

**Reprint  
as at 3 June 2017**



## **Finance Act (No 2) 1940**

Public Act      1940 No 19  
Date of assent    30 August 1940  
Commencement    30 August 1940

Finance Act (No 2) 1940: repealed, on 3 June 2017, by section 3(1) of the Statutes Repeal Act 2017 (2017 No 23).

### **Contents**

	Page
Title	3
1 Short Title	3
<b>Part 1</b>	
<b>Public revenues</b>	
2 Authorising Minister of Industries and Commerce to develop linen flax industry <i>[Repealed]</i>	3
3 Provision for collection of Social Security Charge and National Security Tax on issue of National Savings Bonds <i>[Repealed]</i>	3
4 Restoring exemption of charitable gifts from death duties and gift duty <i>[Repealed]</i>	3
5 Revocation of approval of brewers' depots or bottling stores <i>[Repealed]</i>	3
6 Extending power to levy rates under Swamp Drainage Act 1915 <i>[Repealed]</i>	3
7 Validating certain rates in respect of Poukawa Drainage Area	3

---

#### **Note**

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.  
Note 4 at the end of this reprint provides a list of the amendments incorporated.

**This Act is administered by the Treasury.**

8	As to payment of compensation for certain land taken for purposes of Waitaki Boys' High School	4
<b>Part 2</b>		
<b>Income tax</b>		
9	This Part to be read with Land and Income Tax Act 1923 <i>[Repealed]</i>	4
10	Amending provisions for assessment for income tax of gold mining companies <i>[Repealed]</i>	5
11	Special provisions as to interest on debentures issued in substitution for shares <i>[Repealed]</i>	5
12	Amending provisions as to proprietary companies <i>[Repealed]</i>	5
<b>Part 3</b>		
<b>Government superannuation</b>		
13	Contributors to Government Superannuation Funds may elect to accept reduced retiring allowances in consideration of annuities to widows or approved dependants <i>[Repealed]</i>	5
14	Death of male contributor to Government Railways Superannuation Fund <i>[Repealed]</i>	5
15	Superannuation rights of employees of Government service organisations <i>[Repealed]</i>	5
16	Power to postpone superannuation rights of members of Parliament <i>[Repealed]</i>	5
<b>Part 4</b>		
<b>Local authorities</b>		
17	Authorising and validating expenditure by local authorities in respect of visits of warships	6
18	Conferring special powers on Buckley Drainage Board as to Mangaore Stream	6
<b>Part 5</b>		
<b>Miscellaneous</b>		
19	Disqualification provisions as to members of Parliament not to apply to certain payments	6
20	Difference between wholesale and retail price of motor spirits to be refunded in certain cases	7
21	Extending powers of Dilworth trustees as to British children	8
22	Administration by Public Trustee of a certain trust under the will of Thomas Edmund Smith <i>[Repealed]</i>	8
23	Validating grant of scholarships by Porirua College Trust Board and by Papawai and Kaikokirikiri Trusts Board <i>[Repealed]</i>	8
24	Validating certain retiring allowances granted by Porirua College Trust Board <i>[Repealed]</i>	8

---

**An Act to make provision with respect to public finance and other matters**

**1 Short Title**

This Act may be cited as the Finance Act (No 2) 1940.

**Part 1  
Public revenues**

**2 Authorising Minister of Industries and Commerce to develop linen flax industry**

*[Repealed]*

Section 2: repealed, on 7 December 1945, by section 26(1) of the Linen Flax Corporation Act 1945 (1945 No 46).

**3 Provision for collection of Social Security Charge and National Security Tax on issue of National Savings Bonds**

*[Repealed]*

Section 3: repealed, on 24 October 1957, by section 5(3) of the Income Tax Assessment Act 1957 (1957 No 93).

**4 Restoring exemption of charitable gifts from death duties and gift duty**

*[Repealed]*

Section 4: repealed (with effect on 21 July 1955), on 28 October 1955, by section 89(1) of the Estate and Gift Duties Act 1955 (1955 No 105).

**5 Revocation of approval of brewers' depots or bottling stores**

*[Repealed]*

Section 5: repealed, on 1 April 1978, by section 56 of the Beer Duty Act 1977 (1977 No 71).

**6 Extending power to levy rates under Swamp Drainage Act 1915**

*[Repealed]*

Section 6: repealed, on 29 June 1988, by section 209(1) of the Rating Powers Act 1988 (1988 No 97).

**7 Validating certain rates in respect of Poukawa Drainage Area**

Notwithstanding that the special rate made by the Minister of Lands under subsection (1) of section 2 of the Swamp Drainage Amendment Act 1928 on 30 March 1933 on lands in the Poukawa Drainage Area, in addition to being of an amount sufficient for the repayment of moneys then actually expended on that area together with interest thereon, included an estimated amount required to be expended to complete the drainage works in that area, the special rate is hereby validated and declared to have been lawfully made.

