

Stamp Act Amendment Act 1902

Public Act 1902 No 12
Date of assent 3 October 1902

Contents

		Page
	Title	2
1	Short Title.	2
2	Interpretation.	2
<i>CONTRACT-NOTES</i>		
3	Stamped contract-note to be given on sale of shares.	3
4	Transfer not to be executed unless contract-note given.	3
5	Sharebroker no claim for brokerage, &c., unless contract- note given.	3
6	Stamp duty may be added to brokerage &c.	3
7	Copy of contract cote to be kept.	3
8	Commissioner's powers to inspect books, &c	4
9	Evidence in proceedings.	4
10	Buyer of shares to disclose name of real purchaser.	4
11	Penalty on breach of Act.	4
12	Onus of proof of exemption.	4
13	Repeal as to mining companies.	4
14	Commencement of preceding sections	4
<i>FOREIGN MARINE INSURANCE COMPANIES</i>		
15	Section 11 of Amendment Act, 1885, extended.	5
<i>STATUTORY DECLARATIONS</i>		
16	Statutory declarations under certain Acts exempt.	5
<i>FRIENDLY SOCIETIES' CHEQUES</i>		
17	Certain drafts or orders of friendly societies exempt.	5

GUARANTEES

18	Guarantees.	5
----	-------------	---

DEMONETISED STAMPS

19	Die may be discontinued.	6
----	--------------------------	---

	FIRST SCHEDULE	7
--	-----------------------	---

	SECOND SCHEDULE	8
	Stamp Duty on Contract-notes	

An Act to amend “The Stamp Act, 1882.”

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 Stamp Act Amendment Act, 1902”; and it shall form part of and be read together with “The Stamp Act, 1882” (hereinafter called “the principal Act”).

2 Interpretation.

In this Act, if not inconsistent with the context,—

“Buyer” means any person, or a sharebroker acting on behalf of any person, who purchases shares in any mining company:

“Contract-note” means a seller’s or buyer’s contract-note, as the case may be, in the form or to the effect of the First Schedule hereto; a seller’s contract-note means the note transmitted by a seller to the buyer, and a buyer’s contract-note means the note transmitted by a buyer to the seller:

“Mining company” means any company formed for mining purposes as defined by “The Mining Companies Act, 1894,” whether registered under that Act or “The Companies Act, 1882,” and includes companies deemed to be registered under the first-mentioned Act, and foreign companies formed for mining purposes:

“Sale” includes purchase:

“Seller” means any person, or a sharebroker acting on behalf of any person, who sells shares in any mining company:

“Shares” includes shares and stock:

“Transmitted” means personal delivery of the contract-note, or delivery at the usual or last known place of business or abode of the person to whom it is addressed, or posting the same to his usual or last known place of business or abode.

*CONTRACT-NOTES***3 Stamped contract-note to be given on sale of shares.**

- (1.) Upon the sale of any shares in a mining company a seller's contract-note, on duly stamped material, shall, within twenty- four hours of the hour of the sale, be transmitted by the seller to the buyer, and a buyer's contract-note shall in like manner be transmitted by the buyer to the seller.
- (2.) Not more than one sale of shares shall be inserted in any one contract-note, and where shares in two or more mining companies are sold at one time to the same buyer there shall be a separate contract-note in respect of the shares in each company.
- (3.) The duty on a contract-note under this Act shall be in accordance with the Second Schedule hereto, and shall be denoted by an impressed stamp.
- (4.) A contract-note shall not be stamped after the execution thereof.
- (5.) A contract for the sale of shares shall not be valid or enforceable unless the provisions of this section have been duly complied with.
- (6.) Every person who commits a breach of this section is liable for each offence to a penalty not exceeding fifty pounds.

4 Transfer not to be executed unless contract-note given.

Every person who executes a transfer of any share unless a contract-note of the sale thereof has first been transmitted by him or by some person on his behalf to the buyer is liable for each offence to a penalty not exceeding fifty pounds and not less than twenty pounds.

5 Sharebroker no claim for brokerage, &c., unless contract- note given.

A sharebroker shall have no claim to any charge for brokerage, commission, or agency on the sale of any shares unless he duly makes, executes, and transmits a duly stamped contract-note for such sale as hereinbefore provided.

6 Stamp duty may be added to brokerage &c.

The duty upon a contract-note paid by a sharebroker on behalf of his principal may be added to his charge for brokerage, commission, or agency.

7 Copy of contract note to be kept.

Every sharebroker shall keep for a period of twelve months a copy, duly filed in order of date, of all buyers' or sellers' contract-notes transmitted by him: Provided that it shall be a sufficient compliance with this section if the sharebroker keeps a book of counterfoils in which is written a duplicate of each contract- note so transmitted.

