

# INCOME TAX AND SOCIAL SERVICES CONTRIBUTION ASSESSMENT.

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No. 34 of 1963.

An Act relating to Income Tax.

[Assented to 31st May, 1963.]

**B**E it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

1.—(1.) This Act may be cited as the *Income Tax and Social Services Contribution Assessment Act 1963*. Short title and citation.

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(2.) The *Income Tax and Social Services Contribution Assessment Act 1936-1962\** is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by this Act, may be cited as the *Income Tax and Social Services Contribution Assessment Act 1936-1963*.

Commence-  
ment.

2.—(1.) Subject to this section, this Act shall come into operation on the day on which it receives the Royal Assent.

(2.) Section four of this Act shall be deemed to have come into operation on the thirteenth day of July, One thousand nine hundred and sixty-two.

(3.) Section five of this Act shall be deemed to have come into operation on the first day of July, One thousand nine hundred and sixty-two.

(4.) Section eight of this Act shall be deemed to have come into operation on the first day of January, One thousand nine hundred and sixty-three.

Exemptions.

3. Section twenty-three of the Principal Act is amended—

(a) by omitting from sub-paragraph (vii) of paragraph (c) the words “ the Director of the Division of Industrial Development of the Department of National Development, or a person authorized in writing by the Director ” and inserting in their stead the words “ the Secretary to the Department of Trade, or a person authorized in writing by him ”; and

(b) by inserting after paragraph (y) the following paragraph:—

“(ya) income derived by way of a scholarship, bursary or other educational allowance

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\* Act No. 27, 1936, as amended by No. 88, 1936; No. 5, 1937; No. 46, 1938; No. 30, 1939; Nos. 17 and 65, 1940; Nos. 58 and 69, 1941; Nos. 22 and 50, 1942; No. 10, 1943; Nos. 3 and 28, 1944; Nos. 4 and 37, 1945; No. 5, 1946; Nos. 11 and 63, 1947; No. 44, 1948; No. 66, 1949; No. 48, 1950; No. 44, 1951; Nos. 4, 28 and 90, 1952; Nos. 1, 28, 45 and 81, 1953; No. 43, 1954; Nos. 18 and 62, 1955; Nos. 25, 30 and 101, 1956; Nos. 39 and 65, 1957; No. 55, 1958; Nos. 12, 70 and 85, 1959; Nos. 17, 18, 58 and 108, 1960; Nos. 17, 27 and 94, 1961; and Nos. 39 and 98, 1962.

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(being a scholarship, bursary or allowance provided by the Commonwealth) by a person who—

- (i) is pursuing in Australia a course of study or training; and
- (ii) is in Australia for the sole purpose of pursuing that course;”.

4. Section twenty-six c of the Principal Act is amended— Disposal of certain securities.

- (a) by omitting from sub-sections (1.) and (2.) the word “seasonal” (wherever occurring) and inserting in its stead the word “prescribed”; and
- (b) by omitting sub-section (4.) and inserting in its stead the following sub-section:—

“ (4.) In this section—

‘ prescribed security ’ means—

- (a) a seasonal security as defined by section four of the *Loan (Short-term Borrowings) Act* 1959; or
- (b) any stock or other security issued by the Commonwealth that does not bear interest,

and includes an interest in any such seasonal security, stock or other security;

‘ stock ’ means Commonwealth Government Inscribed Stock or Australian Consolidated Inscribed Stock.”.

5. Section forty-four of the Principal Act is amended— Dividends.

- (a) by inserting after sub-section (2.) the following sub-sections:—

“ (2A.) Where—

- (a) a company has, whether before or after the commencement of this sub-section, received income consisting of dividends of the kind referred to in sub-paragraph (ii) of paragraph (a), in sub-paragraph (ii) of

paragraph (c) or in sub-paragraph (ii) of paragraph (d) of the last preceding sub-section; and

(b) dividends are, after the commencement of this sub-section, paid by the company to another company wholly and exclusively out of the amount remaining after deducting from that income all losses and outgoings incurred in gaining or producing that income that would have been allowable deductions if that income had been assessable income,

the dividends received by the other company, shall, for the purposes of the last preceding sub-section, be deemed to be dividends of the kind referred to in that sub-paragraph.

“(2B.) The reference in paragraph (a) of the last preceding sub-section to dividends of a particular kind shall be read as including a reference to dividends that, by virtue of that sub-section, are to be deemed to be dividends of that kind.”; and

(b) by omitting from sub-section (3.) the words “the last preceding sub-section” and inserting in their stead the words “sub-section (2.) of this section”.

Export market  
development  
allowance.

6. Section fifty-one AC of the Principal Act is amended by omitting from sub-section (3.) the words “One thousand nine hundred and sixty-four” and inserting in their stead the words “One thousand nine hundred and sixty-eight”.

Gifts, calls on  
mining shares,  
pensions, &c.

7. Section seventy-eight of the Principal Act is amended by omitting sub-section (3.) and inserting in its stead the following sub-sections:—

“(3.) A gift to the authority specified in sub-paragraph (xi) or (xxxii) of paragraph (a) of sub-section (1.) of this section is not an allowable deduction under this section unless the gift was made before the first day of July, One thousand nine hundred and sixty-three.

“(4.) A gift to the authority specified in sub-paragraph (xxxviii) of paragraph (a) of sub-section (1.) of this section is not an allowable deduction under this section unless the gift was made before the first day of July, One thousand nine hundred and sixty-four.”.

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8. Section one hundred and seven of the Principal Act is amended by omitting from paragraph (a) the words "One thousand nine hundred and sixty-three" and inserting in their stead the words "One thousand nine hundred and sixty-five".

Exemption of certain dividends.

9. Section one hundred and sixty ABA of the Principal Act is amended by omitting from paragraph (b) of sub-section (2.) the words "the Director of the Division of Industrial Development of the Department of National Development, or a person authorized in writing by the Director" and inserting in their stead the words "the Secretary to the Department of Trade, or a person authorized in writing by him".

Rebate of tax payable by visiting industrial experts.

10. Section two hundred and forty-seven of the Principal Act is amended by adding at the end thereof the following sub-section:—

Treatment of convicted offenders.

"(2.) Where the Court makes an order committing the offender to gaol, the Court may, at any time before the offender is imprisoned in pursuance of the order, allow the offender a specified time for payment of the penalty or allow him to pay the penalty by specified instalments and, in that case—

- (a) the order committing the offender to gaol shall not be executed unless the offender fails to pay the penalty within that time or fails to pay any instalment at the time when it is payable, as the case may be;
- (b) if the person pays the penalty within that time or pays all the instalments, as the case may be—the order committing the person to gaol shall be deemed to have been discharged; and
- (c) if the person is imprisoned in pursuance of the order but, before being so imprisoned, has paid part of the penalty—the next succeeding section shall apply in relation to him as if the amount of the penalty were that part of the penalty remaining unpaid immediately before his being so imprisoned."

11. The amendment made by paragraph (b) of section three of this Act applies to assessments in respect of income of the year of income that commenced on the first day of July, One thousand nine hundred and sixty-two, and in respect of income of all subsequent years.

Application.