

Supplementary Order Paper

HOUSE OF REPRESENTATIVES

Wednesday, the 16th Day of October 1957

INCOME TAX ASSESSMENT BILL

AMENDMENTS proposed by His Excellency the Governor-General:

Clause 62: To add the following subclauses:

(2) In the assessment of every transitional taxpayer for social security income tax under section sixty-one of this Act there shall be allowed from the tax assessed a rebate of a sum equal to the tax so assessed or the sum of seven pounds ten shillings, whichever is the smaller.

(3) Where any transitional taxpayer who is assessed for social security income tax under section sixty-one of this Act—

(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,—

payment of that social security income tax shall not be required to be made before the tax becomes due and payable in accordance with the following provisions of this section.

(4) Subject to the remission of the tax wholly or in part under section two hundred and twenty-six of the principal Act on the ground of hardship, all such tax assessed to any taxpayer shall be due and payable on a date specified in that behalf in a notice given by the Commissioner—

(a) To the executor or administrator of the taxpayer after the taxpayer's death; or

(b) To the taxpayer or to any agent of the taxpayer after 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, where in either case the Commissioner is not satisfied that the taxpayer will return to New Zealand.

NOTE—This amendment will involve the insertion of “(1)” before the word “For” in line 36 (page 53).

Clause 63: To omit the word “the” in line 2 (page 54), and substitute the words “ordinary income”.

Clause 65, subclause (1): To insert, before the words “income tax” in line 14 (page 54), the word “ordinary”.

Clause 65, subclause (2): To insert, before the words “income tax” in line 20 (page 55), the word “ordinary”.

Clause 65, subclause (3): To insert, before the words “income tax” in line 30, the word “ordinary”.

Clause 65, subclause (4): To insert, before the words “income tax” in line 37, the word “ordinary”.

Clause 65, subclause (5): To insert, before the word "income" in line 39, the word "ordinary".

NOTE—These amendments will involve the insertion of the words "ordinary income" before the word "tax" in the headnote to clause 65.

EXPLANATORY NOTE

Clause 62: Subclause (2) provides for a rebate of £7 10s. or the amount of the tax (whichever is the smaller) in the case of every assessment of a transitional taxpayer for social security income tax on income derived in the transitional income year, ending 31 March 1958.

Subclauses (3) and (4) provide that in certain cases payment of the social security income tax so assessed (in so far as it exceeds the amount of the rebate) is not to be required until the taxpayer either dies or permanently leaves New Zealand. This provision is to apply to taxpayers who are entitled to a remission of ordinary income tax under *clause 65 (1)* and who are not trustees assessable under section 155 (b) of the principal Act (that is, otherwise than as agents for beneficiaries).

Clause 63: The amendment limits this clause so that it only applies to remissions of ordinary income tax, as *clause 65* is to be limited in the same way.

Clause 65: The amendments limit this clause so that it only applies to remissions of ordinary income tax, as social security income tax is to be dealt with separately under *clause 62*.
