

Income Tax Assessment (No. 5)

No. 148 of 1968

An Act to amend the Law relating to Income Tax.

[Assented to 9 December 1968]

BE 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 Assessment Act* Short title and citation.
(*No. 5*) 1968.

(2.) The *Income Tax Assessment Act 1936–1967*,* as amended by the *Income Tax Assessment Act 1968*,† by the *Income Tax Assessment Act (No. 2) 1968*,‡ by the *Income Tax Assessment Act (No. 3) 1968*§ and by the *Income Tax Assessment Act (No. 4) 1968*,¶ is in this Act referred to as the Principal Act.

(3.) Section 1 of the *Income Tax Assessment Act (No. 4) 1968* is amended by omitting sub-section (4.).

(4.) The Principal Act, as amended by this Act, may be cited as the *Income Tax Assessment Act 1936–1968*.

**Commence-
ment.**

2. This Act shall come into operation on the day on which it receives the Royal Assent.

Interpretation.

3. Section 123 of the Principal Act is amended—

(a) by inserting in sub-section (1.), before the definition of “prescribed mining operations”, the following definition:—

“ ‘ petroleum ’ does not include petroleum that has been treated at a refinery; ”; and

(b) by inserting in paragraph (a) of sub-section (2.), after the word “ person ”, the words “ or in an adjacent area within the meaning of section six AA of this Act ”.

**Application
of Division.**

4. Section 123A of the Principal Act is amended by inserting after sub-section (1.) the following sub-sections:—

“(1A.) Subject to this section, this Division also applies to capital expenditure incurred by a taxpayer on, or by way of contribution to capital expenditure of another person on, a railway, road, pipe-line or other facility constructed or acquired for use, in the carrying on of a business for the purpose of gaining or producing assessable income, primarily and principally for the transport of petroleum obtained from mining operations carried on in Australia or in the Territory of Papua and New Guinea other than transport that forms part of those mining operations or transport that forms part of a system of reticulation to consumers or is provided for the purposes of a particular consumer or consumers.

“(1B.) This Division does not apply, in relation to a taxpayer, to capital expenditure incurred by the taxpayer on, or by way of contribution to capital expenditure of another person on, a pipe-line referred to in the last preceding sub-section where the construction of the pipe-line was commenced on or before the thirtieth day of June, One thousand nine hundred and sixty-eight, and was or is completed on or before the thirty-first day of December, One thousand nine hundred and sixty-nine.”.

* 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. 6, 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; Nos. 39 and 98, 1962; Nos. 34 and 69, 1963; Nos. 46, 68, 110 and 115, 1964; Nos. 33, 103 and 143, 1965; Nos. 50 and 83, 1966; and Nos. 19, 38, 76 and 85, 1967.

† Act No. 4, 1968.

‡ Act No. 60, 1968.

§ Act No. 70, 1968.

¶ Act No. 87, 1968.

5. Section 124DD of the Principal Act is amended by omitting paragraphs (e) and (f) and inserting in their stead the following paragraphs:—

Allowable
capital
expenditure.

“(e) pipe-lines constructed for the transport of petroleum obtained from prescribed petroleum operations (other than transport forming part of those operations), or plant (including pumping apparatus, storage tanks, port facilities and other terminal facilities) for use primarily and principally, and directly, in connexion with the operation of such a pipe-line;

“(f) ships, railway rolling-stock and road vehicles for use for the transport of petroleum obtained from prescribed petroleum operations other than road vehicles for use in those operations; and ”.

6. The amendments made by this Act apply 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-eight, and in respect of income of all subsequent years of income.

Application of
amendments.