INCOME TAX ASSESSMENT (No. 2).

**No. 65 of 1940.**

An Act to amend the *Income Tax Assessment Act* 1936–1939, as amended by the *Income Tax Assessment Act* 1940.

[Assented to 14th December, 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 *Income Tax Assessment Act* (*No.* 2) 1940.

(2.) Section one of the *Income Tax Assessment Act* 1940 is amended by omitting sub-section (3.)

(3.) The *Income Tax Assessment Act* 1936–1939, as amended by the *Income Tax Assessment Act* 1940, is in this Act referred to as the Principal Act.

(4.) The Principal Act, as amended by this Act, may be cited as the *Income Tax Assessment Act* 1936–1940.

**Commencement.**

**2.**—(1.) This Act, other than sections three, ten, fourteen and fifteen shall come into operation on the day on which it receives the Royal Assent.

(2.) Sections three, fourteen and fifteen of this Act shall come into operation on the first day of January, One thousand nine hundred and forty-one.

(3.) Section ten of this Act shall be deemed to have come into operation on the twenty-eighth day of November, One thousand nine hundred and forty.

(4.) The amendments effected by sections four, five, six, seven, eight, eleven and twelve of this Act shall apply to all assessments for the financial year beginning on the first day of July, One thousand nine hundred and forty and all subsequent years.

**Parts.**

**3.** Section five of the Principal Act is amended by inserting after the words “Part VI.—Collection and Recovery or Tax.” the words—

“Division 1.—General.

Division 2.—Collection of Income Tax by Instalments.”.

**Rebate of dividends.**

**4.** Section forty-six of the Principal Act is amended—

(*a*) by omitting sub-section (1.) and inserting in its stead the following sub-section:—

“(1.) Subject to this section, a shareholder, being a company which is a resident, shall be entitled to a rebate in its assessment of the amount obtained by applying to that part of the dividends included in its taxable income—

(*a*) in the case of dividends to which the provisions of the last preceding section apply—

(i) the rate of tax payable by companies for the year of tax; or

(ii) sixteen pence, whichever is the less; and

(*b*) in any other case—the rate of tax payable by companies for the year of tax.”;

(*b*) by omitting from sub-sections (3.) and (4.) the word “his” and inserting in its stead the word “its”;

(*c*) by omitting from sub-sections (3.) and (4.) the word “him” and inserting in its stead the word “it”; and

(*d*) by inserting after sub-section (2.) the following sub-section—

“(2a.) Where a company is liable to pay super-tax upon the excess of its taxable income over Five thousand pounds, and that taxable income includes a dividend or part of a dividend paid out of income on which super-tax has been paid or is payable by the company which paid the dividend, the first mentioned company shall be entitled to a rebate of an amount ascertained by applying the rate of super-tax payable by companies for the year of tax to an amount which bears the same proportion to the excess of the taxable income over Five thousand pounds as the dividend or part bears to the total taxable income.”.

**Concessional deductions.**

**5.** Section seventy-nine of the Principal Act is amended by inserting after paragraph (*b*) the following paragraph:—

“(*ba*) The sum of fifty pounds in respect of the mother of the taxpayer if she is a resident and is wholly maintained by the taxpayer:

Provided that if the mother is wholly maintained by the taxpayer during part only of the year of income, the deduction allowable shall be such part of the sum of fifty pounds as, in the opinion of the Commissioner, is reasonable in the circumstances;”.

**Statutory exemption.**

**6.** Section eighty-one of the Principal Act is amended—

(*a*) by omitting from sub-section (1.) the words “Two hundred and fifty” (wherever occurring) and inserting in their stead the words “Two hundred”; and

(*b*) by omitting from sub-section (2.) the words “other than dividends, from the income from dividends”.

**Definitions.**

**7.** Section one hundred and three of the Principal Act is amended—

(*a*) by omitting from paragraph (*a*) of the definition of “distributable income” in sub-section (1.) the words “or under any Act passed by the Parliament imposing a wartime tax upon companies,”;

(*b*) by omitting from sub-section (1.) the definition of “investment company”; and

(*c*) by omitting paragraph (*e*) of sub-section (2.) and inserting in its stead the following paragraph:—

“(*e*) a private company shall be deemed not to have made a sufficient distribution of its income of the year of income unless, before the expiration of six months after the close of that year, it has paid in dividends, out of the taxable income of that year, the whole of its distributable income;”.

