
THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

No. 80.

VOTES AND PROCEEDINGS

OF THE

HOUSE OF REPRESENTATIVES.

TUESDAY, 28TH SEPTEMBER, 1920.

1. The House met, at three o'clock p.m., pursuant to adjournment.—Mr. Speaker took the Chair, and read Prayers.
2. POST AND TELEGRAPH RATES BILL (1920).—The Order of the Day having been read for the resumption of the debate on the question, That the Bill be now read a second time—
Debate resumed.
Question—put and passed.—Bill read a second time.
Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

Clauses 1, 2, 3, and 4 agreed to.
 Clause 5 debated and agreed to.
 Clause 6 debated and agreed to.
 Clauses 7, 8, 9, and 10 agreed to.
 Title agreed to.
 Bill to be reported without amendment.

The House resumed; Mr. Chanter reported accordingly.
 On the motion of Mr. Wise, the House adopted the Report.
 Mr. Wise moved, pursuant to contingent notice, That the Standing Orders be suspended, to enable the remaining stage to be passed without delay.
 Question—put and passed.
 On the motion of Mr. Wise, the Bill was read a third time.

3. PAPER.—The following Paper was presented, pursuant to Statute—
 Inscribed Stock Act—Dealings and Transactions during year ended 30th June, 1919.
 4. POSTPONEMENT OF ORDERS OF THE DAY.—Ordered—That the intervening Orders of the Day be postponed until after Order of the Day No. 8.
- F.255.

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5. WAYS AND MEANS—ENTERTAINMENTS TAX BILL (1920).—The House, according to Order, resolved itself into the Committee of Ways and Means.

(In the Committee.)

Sir Joseph Cook moved, That in lieu of the rates of tax imposed by the *Entertainments Tax Act 1916-1919* upon payments for admission to entertainments there be imposed upon such payments as from a date to be fixed by proclamation a tax at the following rates, namely :—

Class of Entertainment.	Payment for Admission (excluding the amount of tax).	Rate of Tax.
(a) Cinematograph and Theatrical Entertainments and Concerts	Exceeding Three shillings ...	Threepence for the first Three shillings of the payment and One half-penny for every Sixpence or part of Sixpence by which the payment exceeds Three shillings
(b) All other Entertainments ...	Sixpence ..	One half-penny
	Exceeding Sixpence but not exceeding One shilling	One penny
	Exceeding One shilling ..	One penny for the first shilling of the payment and One half-penny for every Sixpence or part of Sixpence by which the payment exceeds One shilling.

Mr. Tudor moved, as an amendment, That the words "and all other Entertainments" be added after the word "Concerts" in paragraph (a).

Debate ensued.

Question—That the words proposed to be added be so added—put.

The Committee divided—

Ayes, 11.

Mr. Blakeley	Mr. Tudor
Mr. Blundell	Mr. West
Mr. Brennan	
Mr. Fenton	
Mr. Lazzarini	<i>Tellers:</i>
Mr. McDonald	Mr. Mathews
Mr. James Page	Mr. Parker Moloney

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Mr. Atkinson	Mr. Hill
Mr. Bamford	Mr. Jowett
Mr. Bell	Mr. Lister
Sir Robert Best	Mr. Mackay
Mr. Bruce	Mr. Marr
Mr. Donald Cameron	Mr. Maxwell
Mr. Austin Chapman	Mr. Poynton
Sir Joseph Cook	Mr. Rodgers
Mr. Robert Cook	Sir Granville Ryrie
Mr. Corser	Mr. Laird Smith
Mr. R. W. Foster	Mr. Wise
Mr. Greene	
Mr. Gregory	<i>Tellers:</i>
Mr. Groom	Mr. Burchell
Mr. Hay	Mr. Story

And so it was negatived.

Debate on main question ensued.

Mr. Parker Moloney moved, as an amendment, That the words "and Band Socials" be added after the word "Concerts" in paragraph (a).

Debate ensued.

