

# PUBLIC REVENUES AMENDMENT BILL

## EXPLANATORY NOTE

THIS Bill amends the Public Revenues Act 1953.

*Clause 1* relates to the Short Title.

*Clause 2:* Section 50 of the principal Act provides an exception to the general rule that any unexpended balance of an appropriation is automatically cancelled at the end of the financial year in which it is appropriated. Section 50 at present provides that where provision is made in any Appropriation Act in the nature of a grant or of a non-recurring type but the expenditure cannot be made in the year to which the Act applies, the Minister of Finance may direct that the unexpended balance be transferred to a separate fund or account or to the Trust Account and held until payment is required, when it may be expended, without further appropriation, for the purpose for which it was originally appropriated.

This clause adds a further class of appropriation the unexpended balance of which may be transferred to the Trust Account and held until it is required. The clause provides that where provision is made in any Appropriation Act for expenditure of a recurring nature forming part of a specified project and that expenditure is shown in the estimates as a separate item that is subject to this provision, the Minister of Finance may direct that any balance that cannot be expended in the financial year be transferred to the Trust Account and held there until required, when it may be expended, without further appropriation, for the purpose for which it was originally appropriated.

*Clause 3:* Section 89 (1) of the principal Act provides that the Audit Office may, subject to certain conditions, dispense with the production of personal receipts for wages paid by a local authority in cases where not less than 50 persons are employed and paid by the local authority, the term "wages" being defined for this purpose by subsection (2) of that section.

This clause extends that provision to apply to salaries as well as to wages. As the amendment abolishes the distinction between wages and salaries, subsection (2) is no longer required, and it is repealed.

*Clause 4:* Section 92 (1) of the principal Act provides that any Borough Council, County Council, Town Council, River Board, or Drainage Board may in any financial year expend for purposes not otherwise authorised up to 1 percent of the general rate levied for that year, with a maximum of \$14,000.

This clause increases that maximum to \$20,000.

*Hon. Mr Muldoon*

## PUBLIC REVENUES AMENDMENT

### ANALYSIS

Title  
1. Short title

2. Transfer and subsequent expenditure of unexpended appropriations  
3. Dispensing with personal receipts for salaries  
4. Unauthorised Expenditure

### A BILL INTITULED

#### An Act to amend the Public Revenues Act 1953

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

1. **Short Title**—This Act may be cited as the Public Revenues Amendment Act 1972, and shall be read together with and deemed part of the Public Revenues Act 1953\* (hereinafter referred to as the principal Act).

10 2. **Transfer and subsequent expenditure of unexpended appropriations**—Section 50 of the principal Act is hereby amended by inserting, after subsection (1), the following subsection:

15 “(1A) Notwithstanding anything in subsection (1) of this section, where provision has been made in any Appropriation Act for expenditure of a recurring nature forming part of a specified project and that expenditure is shown in the estimates for the financial year to which that Act relates as a

\*Reprinted, 1965, Vol. 3, p. 1547

Amendments: 1968, No. 102; 1969, No. 101; 1970, Nos. 1, 99; 1971, No. 123

separate item that is subject to the provisions of this subsection, the Minister of Finance, on being satisfied that it is desirable to do so, may direct that if the expenditure cannot be made during that financial year, any unexpended balance of the provision be transferred during that financial year to the Trust Account to be held there until payment is required, when the amount may be expended without further appropriation than this section for the purpose for which it was originally appropriated by Parliament.” 5

**3. Dispensing with personal receipts for salaries**—Section 10 89 of the principal Act is hereby amended—

- (a) By inserting in subsection (1), after the word “wages” wherever it occurs, the words “or salaries”;
- (b) By repealing subsection (2).

**4. Unauthorised expenditure**—Section 92 of the principal 15 Act is hereby amended by omitting from subsection (1) (as amended by section 7 (1) of the Decimal Currency Act 1964) the words “fourteen thousand dollars”, and substituting the expression “\$20,000”.