COMMONWEALTH INSCRIBED STOCK.

**No. 25 of 1940.**

An Act to amend the *Commonwealth Inscribed Stock Act* 1911-1933.

[Assented to 1st June, 1940.]

[Date of commencement, 29th June, 1940.]

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 and citation.**

**1.**—(1.) This Act may be cited as the *Commonwealth Inscribed Stock Act* 1940.

(2.) The *Commonwealth Inscribed Stock Act* 1911-1933, as amended by this Act, may be cited as the *Commonwealth Inscribed Stock Act* 1911-1940.

**2.** After section fifty-one b of the *Commonwealth Inscribed Stock Act* 1911-1933 the following section is inserted:—

**Breach of terms or conditions of issue of Treasury Bonds.**

“51ba. Any person who contravenes or fails to comply with any term or condition on which a Treasury Bond, Debenture or other prescribed security is issued or sold, shall be guilty of an offence against this Act.

Penalty: One hundred pounds or imprisonment for six months, or both, and, in addition, an amount equal to Ten per centum of the nominal value of the Treasury Bond, Debenture or other prescribed security in respect of which the offence is committed.”.

**Liability of Interest to income tax.**

**3.** Section fifty-two bof the *Commonwealth Inscribed Stock Act* 1911-1933 is amended by adding at the end thereof the following sub-section:—

“(3.) Notwithstanding anything contained in the *Taxation of Loans Act* 1923 or in any other Act, where it is declared, in any prospectus relating to the raising of a loan by means of the issue of Treasury Bonds known as War Savings Certificates, that the certificates will be free of Commonwealth income tax, the interest derived by any person in any financial year from those Bonds shall be free from income tax payable under any law of the Commonwealth.”.