Amendment, by leave, withdrawn.

Sir Joseph Cook moved, as an amendment, That the following words be added after the word "Concerts" in paragraph (a) :—"or entertainments for the purpose of raising funds for musical societies, associations or bodies not carried on for the profit of the individual members thereof".

Amendment agreed to.

Mr. Gregory moved, as a further amendment, That the words "Three shillings" in the second column of paragraph (a) be omitted with a view to the insertion of the words "One shilling" in place thereof.

Debate ensued.

Chairman's Ruling—A Point of Order having been raised, the Chairman of Committees ruled that the proposed amendment could not be moved in a Committee on the Bill as it would have the effect of increasing the proposed taxation, and if moved by a non-official member would therefore be out of order under Standing Order No. 171. In the Committee of Ways and Means, however, following the precedent established at the beginning of the Commonwealth Parliament, and invariably followed since, it was allowable for any honorable Member to move an amendment involving an increase of taxation.

Amendment negatived.

Motion, as amended, agreed to.

Resolution to be reported, and leave asked to sit again.

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The House resumed ; Mr. Chanter reported accordingly.

Resolved—That the House will, at a later hour this day, again resolve itself into the said Committee.
Sir Joseph Cook moved, pursuant to contingent notice, That the Standing Orders be suspended, to enable the remaining stages to be passed without delay.

Question—put and passed.

The Resolution from the Committee was read, and, on the motion of Sir Joseph Cook, was adopted by the House.

Ordered—That Sir Joseph Cook and Mr. Poynton do prepare and bring in a Bill to carry out the foregoing Resolution.

Sir Joseph Cook then brought up a Bill intituled "A Bill for an Act to amend the 'Entertainments Tax Act 1916-1919,'" and moved, That it be now read a first time.

Question—put and passed.—Bill read a first time.

Sir Joseph Cook moved, That the Bill be now read a second time.

Debate ensued.

Question—put.

The House divided—

Ayes, 33.

Mr. Atkinson	Mr. Marr
Sir Robert Best	Mr. Mathews
Mr. Blakeley	Mr. Maxwell
Mr. Blundell	Mr. McDonald
Mr. Brennan	Mr. Nicholls
Mr. Donald Cameron	Mr. James Page
Mr. Chanter	Mr. Poynton
Sir Joseph Cook	Mr. Rodgers
Mr. Cunningham	Sir Granville Ryrie
Mr. Fenton	Mr. Laird Smith
Mr. Greene	Mr. Tudor
Mr. Groom	Mr. West
Mr. Hay	Mr. Wise
Mr. Higgs	
Mr. Lavelle	
Mr. Lazzarini	<i>Tellers:</i>
Mr. Lister	Mr. Burchell
Mr. Mackay	Mr. Story

Noes, 7.

Mr. Bell
Mr. Bruce
Mr. Robert Cook
Mr. Corser
Mr. Hill

Tellers:

Mr. R. W. Foster
Mr. Gregory

And so it was resolved in the affirmative.—Bill read a second time.

Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

Bill agreed to, and to be reported without amendment.

The House resumed ; Mr. Chanter reported accordingly.

On the motion of Sir Joseph Cook, the House adopted the Report, and the Bill was read a third time.

6. WAYS AND MEANS—INCOME TAX BILL (1920).—The House, according to Order, again resolved itself into the Committee of Ways and Means.

(In the Committee.)

Sir Joseph Cook moved, That a tax be imposed on income derived from sources in Australia at the following amounts and rates, namely :—

A.—RATE OF TAX UPON INCOME DERIVED FROM PERSONAL EXERTION.

For so much of the whole taxable income as does not exceed £7,600 the average rate of tax per pound sterling shall be Threepence and three eight-hundredths of one penny where the taxable income is One pound sterling, and shall increase uniformly with each increase of One pound sterling of the taxable income by three eight-hundredths of one penny.

The average rate of tax per pound sterling for so much of the taxable income as does not exceed £7,600 may be calculated from the following formula :—

R = average rate of tax in pence per pound sterling.