**8.** Section one hundred and twenty-two of the Principal Act is repealed and the following section inserted in its stead:—

**Deductions of expenditure.**

“122. Where a taxpayer who derives income from carrying on mining operations in Australia (other than coalmining) expends capital in necessary plant and development of the mining property from which that income is derived, a proportionate part of the amount expended, arrived at by distributing that amount proportionately over the estimated life of the mine as at the date of the expenditure, shall be an allowable deduction.”.

**Interest paid by company to a non-resident.**

**9.** Section one hundred and twenty-five of the Principal Act is amended by omitting from sub-section (1.) the words “Two hundred and fifty” and inserting in their stead the words “Two hundred”.

**Rebate in case of double and triple taxation.**

**10.** Section one hundred and fifty-nine of the Principal Act is amended by adding at the end thereof the following sub-section:—

“(6.) Except where an application for the rebate has been lodged with the Commissioner prior to the date of the commencement of this sub-section, a rebate under this section, or under section eighteen of the previous Act, shall not be made unless the taxpayer makes application for the rebate within six years after the date upon which the tax, in respect of which the rebate is sought, became due and payable and, within that period, supplies to the Commissioner all the information necessary for the purpose of ascertaining the amount of the rebate.”.

**Undistributed income of company.**

**11.** Section one hundred and sixty c of the Principal Act is amended—

(*a*) by omitting from sub-section (1.) the words “ascertained—

(*a*) by” and inserting in their stead the words “ascertained by”;

(*b*) by omitting from sub-paragraph (i) of paragraph (*a*) of subsection (1.) the word “and” (last occurring);

(*c*) by adding at the end of paragraph (*a*) of sub-section (1.) the following sub-paragraph:—

“(iii) the amount of dividends paid out of the taxable income of the year of income before the expiration of six months after the close of that year or, if the company is a non-resident, before the expiration of nine months after the close of that year”;

(*d*) by omitting paragraph (*b*) of sub-section (1.); and

(*e*) by omitting from sub-section (3.) the words “paragraph (*a*) and sub-paragraph (ii) of paragraph (*b*) of”.

**12.** Section two hundred and four of the Principal Act is repealed and the following section inserted in its stead:—

**When tax payable.**

“204. Subject to the provisions of this Part, any income tax assessed shall be due and payable by the person liable to pay the tax on the date specified in the notice as the date upon which tax is due and payable, not being less than thirty days after the service of the notice.”.

**Taxpayer leaving Australia.**

**13.** Section two hundred and five of the Principal Act is amended by omitting the words “the expiration of such sixty days,” and inserting in their stead the words “the date on which the tax is due and payable”.

**Amendment of Heading to Part VI.**

**14.** After the Heading to Part VI. of the Principal Act the following sub-heading is inserted:—

“Division 1.—General.”.

**15.** After section two hundred and twenty-one of the Principal Act the following Division is inserted in Part VI.:—

“Division 2.—Collection of Income Tax by Instalments.

**Definitions.**

“221a. In this Division, unless the contrary intention appears—‘employee’ means any person who receives, or is entitled to receive, any salary or wages, and—

(*a*) includes a member of the Parliament, and a person employed by the Commonwealth or by an authority of the Commonwealth; and

(*b*) where the Governor-General has entered into an arrangement with the Governor in Council of a State in accordance with section two hundred and twenty-one b of this Act, subject to the terms of any such

arrangement, includes a member of the Parliament of that State and a person employed by that State or by an authority of that State;

‘employer’ means any person who pays or is liable to pay any salary or wages, and includes—

(*a*) in the case of an unincorporate body of persons other than a partnership—the manager or other principal officer of that body; and

(*b*) in the case of a partnership—each partner,

and, except in relation to the imposition of any penalty—

(*c*) also includes the Commonwealth and any authority of the Commonwealth; and

(*d*) where the Governor-General has entered into an arrangement with the Governor in Council of a State in accordance with section two hundred and twenty-one b of this Act, subject to the terms of any such arrangement, also includes that State and any authority of that State;

‘salary or wages’ means salary, wages, commission, bonuses or allowances paid (whether at piece-work rates or otherwise) to any employee as such, and, without limiting the generality of the foregoing, includes any payments made—

(*a*) under any prescribed classes of contracts to the extent to which that payment is attributable to labour;

(*b*) by a company by way of remuneration to a director of that company;

(*c*) by way of superannuation pension or retiring allowance; or

(*d*) by way of commission to an insurance or time-payment canvasser or collector,

but does not include payments of exempt income.