**8 As to payment of compensation for certain land taken for purposes of Waitaki Boys' High School**

Whereas by a Proclamation dated 23 June 1939 and published in the *Gazette* of 6 July 1939 on page 1937, an area of 19 acres 1 rood 26 perches of land, being portion of Section 13, Block I, Oamaru Survey District, in the Otago Land District, was taken under the powers conferred by the Public Works Act 1928 for the purposes of a secondary school:

And whereas it was mutually agreed with the owners of the said land—namely, the managers of the Saint Paul's Presbyterian Congregation, Oamaru, a corporation constituted under the provisions of the Presbyterian Church of Otago Incorporation Act 1875 (hereinafter in this section referred to as the **owners**)—that the sum of 795 pounds be paid in full and final settlement of all costs, claims, demands, or damages arising out of the taking or utilisation of the land for secondary school purposes or otherwise howsoever:

And whereas the owners and the lessee of the land mutually agreed that the compensation was to be paid to the owners and that the owners would settle with the lessee for any interest he may have:

And whereas doubts have arisen as to whether the compensation should be paid to the owners or to the Public Trustee:

And whereas it is inadvisable in this case to pay the money to the Public Trustee, all matters having been mutually agreed upon by the parties affected:

Be it therefore enacted as follows:

The Minister of Public Works is hereby authorised to pay to the owners the sum of 795 pounds in full and final settlement of all costs, claims, demands, and damages arising out of the taking or utilisation of the aforesaid land for secondary school purposes or otherwise howsoever, and the receipt of the secretary or other authorised officer of the owners for that amount shall be a full and final discharge from any further liability.

**Part 2**  
**Income tax**

Part 2: repealed, on 1 April 1955, by section 246(1) of the Land and Income Tax Act 1954 (1954 No 67).

**9 This Part to be read with Land and Income Tax Act 1923**

*[Repealed]*

Section 9: repealed, on 1 April 1955, by section 246(1) of the Land and Income Tax Act 1954 (1954 No 67).

**10 Amending provisions for assessment for income tax of gold mining companies**

*[Repealed]*

Section 10: repealed, on 1 April 1955, by section 246(1) of the Land and Income Tax Act 1954 (1954 No 67).

**11 Special provisions as to interest on debentures issued in substitution for shares**

*[Repealed]*

Section 11: repealed, on 1 April 1955, by section 246(1) of the Land and Income Tax Act 1954 (1954 No 67).

**12 Amending provisions as to proprietary companies**

*[Repealed]*

Section 12: repealed, on 1 April 1955, by section 246(1) of the Land and Income Tax Act 1954 (1954 No 67).

**Part 3**

**Government superannuation**

Part 3: repealed, on 1 April 1948, by section 91(1) of the Superannuation Act 1947 (1947 No 57).

**13 Contributors to Government Superannuation Funds may elect to accept reduced retiring allowances in consideration of annuities to widows or approved dependants**

*[Repealed]*

Section 13: repealed, on 1 April 1948, by section 91(1) of the Superannuation Act 1947 (1947 No 57).

**14 Death of male contributor to Government Railways Superannuation Fund**

*[Repealed]*

Section 14: repealed, on 1 April 1948, by section 91(1) of the Superannuation Act 1947 (1947 No 57).

**15 Superannuation rights of employees of Government service organisations**

*[Repealed]*

Section 15: repealed, on 1 April 1948, by section 91(1) of the Superannuation Act 1947 (1947 No 57).

**16 Power to postpone superannuation rights of members of Parliament**

*[Repealed]*

Section 16: repealed, on 1 April 1948, by section 91(1) of the Superannuation Act 1947 (1947 No 57).

## **Part 4**

### **Local authorities**

#### **17 Authorising and validating expenditure by local authorities in respect of visits of warships**

It shall be lawful and be deemed to have been lawful for any local authority or public body to expend out of its general fund or account any sum or sums of money for the purpose of welcoming, entertaining, or otherwise tendering hospitality to the officers and men of any ships of the Royal Navy or of any other navy, whether British or foreign, which have visited or may hereafter visit New Zealand.

#### **18 Conferring special powers on Buckley Drainage Board as to Mangaore Stream**

- (1) Notwithstanding anything to the contrary in any Act, the Buckley Drainage Board shall have, in respect of that portion of the Mangaore Stream situated in the Borough of Shannon and the Horowhenua County between the Main Road and Johnson Street in the said county, all the power of a River Board duly constituted in accordance with the provisions of the River Boards Act 1908.
- (2) The Buckley Drainage Board shall maintain the left bank of the aforesaid portion of the Mangaore Stream and shall expend annually on the maintenance thereof such sums of money as the Board, the Horowhenua County Council, the Shannon Borough Council, the Minister of Public Works, and any landowner may mutually agree to contribute, being not greater in any individual case than the sum of 10 pounds.
- (3) Any such contributions by any local authority shall be paid annually to the Board out of the general fund or account of the contributing local authority, and any sums agreed to be paid by the Minister of Public Works shall be paid out of moneys appropriated by Parliament for the purpose.

