

Land and Income Assessment Acts Amendment Act 1893

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An Act to amend the Acts relating to the Assessment of Land and Income for the Purposes of Taxation.

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

1 Short Title.

The Short Title of this Act is “The Land and Income Assessment Acts Amendment Act, 1893.”

2 Interpretation.

In this Act, unless inconsistent with the context,—

“The original Act” means “The Land and Income Assessment Act, 1891.”

“The said Acts” mean “The Land and Income Assessment Act, 1891,” and include all Acts amending the same.

3 Limitation of exemption of lands vested in Her Majesty.

- (1.) The exemption of lands vested in Her Majesty, contained in the sixteenth section of the original Act, shall be deemed not to include lands held by Her Majesty upon any express or implied trust, and all such lands shall be liable to tax in accordance with the said Acts, unless otherwise expressly exempted therefrom.

Beneficiary deemed to be owner of land or mortgage.

- (2.) Whenever any land is vested in, or any mortgage is held by, Her Majesty upon any express or implied trust as aforesaid, the person entitled in equity to the rents or profits of such land, or the moneys secured by such mortgage, shall be deemed to be the owner thereof within the meaning of the said Acts, and liable to all the provisions thereof respectively.

In the case of a public department, regulations may prescribe who shall make returns and out of what funds tax shall be paid.

- (3.) If such land or mortgage is vested in or held by Her Majesty upon any such trust as aforesaid on behalf of any public institution or department, regulations may be made under the original Act prescribing what person or authority shall make returns and do all necessary acts for the purpose of having such land or mortgage assessed under the said Acts, and in what manner the same shall be assessed, and out of what funds of such institution or department the said tax shall be payable.

4 Land and mortgages of building societies exempt.

All land owned and mortgages held by any building society duly registered or constituted under “The Building Societies Act, 1880,” or any Act in force

prior to that Act, or by any trustee of any such society on its behalf, are hereby declared exempt from liability to tax under the said Acts:

Proviso as to profits being part of income.

Provided that annual or other dividends paid or profits credited to any member or shareholder in any such society shall be deemed to be part of the income of such member or shareholder; and any such society shall, when requested by the Commissioner, forward to him a statement of such dividends or profits.

5 Persons and companies may be required to make new or further and fuller returns.

Every person and company shall be liable from time to time, and at any time when required by the Commissioner, to make a new or further and fuller return of land, or mortgages, or income, either in respect of the whole or any part of such land, mortgages, or income respectively owned, held, or received by such person or company, and although a return has been previously made by such person or company for the same triennial or annual period, as the case may be; and all the provisions of the said Acts shall extend and apply to any such new or further and fuller return, and assessments may be made upon or in respect thereof by the Commissioner, in accordance with the said Acts, in such manner as may be necessary to give effect thereto; but all land shall be assessed and returned at the value at which it was assessed at the triennial valuation.

6 Power to require information, and for production of deeds, books, accounts, &c.

- (1.) For the purpose of obtaining full information in respect of any land, mortgage, or income of any person or company, or of any part thereof respectively, the Commissioner may, from time to time and at any time, in writing, require any person whomsoever, or the public officer of any company, to furnish information in writing, signed by such person or public officer, or by verbal communication, and whether general or particular, which may be in his knowledge, possession, or power, relating to any such land, mortgage, or income, or any part thereof respectively; or if the Commissioner thinks fit he may require any such person, or the public officer of any such company, or any other person in whose custody or control the same may be, to produce for examination by the Commissioner, or by any person appointed by him for that purpose, at such time and place as may be appointed by the Commissioner in that behalf, any deeds, instruments, books, accounts, trade-lists, stock-sheets, or other documents or writings that may be deemed necessary for the purposes aforesaid, or any of them.

Power to orally examine certain persons.

- (2.) The Commissioner for all or any of the purposes aforesaid may, by fourteen days' notice in writing, require the owner of any land or the holder of any mortgage, or any person or company entitled to or in receipt of any income, or

the public officer of any company, being such owner or holder or so entitled or in receipt as aforesaid, or any other person whomsoever that the Commissioner may deem able to furnish information, to attend at a time and place to be named by the Commissioner for the purpose of being examined by him respecting the land, mortgages, or income of any such owner, holder, person, or company, or any transactions or matters affecting the same, or any of them or any part thereof. Such other person shall be allowed reasonable expenses necessarily incurred by him in such attendance.