‘tax payable by the employee’ means any income tax which is or may become due and payable by an employee under any assessment made or to be made on any return which he has furnished or has been required to furnish, or may be required to furnish, or under any assessment made or to be made in default of any such return;

‘tax stamp’ means any stamp which the Commissioner causes to be prepared in pursuance of this Division.

**Arrangement for deduction by States.**

“221b.—(1.) The Governor-General may enter into an arrangement with the Governor in Council of a State to provide for the carrying out by the State (including any authority of the State) of the obligations imposed by this Division on employers.

“(2.) The agreement relating to any such arrangement may make provision for any other matters necessary or convenient to be provided for carrying out the arrangement.

**Deductions by employer from salaries and wages.**

“221c.—(1.) Where an employee is entitled to receive from an employer in respect of any week or part thereof salary or wages in excess of Three pounds seventeen shillings, the employer shall, at the time of making payment of the salary or wages, make deductions therefrom at such rates as are prescribed.

Penalty: Twenty pounds.

“(2.) Where salary or wages for any week or part of a week is or are paid in two or more separate sums, all sums so paid shall, for the purpose of computing the amount of deduction under this section, be treated as one sum and the employer may, at his option, make the deduction wholly from one sum or in part from each of any two or more sums.

“(3.) Where an employee receives from his employer, in addition to his salary or wages, meals, sustenance or the use of premises or quarters as part consideration for his services, he shall, for the purpose of computing the deduction under this section, be deemed to have received as salary or wages, in addition to any money actually payable to him—

(*a*) for each week or part thereof during which meals or sustenance are received by him—an amount calculated at the rate of Fifteen shillings per week; and

(*b*) for each week or part thereof during which the use of premises or quarters is received by him—an amount calculated at the rate of Five shillings per week.

**Variation of deductions.**

“221d.—(1.) Notwithstanding anything contained in the last preceding section, the Commissioner may vary the amounts to be deducted from any employee or class of employees—

(*a*) in any case where the Commissioner is of the opinion that deductions from the salary or wages of the employee or employees at the prescribed rates would be insufficient to pay the tax which is, or will become, payable by the employee or employees;

(*b*) in any case where the Commissioner is satisfied that deductions at the prescribed rates would impose serious hardship on the employee or employees; or

(*c*) for the purpose of facilitating the carrying out of an arrangement with any employer under section two hundred and twenty-one k of this Act.

“(2.) Where the Commissioner so varies the amounts to be deducted, he shall notify the employer of the employee or class of employees, in writing, of the variation, and the employer shall thereafter make deductions from the salary or wages payable to the employee or employees in accordance with the amounts so notified.

Penalty: Twenty pounds.

**Recovery of amounts not deducted.**

“221e.—(1.) Where an employer fails to make any deduction required to be made by this Division he shall, in addition to any penalty for which he may be liable, be liable to pay to the Commissioner the amount which he has failed to deduct, and the Commissioner may sue for and recover that amount in any court of competent jurisdiction or the court before which any proceedings for an offence are taken may order the payment of that amount to the Commissioner.

“(2.) The Commissioner shall apply any amount so recovered by or paid to him as payment of any tax payable by the employee.

“(3.) The employer may recover from the employee any amount which he has failed to deduct and which he has paid to the Commissioner in pursuance of sub-section (1.) of this section.

**Employer to deliver stamps to employee.**

“221f. At the time of paying to the employee any salary or wages from which a deduction in accordance with the provisions of this Division has been made, the employer, or person making the payment on his behalf, shall deliver to the employee adhesive tax stamps denoting the amount deducted.

Penalty: Twenty pounds.

**Employee to affix and initial stamps in book.**

“221g.—(1.) Every employee from whose salary or wages a deduction is required to be made under this Division shall—

(*a*) provide and keep a book of convenient size and shape for the purpose of affixing therein tax stamps issued to him by his employer; and

(*b*) forthwith after receiving tax stamps in accordance with this Division—

(i) securely affix the tax stamps to a clear space on a page of the book which has not already had a stamp affixed on the other side of the page; and

(ii) write in ink on every tax stamp so affixed his name or initials and the date of payment.

Penalty: Twenty pounds.

