

1917-18.

## THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

No. 95.

## VOTES AND PROCEEDINGS

OF THE

## HOUSE OF REPRESENTATIVES.

THURSDAY, 31st OCTOBER, 1918.

1. The House met, at half-past two o'clock p.m., pursuant to adjournment.—Mr. Speaker took the Chair, and read Prayers.
2. PAPERS.—Mr. Speaker presented, pursuant to Statute—  
Commonwealth Bank Act—Commonwealth Bank of Australia—Aggregate Balance-sheet at 30th June, 1918 ; together with the Auditor-General's Report thereon.  
The following Papers were presented, pursuant to Statute—  
Railways—Report, with Appendices, on Commonwealth Railway Operations, to 30th June, 1918.  
Ordered to be printed.  
Customs Act—Regulations Amended—Statutory Rules 1918, No. 277.  
Defence Act—Regulations Amended—Statutory Rules 1918, Nos. 271, 276.  
Public Service Act—Regulations Amended—Statutory Rules 1918, No. 196 (substituted copy).
3. POSTPONEMENT OF BUSINESS.—Ordered, after debate, That Orders of the Day Nos. 1 to 12 inclusive be postponed until after Order of the Day No. 13, Government Business.
4. WAYS AND MEANS [INCOME TAX RESOLUTION].—The House, according to Order, resolved itself into the Committee of Ways and Means.

*(In the Committee).*

Mr. Watt 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.

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**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.

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

(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. Od. and £546 10s. Od.

12.768 pence for the pound sterling between £599 10s. Od. and £600 10s. Od.

14.672 pence for the pound sterling between £699 10s. Od. and £700 10s. Od.

16.512 pence for the pound sterling between £799 10s. Od. and £800 10s. Od.

18.288 pence for the pound sterling between £899 10s. Od. and £900 10s. Od.

20.000 pence for the pound sterling between £999 10s. Od. and £1,000 10s. Od.

27.600 pence for the pound sterling between £1,499 10s. Od. and £1,500 10s. Od.

33.600 pence for the pound sterling between £1,999 10s. Od. and £2,000 10s. Od.

(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. Od. and £2,000 10s. Od.

40.000 pence for the pound sterling between £2,499 10s. Od. and £2,500 10s. Od.

45.300 pence for the pound sterling between £2,999 10s. Od. and £3,000 10s. Od.

49.600 pence for the pound sterling between £3,499 10s. Od. and £3,500 10s. Od.

53.000 pence for the pound sterling between £3,999 10s. Od. and £4,000 10s. Od.

55.600 pence for the pound sterling between £4,499 10s. Od. and £4,500 10s. Od.

57.500 pence for the pound sterling between £4,999 10s. Od. and £5,000 10s. Od.

58.800 pence for the pound sterling between £5,499 10s. Od. and £5,500 10s. Od.

59.600 pence for the pound sterling between £5,999 10s. Od. and £6,000 10s. Od.

60.000 pence for the pound sterling between £6,499 10s. Od. and £6,500 10s. Od.

(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.—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.

**F.—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.

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## G.—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 thirtieth day of June One thousand nine hundred and seventeen, and before the commencement of the Act carrying out this Resolution, income tax to the amount of ten per centum of the gross prize money, and in respect of a cash prize in a lottery won after the commencement of that Act income tax to the amount of thirteen per centum of the gross prize money.

## H.—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 sixpence.

(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.

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

The House resumed; Mr. Chanter reported accordingly.

Resolved—That the House will, to-morrow, again resolve itself into the said Committee.

5. ELECTORAL BILL (1918).—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.

Mr. Jowett 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.

6. ADJOURNMENT.—Mr. Glynn moved, That the House do now adjourn.

Question—put and passed.

And then the House, at twenty-eight minutes to eleven o'clock p.m., adjourned until to-morrow at eleven o'clock a.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except—  
Mr. Anstey\*, Mr. Blakeley, Mr. Bruce, Mr. Burchell\*(a), Sir Joseph Cook\*, Mr. Fleming\*(a), Mr. Heitmann\*(a), Mr. Hughes\*, Mr. Jensen, Mr. Lamond, Mr. Lister, Brigadier-General Ryrie\*(a), Mr. Wallace(a), Mr. Wise, and Mr. Yates\*(a).

\* On leave.

(a) Joined Australian Imperial Force.

WALTER A. GALE,

Clerk of the House of Representatives.