7 Penalty on failure to comply with the provisions of any of last two preceding sections.

Every person who, without reasonable excuse, fails or neglects to comply with any requirement of the Commissioner under either of the last two immediately preceding sections, or who, without reasonable excuse, fails or neglects to attend and give evidence or information as provided by the last immediately preceding section, shall be guilty of an offence and be liable to a penalty of not less than two pounds nor more than one hundred pounds for every such offence.

8 Owners of land and mortgages exempt from taxation to make returns.

Every owner of land or of any mortgage which may be exempt from taxation under the provisions of the said Acts, shall, when required by the Commissioner, make and furnish a return of such land or mortgages owned or held by such owner in respect of any triennial or annual period; and, except as to liability to taxation in respect of such land or mortgage, every such owner shall be liable to all the provisions of the said Acts relating to returns of land or mortgages required to be made or furnished thereunder.

This provision shall be deemed to have formed part of the original Act when the same came into operation.

9 Amendment of section 9 of “The Land and Income Assessment Act Amendment Act, 1892.”

Section nine of “The Land and Income Assessment Act Amendment Act, 1892,” is hereby amended as follows: Where the word “April” first occurs in the said section, the word “July” is hereby substituted.

At the end of the first paragraph of the said section nine the following new paragraph is inserted:—

Power to require owners and mortgagees to make certain returns.

In order to give effect to the preceding provisions, the Commissioner may from time to time require any person to make a return in writing of any land owned or mortgages held by or vested in such person as at the first day of April, in the year one thousand eight hundred and ninety-three, or as at the first day of April in any succeeding year, as the case may require; and the particulars to be

inserted in such returns, and the mode of making the same, may be prescribed from time to time by regulations made under the original Act.

10 Provision that ten per cent. payable where tax not assessed by reason of neglect to make return.

Where any tax has not been assessed, and remains unpaid in consequence of any person or company having neglected (whether wilfully or not) to make a full and complete return of land, mortgages, or income, or any of them, or any part of them, or by reason of such person or company having claimed deductions which such person or company was not lawfully entitled to claim, then the additional ten per centum provided for in the twenty-fourth section of the original Act shall be added to such tax; and this provision shall be deemed to have formed part of the original Act when the same came into operation.

11 Amendments to Schedules.

The following further amendments are hereby made in the Schedules to the original Act as altered by “The Land and Income Assessment Act Amendment Act, 1892”:—

(1.) In Schedule A:—

Assessments on land to be made after deduction of all improvements.

All references therein to the value of improvements upon land up to three thousand pounds shall henceforth be deemed omitted from such Schedule; and all tax on land under the said Acts shall be assessed and levied on the amount of the assessed value of such land after deducting the value of all improvements thereon; and the expression “improvements” shall have the same meaning as it now has by virtue of the said Schedule.

Amendment of law affecting loan, building, and investment companies.

In the first section of Part (2) of this Schedule the following amendment is made: After the words “banking company” in the said section the following words shall be inserted: “or company now or hereafter registered in New Zealand under any Act of the General Assembly, whose sole or principal business is the business of a loan, building, and investment company, and the head office and management of which is situated and conducted in New Zealand.”

The proviso to the said first section, as contained in the original Act, is hereby repealed.

Amended scale of graduated tax.

(2.) In Schedule B:—

The scale of taxation now forming part of this Schedule is hereby repealed, and in lieu thereof the following scale is substituted:—

First Column.	Second Column.	Third Column: Rate of Graduated Tax.
Where the value is £5,000	and is less than £10,000	one-eighth of a penny in the pound sterling.
Where the value is £10,000	and is less than £15,000	two-eighths of a penny in the pound sterling.
Where the value is £15,000	and is less than £20,000	three-eighths of a penny in the pound sterling.
Where the value is £20,000	and is less than £25,000	four-eighths of a penny in the pound sterling.
Where the value is £25,000	and is less than £30,000	five-eighths of a penny in the pound sterling.
Where the value is £30,000	and is less than £40,000	six-eighths of a penny in the pound sterling.
Where the value is £40,000	and is less than £50,000	seven-eighths of a penny in the pound sterling.
Where the value is £50,000	and is less than £70,000	one penny in the pound sterling.

charging the several accounts with expenditure as stated on the vouchers; and shall send such credit requisition, when signed by the Treasury, together with the vouchers in support of the same, to the Audit Office; and as soon as the Treasury receives notice in writing from the Audit Office that it has passed such credit requisition, but not otherwise, the several sums therein credited, charged, or transferred shall be recorded in the accounts of the Treasury and the Audit Office.