“(2.) Notwithstanding anything contained in sub-paragraph (ii) of paragraph (*b*) of the last preceding sub-section, an employer may, with the authority of the Commissioner, deliver to an employee tax stamps marked in such manner as the Commissioner approves, in which case the provisions of that sub-paragraph shall not apply.

**Application of tax stamps in payment of tax.**

“221h.—(1.) Every employee from whose salary or wages a deduction is made in accordance with this Division shall, after receipt of notice of his assessment and not later than the date specified in that notice as the last day for the payment of tax, produce to the Commissioner the pages of the book to which the tax stamps are affixed and the Commissioner shall forthwith deface the tax stamps and credit the amount represented by the face value of those stamps in payment or part payment of any tax payable by the employee.

“(2.) If there is no tax payable by the employee or if the amount represented by the face value of the stamps so produced is greater than the tax payable by the employee, the Commissioner shall pay to the employee an amount equal to the face value of the stamps or an amount equal to the difference between that face value and the tax payable by the employee, as the case may be.

“(3.) If the amount represented by the face value of the stamps so produced is less than the amount of tax payable by the employee—

(*a*) the Commissioner shall apply the amount represented by the face value of the stamps in payment, so far as that amount extends, of such tax payable by the employee as the Commissioner determines and that amount shall be deemed to have been paid by the employee in satisfaction to that extent of that tax and not otherwise; and

(*b*) the employee shall be liable, or continue to be liable (as the case may be), to pay the balance of the tax payable by the employee on the date or dates specified in the notice or notices of assessment, and all the provisions of this Act relating to the collection and recovery of tax shall apply to that balance.

“(4.) The Commissioner shall retain all tax stamps produced to and defaced by him for such period as he thinks fit after which he shall cause them to be destroyed.

**Production of book when required.**

“221j. The Commissioner or any officer thereto authorized in writing by the Commissioner may, at any time, by notice in writing, require an employee to produce the book kept by him together with the stamps affixed, and the employee shall produce the book and stamps accordingly at the place and within the time specified in the notice.

Penalty: Twenty pounds.

**Group schemes.**

“221k.—(1.) If an employer and his employees, or an employer and any class of his employees, desire to enter into any arrangement providing for deductions made under this Division to be dealt with otherwise than by delivering and affixing tax stamps as provided in this Division, the Commissioner may, in his discretion, notify the employer in writing that he approves of the terms of the arrangement, and thereafter, unless and until the Commissioner withdraws his approval, the employer, in lieu of delivering tax stamps in accordance with the provisions of this Division, shall deal with the deductions in accordance with the terms of the arrangement.

“(2.) If the Commissioner is of opinion that, owing to special circumstances connected with the nature of the employment of any class or classes of employees, it is not desirable that their employer should deliver to them tax stamps in accordance with the provisions of this Division, he may notify the employer in writing that, in lieu of delivering tax stamps in accordance with the provisions of this Division, the employer shall deal with deductions made under this

Division in a manner specified in the notice, and thereafter, unless and until the Commissioner cancels the notice, the employer shall deal with those deductions accordingly.

Penalty: Twenty pounds.

“(3.) Where, by reason of the provisions of sub-section (1.) or (2.) of this section, an employer does not deliver tax stamps in respect of any deductions made under this Division, the amounts of those deductions shall be debts due to the King on behalf of the Commonwealth payable within such times or at such intervals as the Commissioner appoints and the employer shall, within seven days after any amount becomes payable, pay that amount to the Commissioner.

Penalty: One hundred pounds.

“(4.) The sum of the amounts so deducted from the salary or wages of any employee during any year of tax up to and including the date specified in the notice of assessment as the last day for the payment of tax payable by the employee, or, if no notice of assessment is issued, up to and including the last day of the year of tax, shall, for all the purposes of this Division, be treated as if it represented the face value of tax stamps produced by the employee in accordance with sub-section (1.) of section two hundred and twenty-one h of this Act.

“(5.) Every employer to whom the Commissioner has issued a notice in pursuance of sub-section (1.) or (2.) of this section—

(*a*) shall furnish to the Commissioner, at such times or intervals as the Commissioner directs, such statements, lists or other information in respect of the period during which the notice is in force as the Commissioner directs; and

(*b*) shall, at such times as the Commissioner directs, issue to any employee from whom any deduction has been made under this section a certificate showing the amount deducted during such period or periods as the Commissioner directs.