I = taxable income in pounds sterling.

$$R = \left(3 + \frac{3}{800}I \right) \text{ pence.}$$

For every pound sterling of taxable income in excess of £7,600 the rate of tax shall be Sixty pence.

B.—RATE OF TAX UPON INCOME DERIVED FROM PROPERTY.

(a) For such part of the taxable income as does not exceed £546 the average rate of tax per pound sterling shall be that given by the following formula :—

R = average rate of tax in pence per pound sterling.

I = taxable income in pounds sterling.

$$R = \left(3 + \frac{I}{181.058} \right) \text{ pence.}$$

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(b) For such part of the taxable income as exceeds £546, but does not exceed £2,000, the additional tax for each additional pound of taxable income above £546 shall increase continuously with the increase of the taxable income in a curve of the second degree in such a manner that the increase of tax for One pound increase of taxable income shall be—

11·713 pence for the pound sterling between	£545 10s. 0d. and	£546 10s. 0d.
12·768 pence for the pound sterling between	£599 10s. 0d. and	£600 10s. 0d.
14·672 pence for the pound sterling between	£699 10s. 0d. and	£700 10s. 0d.
16·512 pence for the pound sterling between	£799 10s. 0d. and	£800 10s. 0d.
18·288 pence for the pound sterling between	£899 10s. 0d. and	£900 10s. 0d.
20·000 pence for the pound sterling between	£999 10s. 0d. and	£1,000 10s. 0d.
27·600 pence for the pound sterling between	£1,499 10s. 0d. and	£1,500 10s. 0d.
33·600 pence for the pound sterling between	£1,999 10s. 0d. and	£2,000 10s. 0d.

(c) For such part of the taxable income as exceeds £2,000, but does not exceed £6,500, the additional tax for each additional pound of taxable income above £2,000 shall increase continuously with the increase of the taxable income in a curve of the third degree in such a manner that the increase of tax for One pound increase of taxable income shall be—

33·600 pence for the pound sterling between	£1,999 10s. 0d. and	£2,000 10s. 0d.
40·000 pence for the pound sterling between	£2,499 10s. 0d. and	£2,500 10s. 0d.
45·300 pence for the pound sterling between	£2,999 10s. 0d. and	£3,000 10s. 0d.
49·600 pence for the pound sterling between	£3,499 10s. 0d. and	£3,500 10s. 0d.
53·000 pence for the pound sterling between	£3,999 10s. 0d. and	£4,000 10s. 0d.
55·600 pence for the pound sterling between	£4,499 10s. 0d. and	£4,500 10s. 0d.
57·500 pence for the pound sterling between	£4,999 10s. 0d. and	£5,000 10s. 0d.
58·800 pence for the pound sterling between	£5,499 10s. 0d. and	£5,500 10s. 0d.
59·600 pence for the pound sterling between	£5,999 10s. 0d. and	£6,000 10s. 0d.
60·000 pence for the pound sterling between	£6,499 10s. 0d. and	£6,500 10s. 0d.

(d) For every pound sterling of taxable income in excess of £6,500 the rate of tax shall be Sixty pence.

C.—RATES OF TAX IN RESPECT OF TAXABLE INCOME DERIVED PARTLY FROM PERSONAL EXERTION AND PARTLY FROM PROPERTY.

(a) For every pound sterling of taxable income derived from personal exertion, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under Subdivision A if the total taxable income of the taxpayer were derived exclusively from personal exertion by the amount of the total taxable income.

(b) For every pound sterling of taxable income derived from property, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under Subdivision B if the total taxable income of the taxpayer were derived exclusively from property by the amount of the total taxable income.

D.—ADDITIONAL TAX.

In addition to the tax payable under the preceding provisions, there shall be payable, in the case of incomes in respect of which the tax is calculated under the foregoing provisions, an additional tax equal to twenty-five per centum of the amount of the tax so calculated.

