



ANALYSIS

<p>Title</p> <p>1. Short Title</p> <p style="padding-left: 40px;"><i>Rebate of Income Tax</i></p> <p>2. Rebate of income tax for year commencing on 1 April 1957 for taxpayers other than companies, public authorities, unincorporated bodies, and Maori authorities</p> <p><i>Social Security Income Tax on Income Derived in Transitional Income Year</i></p> <p>3. Exclusion of income that would not have been subject to social security charge</p>	<p>4. Rate of social security income tax on income other than salary or wages</p> <p>5. Payment of social security income tax on income other than salary or wages</p> <p style="padding-left: 40px;"><i>Special Assessments</i></p> <p>6. Interim rates of income tax for special assessments</p> <p style="padding-left: 40px;"><i>Provisional Tax</i></p> <p>7. Rates for assessment of provisional tax for year commencing on 1 April 1958</p>
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1958, No. 1

An Act to amend the Land and Income Tax Act 1954

[31 January 1958]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. **Short Title**—This Act may be cited as the Land and Income Tax Amendment Act 1958, and shall be read together with and deemed part of the Land and Income Tax Act 1954 (hereinafter referred to as the principal Act).

Rebate of Income Tax

2. **Rebate of income tax for year commencing on 1 April 1957 for taxpayers other than companies, public authorities, unincorporated bodies, and Maori authorities**—The Schedule to the Land and Income Tax (Annual) Act (No. 2) 1957 is hereby amended by repealing clause two, and substituting the following clause:

"2. In the assessment of every taxpayer other than a company or a public authority or an unincorporated body, there shall be allowed from the tax assessed in accordance with clause 1 hereof a rebate of a sum equal to the tax so assessed or the sum of £100, whichever is the smaller:

"Provided that where the taxpayer is a married man upon whom an aggregate assessment is made under section 104 of the Land and Income Tax Act 1954 there shall be allowed from the tax assessed in the aggregate assessment a rebate equal to the total of the rebates which would be allowable to him and his wife if separate assessments were made under that section:

"Provided also that no rebate shall be allowed in the assessment of any Maori authority under section 160 of the Land and Income Tax Act 1954."

*Social Security Income Tax on Income Derived in
Transitional Income Year*

3. Exclusion of income that would not have been subject to social security charge—Section sixty-two of the Income Tax Assessment Act 1957 is hereby amended by adding to subsection one the words "and also any such income in respect of which the taxpayer would not have been liable to be assessed with social security charge for the transitional year of assessment if this Act had not been passed".

4. Rate of social security income tax on income other than salary or wages—Section sixty-two of the Income Tax Assessment Act 1957 is hereby further amended by inserting, after subsection one, the following subsection:

"(1A) Notwithstanding anything to the contrary in section seventy-eight of the principal Act, but subject to subsection two of this section, social security income tax under section sixty-one of this Act shall be assessed at the rate of one penny for every sum of thirteen and one-third pence or part thereof of the taxable income."

5. Payment of social security income tax on income other than salary or wages—(1) The Income Tax Assessment Act 1957 is hereby amended by inserting, after section sixty-two, the following section:

"62A. (1) Notwithstanding anything to the contrary in the principal Act (including this Act), this section shall apply with respect to the social security income tax for which any transitional taxpayer is liable to be assessed under section sixty-one of this Act where the taxpayer—

"(a) Is entitled to a remission of ordinary income tax under subsection one of section sixty-five of this Act; and

“(b) Is not a trustee assessable under paragraph (b) of section one hundred and fifty-five of the principal Act.

“(2) For the purposes of this section every taxpayer who is liable for the payment of any social security income tax to which this section applies shall furnish to the Commissioner a return in the prescribed form (in this section referred to as the required return) showing the whole of the income that was derived by the taxpayer during the transitional income year and is assessable for the social security income tax. The required return shall be furnished not later than the seventh day of December, nineteen hundred and fifty-eight, and shall be separate and distinct from any other return that the taxpayer is required to furnish in respect of his income for the transitional income year.

“(3) The amount of the social security income tax shall, subject to adjustment by the Commissioner, be assessed in the first place by the taxpayer in the required return, and shall be payable in three equal instalments, which shall be due and payable respectively on the seventh day of November, nineteen hundred and fifty-eight, the seventh day of June, nineteen hundred and fifty-nine, and the seventh day of June, nineteen hundred and sixty:

“Provided that, where the taxpayer dies before any such instalment has become due and payable or been paid, that instalment shall be due and payable on the third day of February, nineteen hundred and fifty-nine, or on the date three months after the date of the taxpayer’s death, whichever is the later:

“Provided also that, where, either before or after the passing of this Act, but before any such instalment has become due and payable or been paid, the taxpayer has left New Zealand or has applied to the Commissioner for a certificate under section two hundred and twenty-two of the principal Act, and in either case the Commissioner is not satisfied that the taxpayer will return to New Zealand, that instalment shall be due and payable on a date specified in that behalf in a notice given by the Commissioner to the taxpayer or to any agent of the taxpayer.