8 Commissioner's powers to inspect books, &c

The Commissioner, or any officer authorised by him in that behalf, shall at all times have full and free access to all books and papers relating to the sale of shares in the possession of any sharebroker, or of any Stock Exchange of which the sharebroker is a member, or of any mining company; and may make copies thereof or extracts therefrom, and may impound and take possession of any contract-note not duly stamped.

9 Evidence in proceedings.

In all proceedings relating to the sale of shares between a sharebroker and his principal or other person, nothing in this Act shall exclude any evidence that would be otherwise admissible:

Provided that the plaintiff shall prove to the satisfaction of the Court that the provisions of section three hereof have been duly complied with.

10 Buyer of shares to disclose name of real purchaser.

- (1.) The seller of any shares in a mining company in respect of which there is a liability is entitled to demand in writing from the buyer the name in full of the person on whose account such shares are purchased.
- (2.) If on any such demand the buyer fails to comply with the same for a period of two days from the date of the demand, the seller may insert the buyer's name in the transfer as transferee.

11 Penalty on breach of Act.

Every person who commits a breach of any of the foregoing provisions of this Act for which no penalty is elsewhere provided is liable to a penalty not exceeding ten pounds.

12 Onus of proof of exemption.

In all proceedings against any person for any breach of the foregoing provisions of this Act the onus of proving that such person was exempted from liability to any penalty hereby imposed shall rest upon the defendant, who shall in all such proceedings be competent and compellable to give evidence, any law or practice to the contrary notwithstanding.

13 Repeal as to mining companies.

Sections one hundred and thirty-one to one hundred and thirty-five and the Third Schedule of the principal Act are hereby repealed so far as the same relate to transfers of shares in mining companies.

14 Commencement of preceding sections

Sections three to thirteen hereof shall not come into operation until the first day of January, one thousand nine hundred and three.

FOREIGN MARINE INSURANCE COMPANIES

15 Section 11 of Amendment Act, 1885, extended.

Every broker, agent, or other person who negotiates or transacts any contract of marine insurance with any person or association, or any chartered or incorporated or joint-stock company, not carrying on business within the colony, or who makes any declaration under any open or valued policy issued by any such last-mentioned person, association, or company, is, for the purposes of section eleven of “The Stamp Act 1882 Amendment Act, 1885,” himself deemed to be a company registered or incorporated beyond the colony and carrying on the business of marine insurance.

STATUTORY DECLARATIONS

16 Statutory declarations under certain Acts exempt.

All statutory declarations required to be made (a) by a local authority for the purposes of “The Local Bodies’ Finance and Powers Act, 1885,” and (b) by a member of a Board under section eighteen of “The Hospitals and Charitable Institutions Act 1885 Amendment Act, 1886,” shall be exempt from stamp duty.

FRIENDLY SOCIETIES’ CHEQUES

17 Certain drafts or orders of friendly societies exempt.

Section thirteen of “The Friendly Societies Act, 1882,” relating to exemptions from stamp duty, is hereby amended by repealing paragraph (b) of subsection two thereof, and substituting in lieu thereof the following:—

“(b) Draft or order or receipt given by or to a registered society or branch in respect of money payable by virtue of its rules or of this Act:

“Provided that every cheque drawn on any bank under this subsection shall bear on the face thereof the words ‘Friendly society’s cheque, to be used only for the purposes of the society on behalf of which it is issued, and not for general circulation.’”

GUARANTEES

18 Guarantees.

Every guarantee or promise in writing to answer for the debt or default of any other person, and signed by the party to be charged, is liable, when such guarantee or promise is the leading object of the instrument, to a stamp duty of one shilling.

*DEMONETISED STAMPS***19 Die may be discontinued.**

- (1.) Where the Commissioner determines to discontinue the use of any die and to provide a new die in lieu thereof, and gives public notice thereof in the *Gazette*, then, from and after a day to be fixed in the notice (not being within three months after the same is so published), the new die shall be the only lawful die for denoting the duty chargeable in any case in which the discontinued die would have been used; and every instrument bearing date after the day so named, and every postal packet posted after that day, and stamped with the discontinued die, shall be deemed to be not duly stamped.

Obsolete stamps may be exchanged.

- (2.) Any person who has in his possession any stamps or material stamped with the discontinued die, and which by reason of the providing of such new die have been rendered useless, may at any time within twelve months after the day stated in such notice send the same to any post-office, and the Commissioner shall thereupon cause the same to be cancelled, and stamps or stamped material (as the case may be) stamped with the new die, and to an equal value, to be exchanged for the stamps so cancelled.

SCHEDULES

FIRST SCHEDULE

Contract-note

Dated _____, 19__ .

I have this day sold to [*or* bought from] _____, _____ shares in _____, at _____ per share. Paid up to _____, 19__ .

Premium: _____ .

[Signed by buyer or seller.]

SECOND SCHEDULE
Stamp Duty on Contract-notes

	Amount of Duty.		
		s.	d.
On the sale of shares, where the consideration does not exceed £100	0	1	0
Where the consideration exceeds £100	0	2	6