



## ANALYSIS

Title 1. Short Title	2. Definitions 3. Transitional provisions
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1996, No. 50

**An Act to amend the Income Tax Act 1994**

[1 July 1996]

BE IT ENACTED by the Parliament of New Zealand as follows:

**1. Short Title**—This Act may be cited as the Income Tax Act 1994 Amendment Act (No. 2) 1996, and shall be read together with and deemed part of the Income Tax Act 1994 (hereinafter referred to as the principal Act).

**2. Definitions**—(1) Section OB 1 of the principal Act is amended by repealing paragraph (d) of the definition of the term “dependent child”, and substituting the following paragraphs:

“(d) Who is not a child in respect of whom payments are being made under section 363 of the Children, Young Persons, and Their Families Act 1989; and

“(e) Who is not a child in respect of whom a benefit under section 28 or section 29 of the Social Security Act 1964 is being paid.”.

(2) Except as provided in section 3 of this Act, this section applies with effect from the commencement of the principal Act.

**3. Transitional provisions**—(1) A person who received or applied for a family support certificate of entitlement for the 1995–96 income year issued by the Commissioner under

section KD 5 of the principal Act before 12 December 1995 in respect of a child for whom a benefit under section 28 or section 29 of the Social Security Act 1964 has been received for the 1995–96 income year is entitled, notwithstanding that that benefit has been paid, to receive any credit of tax allowable in accordance with either section KD 2 or sections KD 2 and KD 3 of the principal Act, as the case may be, in respect of that child until 31 March 1996.

(2) A person in receipt of an income-tested benefit who has also received or applied for a credit of tax for the 1995–96 income year from the Director-General of Social Welfare under section KD 6 of the Income Tax Act 1994 before 12 December 1995 in respect of a child for whom a benefit under section 28 or section 29 of the Social Security Act 1964 has been received in the 1995–96 income year is entitled, notwithstanding that that benefit has been paid, to receive any credit of tax allowable in accordance with section KD 2 of the principal Act in respect of that child until 31 March 1996.

(3) A person who has applied for a credit of tax under section 374F of the Income Tax Act 1976 for the 1994–95 income year before 12 December 1995 in respect of a child for whom a benefit under section 28 or section 29 of the Social Security Act 1964 has been received for the 1994–95 income year is entitled, notwithstanding that a benefit under section 28 or section 29 of the Social Security Act 1964 has been paid in the 1995–96 income year, to apply for a credit of tax in respect of that child in accordance with section KD 4 of the Income Tax Act 1994 for the 1995–96 income year.

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This Act is administered in the Inland Revenue Department.

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