

Service 6903: Masterton to Wellington

		Present a.m.	Proposed a.m.
Masterton	dep	7.30	7.30
Carterton	dep	7.50	7.45

Thence per normal timetable.

A7/87/189 New Zealand Railways Corporation, Wellington:
Amend Passenger Service Licence No. 12468 by change of timetable
on Service 6793 Rotorua to Taumarunui as follows:

		Present Mon. to Sat.	Proposed Mon. to Sat.
Rotorua	dep	3.00 p.m.	3.45 p.m.
Taupo	arr	4.28 p.m.	5.10 p.m.
Taupo	dep	4.40 p.m.	5.20 p.m.
Turangi	dep	5.45 p.m.	6.25 p.m.
Taumarunui	dep	7.00 p.m.	7.30 p.m.

A7/87/190 New Zealand Railways Corporation, Wellington:
Amend Passenger Service Licence No. 12468 by change of timetable
as follows:

Service 6818 Wanganui to Ohakune:

		Present Mon. to Fri.	Proposed Daily incl. Sun.
Wanganui	dep	11.15 a.m.	11.15 a.m.
Raetihi	dep	1.00 p.m.	1.00 p.m.
Ohakune	arr	1.15 p.m.	1.15 p.m.

Service 6807: Ohakune to Wanganui

		Present Mon. to Fri.	Proposed Daily incl. Sun.
Ohakune	dep	3.00 p.m.	3.00 p.m.
Raetihi	dep	3.15 p.m.	3.15 p.m.
Wanganui	arr	5.00 p.m.	5.00 p.m.

A7/87/186 Guthreys Coachlines Ltd., Wellington: Amend
Passenger Service Licence No. 12231 change of route on the Airport
Service as follows:

Ex Wellington Airport via:

Stewart Duff Drive.
Calabar Road.
Cobham Drive.
Wellington Road.
Ruahine Street.
Paterson Street.
Dufferin Street.
Rugby Street.
Sussex Street.
Cambridge Terrace.
Wakefield Street.
Victoria Street.
Willeston Street.
Lambton Quay.
Bunny Street.

The outward route will remain unchanged.

A7/87/194: Brian Joseph Whitaker, Waikanae: New Passenger
Service Licence for the carriage of passengers from Waikanae to
Wellington and return during the working week. Depart Waikanae
7 a.m. depart Wellington 4.40 p.m.

Dated at Wellington this 22nd day of May 1987.

J. MOIR, Secretary.

Wellington District & No. 7 Transport District Licensing
Authority.

*Determinations Made by Commissioner of Inland Revenue Under
Section 64E(1) of the Income Tax Act 1976*

PURSUANT to section 64E(7) of the Income Tax Act 1976 the
following Schedule is hereby published, comprising determinations
made by the Commissioner of Inland Revenue under section 64E(1)
of the Income Tax Act 1976.

SCHEDULE

APPORTIONMENT OF INCOME AND EXPENDITURE ON A DAILY
BASIS

DETERMINATION G1: This determination may be cited as
"Determination G1: Apportionment of Daily Income and
Expenditure".

1. *Explanation* (which does not form part of the determination).
This determination requires that income derived or expenditure
incurred in respect of a period shall be apportioned on a straight

line basis among the income years in which the period falls,
according to the number of days in the period calculated on either
a 365- or a 360-day basis.

2. *Reference*—This determination is made pursuant to paragraphs
(a) and (b) of section 64E(1) of the Income Tax Act 1976. This
determination is required to be applied in circumstances referred
to in other determinations.

3. *Scope of determination*—Unless its application is specifically
excluded in another determination, this determination applies to
all amounts of income derived or expenditure incurred in respect
of a period where the amount of the income or expenditure has
been calculated pursuant to any other determination made pursuant
to paragraphs (a) or (b) of section 64E(1) of the Income Tax Act
1976.

4. *Principle*—The apportionment of income and expenditure on
a daily straight line basis in respect of a period of not more than
1 year permits the allocation of income and expenditure to income
years within the period on a simple basis. It assumes that income
and expenditure accrue at a flat dollar rate over each day in the
period.

5. *Interpretation*—In this determination—

(a) Unless the context otherwise requires, expressions used have
the same meanings as in sections 64B to 64M of the Income
Tax Act 1976;

(b) "Period" means the term, not exceeding 1 year, commencing
immediately after a payment is payable or receivable and
ending when the next payment is payable or receivable;

(c) The number of days in a period calculated on a 365-day basis
means the actual number of days in the period including
the ending date of the period but excluding the starting
date of the period; and

(d) The number of days in a period calculated on a 360-day basis
means the number of days falling within the period
including the ending date of the period but excluding the
starting date of the period and calculated as if every
calendar month had exactly 30 days; and for this purpose—

(i) If the ending date of the period is the 31st day of a
month it shall be deemed to be the 30th day of the month
unless the starting date of the period is a day within the
same month;

(ii) If the starting date of the period is the 31st day of a
month it shall be deemed to be the 30th day of the month.

6. *Method*—For the purposes of section 64C of the Income Tax
Act 1976 the income derived or expenditure incurred by a holder
or an issuer of a financial arrangement in respect of a period shall
be apportioned among the income years of the holder or issuer in
which that period falls pro rata with the number of days in the
period lying within each income year calculated (at the option of
the holder or the issuer) on a 360- or 365-day basis.

7. *Example*—

On 29 January 1987 a company issues a 180-day bill for
\$3,000,000, at a discount of \$294,000.

The company's balance date is 31 March, and it elects to recognise
the interest expense on a 365-day basis.

There are 61 days from 29 January to 31 March 1987.

Therefore— $\frac{61}{180} \times \$294,000 = \$99,633.33$ will be brought into

account as expenditure in the company's 1986-87 income year,
and the balance of \$194,366.67 will be brought into account in
its 1987-88 income year for income tax purposes pursuant to
section 64F of the Income Tax Act 1976.

If the company had elected to recognise the interest expense on
a 360-day basis, then the number of days from 29 January to
31 March 1987 would have been 62, and amounts of
\$101,266.67 and \$192,733.33 would have been brought into
account in its 1986-87 and 1987-88 income years respectively.

This determination is signed by me on the 13th day of May in
the year 1987.

JOHN SIMCOCK, Commissioner of Inland Revenue.

REQUIREMENTS AS TO PRECISION

DETERMINATION G2: This determination may be cited as
"Determination G2: Requirements as to Precision".

1. *Explanation* (which does not form part of the determination).
This determination sets out the level of precision acceptable in
calculations made under other determinations made by the
Commissioner pursuant to section 64E(1) of the Income Tax Act
1976.

2. *Reference*—This determination is made pursuant to section
64E(1) of the Income Tax Act 1976. It defines the precision
acceptable in calculations made under other determinations made
by the Commissioner pursuant to section 64E(1) of the Income Tax
Act 1976.