

## New Zealand.



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1939, No. 29.

AN ACT to make Provision with respect to Public Finance in relation to War Expenses. Title.

[29th September, 1939.]

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

1. This Act may be cited as the War Expenses Act, 1939. Short Title.

### PART I.

#### WAR EXPENSES ACCOUNT.

2. (1) There shall be a separate account in the Public Account, to be called the War Expenses Account. War Expenses Account.

(2) Any moneys in the War Expenses Account may, without further appropriation than this section, be expended for defence purposes or for any purposes connected directly or indirectly with any war in which His Majesty may now or at any time hereafter be engaged, whether arising during or after the war.

(3) If any question arises as to whether any purpose is a purpose for which moneys may be expended from the War Expenses Account it shall be determined by the Minister of Finance, and his decision shall be final.

(4) The following moneys shall, without further authority than this section, be transferred to or paid into the War Expenses Account:—

(a) The amounts from time to time derived from the increased income-tax, estate duty, succession duty, and gift duty imposed by this Act:

1939, No. 30

(b) All amounts directed by the Customs Acts Amendment Act, 1939, to be paid into the War Expenses Account:

(c) Such amounts from the Post Office Account as may be equivalent to the sum of one penny for every inland, Empire, and foreign letter posted in New Zealand after the first day of October, nineteen hundred and thirty-nine:

(d) The unexpended balances of all moneys appropriated by Parliament out of the Consolidated Fund during the financial year ending on the thirty-first day of March, nineteen hundred and forty, for the purpose of defraying the salaries, contingencies, and expenses of the Naval Service, the Army, and the Air Department:

(e) Such other moneys as may from time to time in any financial year be directed by the Minister of Finance to be transferred from the Consolidated Fund to the War Expenses Account:

(f) Any other moneys that may be appropriated by Parliament for the purposes of the War Expenses Account, or that may otherwise be lawfully payable into that account.

(5) All moneys that have at any time heretofore during the financial year ending on the thirty-first day of March, nineteen hundred and forty, been expended out of moneys appropriated by Parliament out of the Public Works Fund under the vote "Defence" shall be charged against the War Expenses Account, and the Minister of Finance may make all necessary financial adjustments consequent thereon.

3. (1) The Minister of Finance is hereby empowered to borrow, on the security of and charged upon the public revenues of New Zealand, such sums of money as he thinks fit, not exceeding in the aggregate the sum of ten million pounds.

Empowering  
Minister of  
Finance to  
borrow  
£10,000,000 for  
war expenses.

(2) The sums so borrowed shall bear interest at such rate as the Minister of Finance prescribes.

(3) All moneys borrowed under the authority of this section shall be paid into the War Expenses Account.

(4) This section shall be deemed to be an authorizing Act within the meaning of the New Zealand Loans Act, 1932, and, subject to the next succeeding subsection, the moneys hereby authorized to be borrowed shall be borrowed under and subject to the provisions of that Act accordingly.

1932, No. 23

(5) Notwithstanding anything to the contrary in the foregoing provisions of this section, any moneys authorized to be borrowed under this section may be borrowed by the Minister of Finance by agreement with His Majesty's Government in the United Kingdom without formal security, or on such security as may be agreed upon with that Government.

## PART II.

### INCOME-TAX.

4. (1) The Schedule to the Land and Income Tax (Annual) Act, 1939, is hereby amended by adding to Part II the following clause:—

"5. To the income-tax computed in accordance with the provisions of clauses 1 to 4 of this Part of this Schedule there shall in every case be added an amount equal to 15 per centum thereof."

Increasing  
rates of  
income-tax  
for year  
commencing  
1st April, 1939.  
1939, No. 4

(2) The amount of every assessment of income-tax made by the Commissioner of Taxes (whether before or after the passing of this Act) in accordance with the provisions of clauses one to four of Part II of the Schedule to the Land and Income Tax (Annual) Act, 1939, shall be deemed to be increased by the percentage specified in clause five of that Part of that Schedule, as set out in the last preceding subsection, and every such assessment shall have the same effect as if the amount thereof as so increased had been specified therein.

### PART III.

#### DEATH DUTIES.

This Part to be read with Death Duties Act, 1921.

See Reprint of Statutes, Vol. VII, p. 354

Application of this Part.

Increasing rates of estate duty, succession duty, and gift duty.

5. This Part of this Act shall be read together with and deemed part of the Death Duties Act, 1921 (in this Part referred to as the principal Act).

6. This Part of this Act, so far as it relates to death duties, shall apply with respect to the estates of all persons dying after the twenty-sixth day of September, nineteen hundred and thirty-nine, and, so far as it relates to gift duty, shall apply with respect to all gifts made after that date.

7. To the amount of estate duty, succession duty, or gift duty payable on any estate, succession, or gift in accordance with the provisions of the principal Act there shall be added an amount equal to one-third thereof.