taxation, as from the first day of July, One thousand nine hundred and seventeen, as duty a sum equal to one shilling and threepence for every twenty shillings of interest so received, subject to such deductions as are permitted in calculating the profits of a company under this Act.

(2.) Notwithstanding paragraph (2) of Section 19 of “The Land and Income Tax Assessment Act, 1907,” a life assurance company shall be exempt from income tax under that Act, in respect of interest on investments received on and after the 1st day of July, 1917.

9. Section eighteen of the principal Act is amended by inserting after the words “His Majesty,” in line 9, the words “a sum not exceeding,” and by the addition of the following words, namely, “or to a penalty not exceeding One hundred pounds.”

Amendment of
Section 18.

10. Section five of "The Dividend Duties Act Amendment Act, 1914," is hereby amended by inserting after the words "section eight" the words "or section eight a."

Amendment of
Section 6 of Act
No. 24 of 1915.

11. Section six of the Dividend Duties Act Amendment Act, 1914, is hereby amended by inserting after the words "first mentioned company," in lines four and five thereof, the words "or the greater part of such share capital," and by adding a paragraph to the said section as follows:—

For the purposes of this section any share capital held by a shareholder or nominee of or trustee for a company shall be deemed to be held by the company.

Exchange of
information.

12. It shall be lawful for the Commissioner of Taxation, and he is hereby authorised, to communicate any matter which may come to his knowledge in the administration of this Act to the Commissioner or Deputy-Commissioners of Taxation for the Commonwealth of Australia, or to the Commissioner of Income Tax for any other State of the Commonwealth or any other person occupying a corresponding position in any such State with reference to the collection of duties:

Provided that this section shall not come into operation unless or until reciprocal authority to afford similar information to the Commissioner of Taxation in Western Australia has been duly conferred on the Commonwealth Commissioner of Taxation and his Deputy in Western Australia, or such other Commissioner of Taxation as the case may be.

Increased duty, to
be payable on
profits from 1st
January, 1917.

13. (1.) Duty shall be payable on all profits made on and after the first day of July, One thousand nine hundred and seventeen, and in the case of insurance companies on all premiums received on and after that date at the increased rates as prescribed by the Act.

(2.) In the case of companies which balance their accounts on some other day than the thirtieth day of June, duty at the prescribed rate shall, in respect of the period from the first day of July, One thousand nine hundred and seventeen to the next following balancing day, be payable on profits apportioned to that period in ratio to the whole of the profits made during the year ending with such balancing day.

Reprinting Act
and showing
amendments.

14. (1.) All copies of the principal Act hereafter printed by the Government Printer shall be printed as amended by the Dividend Duties Amendment Act, 1906, the Dividend Duties Act Amendment Act, 1914, and this Act, under the supervision of the Clerk of Parliaments, and all necessary references to such Acts shall be made in the margin.

(2.) In such reprint the following directions shall be observed:—

Section seven of the principal Act shall be numbered six, Section five of the Dividend Duties Amendment Act, 1906, shall be inserted as section seven, and the words “or seven of the principal Act” shall be omitted; Sections four, five, six, and seven of the Dividend Duties Act Amendment Act, 1914, shall be inserted as sections fourteen, fifteen, sixteen, and seventeen, respectively, and the words “of the principal Act” shall be omitted from the said section five, and the succeeding sections of the principal Act shall be correspondingly altered; and sections ten, eleven, and twelve of this Act shall be numbered thirty-four, thirty-five, and thirty-six respectively.