53 If Audit Office objects, Governor in Council to decide.

If the Audit Office declines to pass any issue or credit requisition on the ground that the charges therein are not according to law, the matter in dispute shall be determined by the Governor in Council, having before him the opinion of the Attorney-General thereon; but the objections of the Audit Office shall, together with the opinion of the Attorney-General, be forthwith laid before Parliament, if Parliament be then in session, and, if not, then within ten days after the commencement of the then next session.

54 Receipted vouchers to be returned to Audit Office.

All vouchers for the payment of which money is issued shall be returned to the Audit Office by the Paymaster-General, duly receipted by, or by the written authority of, the person entitled to receive such money; and the Audit Office shall surcharge every sum for which such properly-receipted voucher is wanting against the officer whose duty it was to obtain such receipt.

Any such surcharge shall be deemed to be a debt due to the Crown by such officer; but the Controller and Auditor-General may discharge any such surcharge upon a proper receipt being obtained, or upon a bond to the Crown being entered into by such officer for the repayment of such moneys, in case

any person entitled to receive and not having received the same shall at any time establish a claim thereto.

Part VI

OF PUBLIC MONEYS BEYOND THE COLONY

55 The New Zealand Public Account.

All moneys the property of the Government of New Zealand in the United Kingdom shall be paid into an account called the New Zealand Public Account, at such bank or banks as the Governor by warrant under his hand from time to time appoints; and no moneys shall be withdrawn from such account except in the manner provided by this Act.

56 Governor may alter bank.

The Governor in Council may cancel any such appointment, and may remove the moneys in the said account or such part of them as he thinks fit from any bank to any other bank so appointed.

57 Commissioners of the Governor in England.

The Governor in Council shall appoint, and may from time to time remove and may reappoint, three fit and proper persons being resident in Great Britain (herein called "the Commissioners"), who, or any two of whom, shall have full power to do in Great Britain on behalf of the Governor, and subject to such instructions as they may from time to time receive from the Governor, everything which the Governor is empowered to do under the fifty-fifth and fifty-sixth sections of this Act; and, upon the death, incapacity, removal, or resignation of either of such Commissioners, the Governor in Council shall appoint another in his stead, and the other two Commissioners may meanwhile appoint a third to hold office until the Commissioner appointed by the Governor enters upon the duties of such office.

Amendment of the law as to mining companies.

(e.) The following new section is added to this Schedule:—

One-half of the dividends paid by any mining company in New Zealand to its shareholders in any year ending on the thirty-first day of March shall be deemed to be the income derived or received by such company from its business for that year, and the company shall be liable to tax accordingly. The Commissioner may from time to time require any such company to furnish such reasonable evidence as he shall deem sufficient as to the amounts actually paid to shareholders as aforesaid by way of dividends in any such year.

For the purposes of this section "mining company" means any company registered under "The Companies Act, 1882," or "The Mining Compan-

ies Act, 1886,” for all or any “mining purposes,” as defined by the last-mentioned Act.

Person not domiciled in colony not entitled to exemption of £300.

(4.) In Schedules D and E:—

No person who is not domiciled or permanently resident in New Zealand, and whether in partnership with any person or persons domiciled or permanently resident there or not, shall be entitled to the deduction by way of exemption of three hundred pounds as provided under the said Schedules.

Resident in New Zealand receiving pension from abroad not liable to income-tax if tax paid in country whence pension derived.

(5.) In Schedule E:—

Any person resident in New Zealand who is in receipt of an annual pension received or derived from the Crown in Great Britain, or the Government of any British possession, shall be exempt from income-tax as respects such pension; provided that the person entitled to such pension proves to the satisfaction of the Commissioner that such pension is liable to income-tax or a like tax in Great Britain, or in such British possession, and that such tax has been duly paid.

(6.) In Schedule F:—

Losses, &c., incurred in New Zealand only to be deducted.

(a.) Section one of this Schedule shall only apply to losses and outgoings incurred in New Zealand, and not further or otherwise.

Money paid for interest on mortgage or for tax not to be deducted.

(b.) A new subsection shall be added to section two of this Schedule, namely:—

(j.) Nor for the amount of any land-tax or income-tax paid under any Act.

This subsection and the immediately preceding provision shall be deemed to have been part of the original Act at the date when the same came into operation.

(c.) Paragraph five of Schedule F of “The Land and Income Assessment Act, 1891,” is hereby amended by the omission of the words “allowances made to any person by way of house-rent and.”