Penalty: Twenty pounds.

**Certificate of exemption.**

“221l.—(1.) The Commissioner may issue to any employee a certificate that no deductions for the purposes of this Division need, during the period specified in the certificate, be made from the salary or wages of that employee.

“(2.) During the period specified in the certificate the provisions of sections two hundred and twenty-one c and two hundred and twenty-one d of this Act shall not apply to an employer to whom the certificate is exhibited in respect of the employee named in the certificate.

“(3.) The Commissioner may, at any time, cancel any certificate issued under this section, and, within twenty-one days after the Commissioner has notified him of any such cancellation, the person named in the certificate shall return the certificate to the Commissioner.

Penalty: Twenty pounds.

“(4.) A person shall not—

(*a*) alter any certificate issued under this section or exhibit to any employer any such certificate which has been altered without the authority of the Commissioner;

(*b*) without lawful excuse, proof whereof shall lie upon him, have in his possession any colourable imitation of any such certificate; or

(*c*) falsely pretend to be the person named in any such certificate or cause any employer to refrain from making any deduction from his salary or wages by the production of any document other than a certificate issued to him under this section and for the time being in force.

Penalty: Fifty pounds.

**Payment of tax by tax stamps by persons other than employees.**

“221m. Any taxpayer, not being an employee, may, at any time, purchase tax stamps from any person licensed or authorized by the Commissioner to sell tax stamps and the provisions of this Division shall, in respect of any tax stamps so purchased, apply to that taxpayer as if he were an employee and the tax stamps so purchased had been delivered to him in accordance with section two hundred and twenty-one f of this Act.

**Commissioner shall prepare and issue stamps.**

“221n. The Commissioner shall cause to be prepared and placed on sale tax stamps of such designs and denominations as he thinks fit.

**Use of tax stamps by States.**

“221p.—(1.) Where the Parliament of a State has enacted legislation which is similar to the foregoing provisions of this Division, the Governor-General may enter into an arrangement with the Governor in Council of that State—

(*a*) for the use for the purposes of the State legislation of tax stamps prepared in accordance with the last preceding section; and

(*b*) for the affixing in one book of tax stamps delivered to an employee for the purposes of this Division and for the purposes of the State legislation and for the allocation between the Commonwealth and the State of the amount represented by the face value of any tax stamps produced by the employee.

“(2.) The agreement relating to any such arrangement may make provision for any other matters necessary or convenient to be provided for carrying out the arrangement.

“(3.) The agreement relating to any such arrangement shall contain a provision for ascertaining what proportion of the proceeds of the sales of tax stamps in the State shall be deemed to be attributable to sales for the purposes of this Division, and what proportion shall be deemed to be attributable to sales for the purposes of the State legislation, and the proceeds shall, in the first instance, be divided between the Commonwealth and the State accordingly.

“(4.) As soon as practicable after the close of each financial year, the Commonwealth and the State shall, in accordance with such method as is specified in the arrangement, determine what proportion of the proceeds of the sales of tax stamps in the State during that

financial year was attributable to sales for the purposes of this Division and what proportion was attributable to sales for the purposes of the State legislation, and the Commonwealth or the State, as the case requires, shall make such payment to the other party as is necessary in order that each shall receive the proportion to which, under the terms of the arrangement, it is entitled.

“(5.) Where the face value of any tax stamps produced by an employee is less than the sum of the tax payable by that employee to the Commonwealth and of any income tax payable by him under the legislation of the State, the amount shall, notwithstanding any contrary direction of the employee, be allocated between the Commonwealth and the State in accordance with the terms of any arrangement between the Governor-General and the Governor of the State made in pursuance of sub-section (1.) of this section.

**Proceeds of sales of tax stamps.**

“221q. All moneys received in respect of sales of tax stamps, less such amounts as are received by any State in accordance with the provisions of sub-section (3.) of the last preceding section, shall form part of the Consolidated Revenue Fund, and there shall be payable out of that Fund (which is, to the necessary extent, hereby appropriated accordingly)—

(*a*) such amounts as the Commonwealth becomes liable to pay to any State in accordance with the provisions of subsection (4.) of the last preceding section; and

(*b*) such amounts as the Commonwealth becomes liable to pay to any employee in accordance with the provisions of this Division.