E.—SUPER TAX.

In addition to any tax (including additional tax, if any) payable under the preceding provisions, there shall be payable a super tax equal to thirty per centum of the total amount of the tax so payable.

F.—ADDITIONAL SUPER TAX.

In addition to any tax (including additional tax and super tax, if any) payable under the preceding provisions, there shall be payable an additional super tax equal to five per centum of the total amount of the tax so payable.

G.—TAX PAYABLE IN CERTAIN CASES BY PERSONS NOT MARRIED AND HAVING NO DEPENDANTS.

Notwithstanding anything contained in the preceding provisions, the tax payable by any person who—

- (a) is not married, has no dependants, and is not an absentee; and
- (b) has a gross income of not less than One hundred pounds, or, in the case of a person carrying on a business in Australia, has an income from the business which, after deducting from the gross income the deductions specified in paragraph (a) of sub-section (1.) of section eighteen of the *Income Tax Assessment Act 1915-1918* amounts, together with his income from all other sources in Australia, to not less than One hundred pounds; and
- (c) would, apart from this provision, not be liable to pay an income tax of One pound or upwards,

shall be One pound.

H.—TAX PAYABLE IN RESPECT OF A CASH PRIZE IN A LOTTERY.

There shall be payable in respect of a cash prize in a lottery won after the commencement of the Act passed to give effect to this resolution, income tax to the amount of fourteen per centum of the gross prize money.

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I.—RATES OF TAX UPON THE INCOME OF A COMPANY.

(a) For every pound sterling of the taxable income of a Company which has not been distributed to the members or shareholders of the Company the rate of tax shall be Two shillings and eightpence.

(b) For every pound sterling of the income of a Company distributed to the members shareholders or stockholders of the Company who are absentees, and of interest paid or credited by the Company to any person who is an absentee in respect of debentures of the Company, or on money lodged at interest with the Company by such person, the rate of tax shall be Eightpence.

Debate ensued.

Question—put and passed.

Resolution to be reported, and leave asked to sit again.

The House resumed ; Mr. Chanter reported accordingly.

Resolved—That the House will, at a later hour this day, again resolve itself into the said Committee.

Sir Joseph Cook moved, pursuant to contingent notice, That the Standing Orders be suspended to enable the remaining stages to be passed without delay.

Question—put and passed.

The Resolution reported from the Committee was read, and, on the motion of Sir Joseph Cook, was adopted by the House.

Ordered—That Sir Joseph Cook and Mr. Poynton do prepare and bring in a Bill to carry out the foregoing Resolution.

Sir Joseph Cook then brought up a Bill intituled "*A Bill for an Act to impose Taxes upon Incomes,*" and moved, That it be now read a first time.

Question—put and passed.—Bill read a first time.

Sir Joseph Cook moved, That the Bill be now read a second time.

Debate ensued.

Mr. West addressing the House and not having concluded his speech, the House ordered that he have leave to continue his speech when the debate is resumed.

Ordered—That the debate be now adjourned, and that the resumption of the debate be made an Order of the Day for to-morrow.

7. ADJOURNMENT. - Sir Joseph Cook moved, That the House do now adjourn.

Question—put and passed.

And then the House, at eleven minutes past ten o'clock p.m., adjourned until to-morrow at half-past two o'clock p.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except—Mr. Bowden*, Mr. J. H. Catts, Mr. Charlton, Mr. Considine, Mr. Fleming, Mr. Fowler, Mr. Francis, Mr. Gabb, Mr. Gibson, Mr. Jackson, Mr. Lamond, Mr. Livingston, Mr. Mahon, Mr. Mahony, Mr. Makin, Mr. Marks, Mr. McGrath, Mr. McWilliams, Mr. Earle Page, Mr. Prowse, Mr. Riley, Mr. Ryan, Mr. Stewart, Mr. Watkins, Mr. Watt, and Mr. Wienholt.

* On leave.

WALTER A. GALE,
Clerk of the House of Representatives.