## **Part 5**

### **Miscellaneous**

#### **19 Disqualification provisions as to members of Parliament not to apply to certain payments**

The provisions of the Electoral Act 1927, or of any other Act, as to the disqualification of members of Parliament or of candidates for election as members of Parliament shall not apply with respect to any payment that may be received out of public moneys by the Right Honourable Joseph Gordon Coates in respect of the purchase from him of a sound camera and equipment for the purposes of the Government film studios.

**20 Difference between wholesale and retail price of motor spirits to be refunded in certain cases**

Whereas the prices at which motor spirits may be sold are fixed by certain regulations (hereinafter in this section referred to as the **district regulations**) made under the Motor-spirits (Regulation of Prices) Act 1933:

And whereas by the district regulations it is provided that where any purchaser of motor spirits purchases or has purchased for use in his own business and not for resale not less than specified quantities of motor spirits the motor spirits shall be sold at reduced prices (hereinafter in this section referred to as **wholesale prices**):

And whereas in the month of September 1939 restrictions were imposed on the quantities of motor spirits that could be purchased, and consequently purchasers of motor spirits who would otherwise have purchased the specified quantities of motor spirits which would have entitled them to purchase at wholesale prices were unable to purchase those quantities:

And whereas the district regulations have since been amended by reducing the quantities specified but the amendment did not come into force until 8 March 1940:

And whereas it is desirable to provide that persons who, if the amendment had come into force on 1 September 1939 and applied with respect to all motor spirits purchased on or after that date, would have been entitled to pay wholesale prices for any motor spirits, instead of the higher prices actually paid by them, should be entitled to a refund of any moneys paid in excess of the wholesale prices:

Be it therefore enacted as follows:

- (1) If any person has bought motor spirits for use in his own business and not for resale and satisfies the Minister of Industries and Commerce that if the aforesaid amendment of the district regulations, being the Motor-spirits Prices General Regulations 1938, Amendment No 8 (SR 1940/42), had come into force on 1 September 1939 and had applied with respect to all motor spirits purchased on or after that date, that person would have been entitled to purchase the motor spirits at the wholesale prices for the time being in force, the vendor of the motor spirits shall refund to that person any amount paid for the motor spirits in excess of those wholesale prices.
- (2) Any vendor of motor spirits liable to make a refund under this section shall make the refund not later than 16 days after he receives notice that the Minister has been so satisfied as aforesaid.
- (3) Any such notice may be signed on behalf of the Minister by any officer of the Industries and Commerce, Tourist and Publicity Department.

**21 Extending powers of Dilworth trustees as to British children**

Notwithstanding anything to the contrary in the will of James Dilworth, late of Remuera, Auckland, settler (deceased), or in the Drillers Trustees Act 1902, or in the Dilworth Trustees Act 1902 Amendment Act 1905, or in the Dilworth Trustees Acts Amendment Act 1912, the trustees of the said will may select to be a pupil of the Dilworth Ulster Institute any boy who, during any war in which His Majesty may be engaged and whether before or after the passing of this Act, may have arrived in New Zealand from any part of the United Kingdom under any Government scheme, whether or not he is under the age of 10 years.

**22 Administration by Public Trustee of a certain trust under the will of Thomas Edmund Smith**

*[Repealed]*

Section 22: repealed, on 1 March 2002, by section 170(1) of the Public Trust Act 2001 (2001 No 100).

**23 Validating grant of scholarships by Porirua College Trust Board and by Papawai and Kaikokirikiri Trusts Board**

*[Repealed]*

Section 23: repealed, on 1 October 1943, by section 20(1) of the Papawai and Kaikokirikiri Trusts Act 1943 (1943 No 3 (P)).

**24 Validating certain retiring allowances granted by Porirua College Trust Board**

*[Repealed]*

Section 24: repealed, on 1 October 1943, by section 20(1) of the Otaki and Porirua Trusts Act 1943 (1943 No 4 (P)).

## Reprints notes

### 1 *General*

This is a reprint of the Finance Act (No 2) 1940 that incorporates all the amendments to that Act as at the date of the last amendment to it.

### 2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

### 3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

### 4 *Amendments incorporated in this reprint*

Statutes Repeal Act 2017 (2017 No 23): section 3(1)

Public Trust Act 2001 (2001 No 100): section 170(1)

Rating Powers Act 1988 (1988 No 97): section 209(1)

Beer Duty Act 1977 (1977 No 71): section 56

Income Tax Assessment Act 1957 (1957 No 93): section 5(3)

Estate and Gift Duties Act 1955 (1955 No 105): section 89(1)

Land and Income Tax Act 1954 (1954 No 67): section 246(1)

Superannuation Act 1947 (1947 No 57): section 91(1)

Linen Flax Corporation Act 1945 (1945 No 46): section 26(1)

Otaki and Porirua Trusts Act 1943 (1943 No 4 (P)): section 20(1)

Papawai and Kaikokirikiri Trusts Act 1943 (1943 No 3 (P)): section 20(1)