

Decision No.	Decision
	<p>(g) The building and fitting of bodies to commercial trucks and delivery vans excluding persons engaged in the assembly of motor vehicles.</p> <p>(NOTE—The building and fitting of bodies to commercial trucks and delivery vans includes the building and fitting of parts of bodies to these vehicles but not the mere fitting of accessories.)</p> <p>(h) The fitting of hoists to motor vehicle chassis.</p> <p>(i) The manufacture of trailers for motor vehicles.</p>
2	<p>NOTE—In the case of persons engaged in the manufacture of any of the goods or in the classes of work enumerated in paragraph 5 and also licensed in respect of other taxable goods or work, the licences will not be regarded as applicable to the goods or work enumerated.</p>
3	<p>When taxable goods are imported by a licensed wholesaler for his own use sales tax shall be paid on those goods under paragraph (c) of subsection (1) of section 11 of the Act at the time of entry for home consumption under the Customs Act 1913.</p>
4	<p>When goods are sold by exporters abroad to retailers in New Zealand at a price delivered to the purchaser (including freight, insurance, exchange, duty, sales tax, and other charges) and the goods are consigned to an agent in New Zealand of the exporters, the agent paying the duty and distributing the goods, sales tax, under paragraph (c) of subsection (1) of section 13 of the Act, will be payable by such agent at the time of entry of the goods for home consumption. When such goods have been sold by exporters abroad to licensed wholesalers in New Zealand sales tax will not be payable until the goods are sold or used by such wholesalers.</p>
4	<p>For the purposes of the Act it has been decided that, as a general rule, the following will be regarded as materials used in the manufacture of goods:</p> <ol style="list-style-type: none"> <li>(1) Materials which are physically incorporated in the finished product; and</li> <li>(2) Materials which are not physically incorporated in the finished product but are employed directly in the process of production in the course of which they are wholly consumed or are recovered to a greater or lesser extent from the operation for future use.</li> </ol> <p>The following are examples of the materials referred to above:</p> <ol style="list-style-type: none"> <li>(a) Rubber and canvas which are physically incorporated in rubber hose.</li> <li>(b) Sensitised photographic surfaces and chemicals used in the development of photographic plates and prints.</li> </ol>
5	<p>The following would not be regarded as materials used in the manufacture of goods:</p> <ol style="list-style-type: none"> <li>(1) Plant, machinery, and tools, also materials used in their operation or maintenance.</li> <li>(2) Articles used directly or indirectly in the distribution or sale of goods.</li> </ol> <p>The liability to sales tax of such goods would depend on whether or not they were included in any list of exemptions for the time being in force under section 12 of the Act. The following are examples of goods not regarded as materials used in the manufacture of goods:</p> <ol style="list-style-type: none"> <li>(a) Typewriters, lubricating oil.</li> <li>(b) Office stationery and equipment, motor vehicles, and advertising matter for the sale of goods.</li> </ol>
5	<p>In the case of persons, firms, or companies licensed as wholesalers under the Act who sell—</p> <ol style="list-style-type: none"> <li>(a) Stationery such as account books, ledgers, diaries, invoice books, invoice or other printed forms, writing pads, envelopes, pens, pencils, nibs, ink-stands, and ink-wells; and/or</li> <li>(b) Leather goods such as attache cases and ladies' handbags, or other taxable goods,—</li> </ol> <p>and with respect to which the Collector is satisfied that such goods have been bona fide sold through retail shops by such persons, firms, or companies, the sale value for the purposes of paragraph (a) of subsection (1) of section 13 of the Act shall be the price at which the goods are actually sold less a deduction from such price of 40 per centum thereof.</p> <p>In the case of (a) stationery manufactured pursuant to special orders or (b) goods sold by such persons, firms, or companies otherwise than as set out above, the sale value shall be the price for which the goods are actually sold.</p>
6	<p>In the case of persons, firms, or companies licensed as wholesalers or manufacturing retailers under the Act who sell "commercial" gramophone recordings to consumers, e.g., advertising agencies, the sale value for the purposes of paragraph (a) of subsection (1) of section 13 of the Act is to be assessed on the basis of the price charged excluding such charges as script writer's or composer's fees and artist's fees (voice charges).</p> <p>In the case of recordings sold to retailers the sale value shall be the price for which the goods are actually sold.</p> <p>For the purposes of this decision "commercial" recordings are defined as those made for advertising purposes.</p>
7	<p>The following operations are not regarded as manufacturing operations for the purposes of the Act:</p> <ol style="list-style-type: none"> <li>(1) The sizing of finger rings (increasing or decreasing the diameter to suit a customer's requirements).</li> <li>(2) The engraving of an article with the name of the recipient, his sports record, or other circumstances under which the article was donated or awarded. Where, however, the article is chased or otherwise engraved in a decorative sense and the commercial value so enhanced, the engraving is regarded as a manufacturing operation for the purposes of the Act.</li> <li>(3) Incorporating goods into buildings.</li> <li>(4) Packing bulk goods into small packages by a retailer.</li> <li>(5) Blending (including fortification) of wines and spirits by a retailer.</li> <li>(6) Purifying of waste oil, even if some new oil is added.</li> <li>(7) Placing of radio chassis into cabinets by retailers.</li> <li>(8) Preparation of materials for testing purposes (tensile test pieces).</li> <li>(9) Repainting of new vehicles which are in the condition in which they are usually sold retail (i.e., complete with finishing coat already applied).</li> </ol>