**Dealing in tax stamps prohibited.**

“221r.—(1.) Unless licensed or authorized by the Commissioner so to do, a person shall not sell or offer for sale any tax stamp.

“(2.) Except in accordance with the provisions of this Division, or, where the Governor-General has entered into an arrangement with the Governor in Council of a State under section two hundred and twenty-one p of this Act, in accordance with the provisions of the law of that State to which the arrangement relates, a person shall not dispose of any tax stamp or obtain any tax stamp otherwise than by purchase from a person licensed or authorized by the Commissioner to sell tax stamps.

Penalty: One hundred pounds.

**Commissioner may require tax stamps held on behalf of another person to be delivered up.**

“221s.—(1.) The Commissioner, or any officer authorized in that behalf by the Commissioner, may require any person to deliver to him any tax stamps which are in that person’s possession and which are held by him on behalf of some other person, and any person so required shall deliver the tax stamps to the Commissioner or authorized person accordingly.

Penalty: Fifty pounds.

“(2.) Where any tax stamps are so delivered the Commissioner shall issue a receipt to the person delivering them and, upon the application of the employee to whom the tax stamps were delivered by his employer, shall either credit or pay to that employee, as the case requires, the amount represented by the face value of the stamps.

**Production of tax stamps improperly obtained.**

“221t. If the Commissioner suspects that any tax stamps produced to him have been obtained in contravention of any provision of this Division, he may retain those stamps for such period as he thinks fit and shall not apply them in satisfaction of any tax or make any payment in respect of them unless and until he is satisfied as to the identity of the employee (if any) to whom the stamps were lawfully delivered by his employer.

**Destroyed tax stamps may be treated as if produced.**

“221u. If an employee satisfies the Commissioner that any tax stamps delivered to him by his employer have been destroyed, and as to the face value of those tax stamps, the Commissioner may apply an amount equal to that face value in satisfaction of any tax payable by the employee, or make a payment in respect thereof, in the same manner as if the stamps had been produced to and defaced by the Commissioner.

**Offences.**

“221v. A person shall not—

(*a*) present any document under the hand of the Commissioner for the purpose of obtaining credit with respect to, or a payment of, the value of any tax stamps which have been delivered in respect of the salary or wages of some person other than the person named in the document;

(*b*) present any document under the hand of the Commissioner and pretend to be the person named therein for the purpose of obtaining credit with respect to, or a payment of, the value of tax stamps;

(*c*) endeavour to obtain for his own advantage or benefit credit with respect to, or a payment of, the value of tax stamps which have been delivered in respect of the salary or wages of some person other than himself;

(*d*) fraudulently remove or cause to be removed from the stamp book of any employee any tax stamps affixed therein or affix a tax stamp so removed to any other book; or

(*e*) utter any tax stamp which has to his knowledge been fraudulently removed from any book to which it has previously been affixed.

Penalty: Not less than Two pounds or more than One hundred pounds, or imprisonment for twelve months.

**Joinder of charges under this Division.**

“221w.—(1.) Charges against the same person for any number of offences against the foregoing provisions of this Division may be joined in one complaint if those charges are founded on the same facts or form or are part of a series of offences of the same or a similar character.

“(2.) Where more than one such charge is included in the same complaint, particulars of each offence charged shall be set out in a separate paragraph.

“(3.) All charges so joined shall be tried together unless the court deems it just that any charge should be tried separately and makes an order to that effect.

“(4.) If a person is found guilty of more than one offence, the court may, if it thinks fit, inflict one penalty in respect of all offences of which he is found guilty, but that penalty shall not exceed the sum of the maximum penalties which could be inflicted if penalties were imposed for each offence separately.

**Offences by partners.**

“221x. Notwithstanding anything contained in this Division, a member of a partnership shall not be punished for any contravention of any of the foregoing provisions of this Division for which another member of that partnership has already been punished.

**Forging stamps or dies.**

“221y.—(1.) Any person who, without lawful authority (the proof whereof shall lie upon him)—

(*a*) makes, sells, uses, utters or has in his possession any counterfeit tax stamps; or

(*b*) makes, sells, uses or has in his possession any die, plate or other instrument for printing or making tax stamps,

shall be guilty of an indictable offence and liable to imprisonment, with or without hard labour, for any term not exceeding five years.

“(2.) Any counterfeit tax stamp, die, plate or instrument made, sold, used, uttered or had in possession in contravention of this section shall be forfeited to the King.”