SURPLUS REVENUE.

**No. 15 of 1908.**

An Act relating to the payment to the several States of the Surplus Revenue of the Commonwealth.

[Assented to 10th June, 1908.]

BE it enacted by the King’s Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

**Short title.**

**1.** This Act may be cited as the *Surplus Revenue Act* 1908.

**Commencement.**

**2.** This Act shall commence on a day to be fixed by proclamation.\*

**Expiry of the provisions of section 93 of the Constitution.**

**3.** The provision made by section ninety-three of the Constitution in relation to the crediting of revenue, the debiting of expenditure, and the payment of balances to the several States, shall continue until the commencement of this Act and no longer.

**Provisions in lieu of expired provisions.**

**4.**—(1.) The Commonwealth shall credit to each State—

(*a*)the revenue (other than new revenue) collected therein by the Commonwealth; and

(*b*) the proportion of the State, according to the number of its people, in the new revenue of the Commonwealth.

(2.) The Commonwealth shall debit to each State—

(*a*)the expenditure of the Commonwealth incurred solely for the maintenance or continuance, as at the time of transfer, of any Department transferred from the State to the Commonwealth: and

(*b*)the proportion of the State, according to the number of its people, in the other expenditure of the Commonwealth.

\* Proclaimed to commence 13th June, 1908. See *Gazette,* 13th June, 1908, p. 973.

(3.) The Commonwealth shall in each month ascertain the balance of revenue over expenditure, and shall pay that balance to the State as surplus revenue.

(4.) For the purposes of this section—

(*a*)“new revenue” means:

(i.) revenue received by the Department of External Affairs, the Attorney-General’s Department, the Department of Home Affairs, and the Department of the Treasury:

(ii.) revenue received by the Department of Trade and Customs, other than duties of Customs and Excise and revenue arising out of the administration of the laws relating to Customs and Excise, or out of the administration of State Acts:

Provided that any items of revenue which, by reason of their relation to “transferred” expenditure, ought not in the opinion of the Treasurer to be credited as new revenue, shall not be deemed to be new revenue:

Provided further that any items of revenue which, by reason of their relation to “other” expenditure, or by reason of their nature, ought in the opinion of the Treasurer to be credited as new revenue, shall be deemed to be new revenue:

(*b*)all duties of customs paid on goods imported into a State and afterwards passing into another State for consumption, and all duties of excise paid on goods produced or manufactured in a State and afterwards passing into another State for consumption, shall be taken to have been collected not in the former but in the latter State:

(*c*) all revenue collected by the Commonwealth in one State, but properly appertaining not to that State but to another State, shall be taken to have been collected not in the former but in the latter State:

(*d*)all payments to Trust Accounts, established under the Audit Acts 1901–1906, of moneys appropriated by law for any purpose of the Commonwealth shall be deemed to be expenditure:

(*e*) “‘transferred’ expenditure” means expenditure of the Commonwealth incurred solely for the maintenance or continuance, as at the time of transfer, of any Department transferred from a State to the Commonwealth:

(*f*) “‘other’ expenditure” means expenditure of the Commonwealth other than “transferred” expenditure.

**Payments to Trust accounts.**

**5.** Where any Trust Account has been established under the Audit Acts 1901–1906, and moneys have been appropriated by the Parliament for the purposes of the Trust Account, or for any purpose for which the Trust Account is established—

(*a*)notwithstanding anything in the *Audit Acts* 1901–1906, the appropriation shall not lapse nor be deemed to have lapsed at the close of the financial year for the service of which it was made; and

(*b*)the Treasurer may in any year (subject to section eighty-seven of the Constitution) pay to the credit of the Trust Account, out of the Consolidated Revenue Fund, such moneys as the Governor-General thinks necessary for the purposes of the appropriation.