“(4) Where under subsection four of section forty-eight of this Act the taxpayer has been granted an extension of time until a date after the seventh day of December, nineteen hundred and fifty-eight, for furnishing the annual return referred to in that section, the time for furnishing the required

return under this section shall be deemed to be extended to the same date, and the taxpayer—

- “(a) Not later than the seventh day of December, nineteen hundred and fifty-eight, shall furnish a return in the form of the required return but marked ‘Provisional’ and showing the income derived by the taxpayer in the year preceding the transitional income year (being income that would have been required to be shown in the required return if it had been derived in the transitional income year), and in the return shall assess the amount of the social security income tax calculated in accordance with paragraph (a) of subsection five of this section; and
 - “(b) On the due date for payment of every instalment of the social security income tax until the required return is furnished, shall pay an instalment of the social security income tax, each such instalment being one-third of the amount of the social security income tax calculated in accordance with paragraph (a) of subsection five of this section.
- “(5) Where a provisional return is furnished under subsection four of this section,—
- “(a) The amount of the social security income tax shall, subject to adjustment as provided in this subsection, be calculated in the first place on the amount of the income shown in the provisional return:
 - “(b) Where the amount of the income shown in the required return exceeds the amount on which the social security income tax was theretofore calculated, the additional amount payable in respect of any instalment of that tax that has become due and payable before the furnishing of the required return shall be due and payable on the date by which the required return is required to be furnished in accordance with subsection four of this section:
 - “(c) Subject to the foregoing provisions of this subsection and to subsection four of this section, all instalments of the social security income tax in respect of the income shown in the required return shall be payable in accordance with subsection three or subsection seven of this section, as the case may require.

“(6) Any taxpayer may, at his option, pay the whole or any part of any instalment of the social security income tax (including any instalment calculated in accordance with paragraph (a) of subsection five of this section) before the date on which it is due and payable; and in every case where the total of the amount of the social security income tax payable in accordance with an assessment made under subsection three or subsection four of this section is paid on or before the seventh day of December, nineteen hundred and fifty-eight, there shall be allowed from the amount payable a rebate of a sum equal to five per cent of that total:

“Provided that no rebate shall be allowed under this subsection where any instalment becomes due and payable under either proviso to subsection three of this section.

“(7) Where a taxpayer has become entitled to a rebate under subsection six of this section and the amount of the social security income tax payable by him is thereafter increased, the amount of the increase shall be due and payable on the date by which the required return is required to be furnished in accordance with this section.

“(8) Where a taxpayer has become entitled to a rebate under subsection six of this section and the amount of the social security income tax payable by him is thereafter reduced, the amount of the rebate shall be subject to adjustment and shall be calculated on the reduced amount of the social security income tax for which the taxpayer is liable.”

(2) Subsections three and four of section sixty-two of the Income Tax Assessment Act 1957 are hereby repealed.

Special Assessments

6. Interim rates of income tax for special assessments—For the purposes of making any assessment of income tax under section twelve of the principal Act for the year of assessment commencing on the first day of April, nineteen hundred and fifty-eight, if the assessment is made before the passing of the annual taxing Act by which the rates of income tax for that year of assessment are fixed, the tax shall, notwithstanding anything in subsection five of the said section twelve, be assessed at the following rates:

- (a) With respect to ordinary income tax, the rates that were fixed by the Land and Income Tax (Annual) Act (No. 2) 1957 before the amendment thereof by this Act:

- (b) With respect to social security income tax, one penny for every sum of thirteen and one-third pence or part thereof of the taxable income.

Provisional Tax

7. Rates for assessment of provisional tax for year commencing on 1 April 1958—For the purposes of estimating or ascertaining the amount of provisional tax payable under Part III of the Income Tax Assessment Act 1957 in respect of the income of the income year commencing on the first day of April, nineteen hundred and fifty-eight, ordinary income tax and social security income tax shall be deemed to have been assessable in respect of the income of the preceding year at the following rates:

- (a) With respect to ordinary income tax, the rates that were fixed by the Land and Income Tax (Annual) Act (No. 2) 1957 before the amendment thereof by this Act:
- (b) With respect to social security income tax, one penny for every sum of thirteen and one-third pence or part thereof of the taxable income.
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