CHAPTER 56

An Act to grant certain duties, to alter other duties, and to amend the law relating to the National Debt and the Public Revenue, and to make further provision in connection with Finance. [1st August, 1958]

Most Gracious Sovereign,

WE, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom in Parliament assembled, towards raising the necessary supplies to defray Your Majesty's public expenses, and making an addition to the public revenue, have freely and voluntarily resolved to give and grant unto Your Majesty the several duties hereinafter mentioned; and do therefore most humbly beseech Your Majesty that it may be enacted, and be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PART I

PURCHASE TAX

Rates of tax, and descriptions of chargeable goods.

1.—(1) Subject to any order of the Treasury made after the passing of this Act under section twenty-one of the Finance Act, 1948, there shall be made the changes in purchase tax provided for by the First Schedule to this Act.

(2) Accordingly Part I of the Second Schedule to this Act (which reproduces with the said changes the effect of Part I of the Eighth Schedule to the Finance Act, 1948, as set out in the Purchase Tax (Consolidation) Order, 1956, and subsequently amended) shall have effect for determining what goods are chargeable goods for the purposes of purchase tax and the rates

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of purchase tax chargeable in respect of goods of any class; and Part II of the said Second Schedule shall have effect for the purpose of adapting references to Part I of the Eighth Schedule to the said Act of 1948.

(3) Subsection (1) of this section and the First Schedule to this Act shall be deemed to have had effect from the sixteenth day of April, nineteen hundred and fifty-eight, save as otherwise provided in that Schedule, but subsection (2) and the Second Schedule shall not have effect until the beginning of October, nineteen hundred and fifty-eight (except as respects the making of orders by the Treasury).

Meaning of "business".

2.—(1) For the purposes of the enactments relating to purchase tax, and in particular of section eighteen of the Finance Act, 1946 (which, among other things, requires the registration of a person applying a chargeable process in the course of or for the purposes of his business), the performance by a local authority of the functions of the authority and the carrying out by any other body of persons, whether incorporated or not, of the objects of that body shall be deemed to constitute a business of the authority or body.

(2) This section shall be deemed to have had effect from the sixteenth day of April, nineteen hundred and fifty-eight.

PART II

CUSTOMS AND EXCISE

Entertainments duty.

3.—(1) Subject to subsection (2) of section one of the Entertainments Duty Act, 1958 (which provides for a reduced rate of duty in the case of certain mixed entertainments), the amount of entertainments duty chargeable on any payment for admission to an entertainment given after the third day of May, nineteen hundred and fifty-eight, shall be one-third of the amount, if any, by which the total amount of the payment (not excluding the amount of the duty) exceeds one shilling and six pence; and if before the date of the passing of this Act duty has been charged on any such payment, and by virtue of this subsection a less amount of duty or no duty should have been charged, the person by whom the duty was paid shall be entitled to repayment of the overcharge.

(2) In the case of entertainments given after the fourth day of October, nineteen hundred and fifty-eight, entertainments duty shall not be paid by means of stamps, but shall in all cases be accounted for and paid by the proprietor of the entertainment in accordance with regulations of the Commissioners of

Customs and Excise made under section six of the Entertainments Duty Act, 1958; and as respects entertainments so given those regulations may in particular include provision for all or any of the following matters—

(*a*) for ascertaining the amounts of duty chargeable, for regulating and recording admissions to chargeable entertainments, and for requiring security for the payment of duty;

(*b*) for requiring the proprietor of an entertainment to give the Commissioners prior notice of it, and to furnish such other information about it as may be required of him, to keep and produce records and make returns of admissions to the entertainment and of payments for admission, and to display notices stating the prices of admission.

(3) For any failure to comply with an obligation under the regulations to account for or pay the duty chargeable in respect of any payment for admission, the penalty under subsection (3) of the said section six shall be fifty pounds or three times the amount of the duty, whichever is the greater.

(4) Section seven of the Entertainments Duty Act, 1958 (which authorises the Commissioners to delegate their powers with respect to entertainments and entertainments duty to local authorities and police authorities), shall cease to have effect.

(5) In section nine of the Entertainments Duty Act, 1958 (which relates to the interpretation of that Act), any reference to that Act shall include a reference to this section and any other enactment relating to entertainments duty.

Wines.

4.—(1) In lieu of the duties of customs charged on wines under section four of the Finance Act, 1949, there shall be charged on wines imported into the United Kingdom duties of customs at the rates set out in the Third Schedule to this Act, the rates specified in the second column of that Schedule applying to wines which do not qualify for Commonwealth preference and those specified in the third column to wines which do:

Provided that each of the rates specified in that Schedule for light wines which qualify for Commonwealth preference shall be increased by one shilling, unless the Treasury by order direct otherwise.

(2) Subsections (2) to (9) of section two of the Import Duties Act, 1958 (which define the goods qualifying for Commonwealth preference under that Act), shall apply for the purposes of this section as they apply for the purposes of that section; and subsections (1) to (4) of section thirteen of that Act (which relate to the making, revocation, annulment and approval of orders

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under that Act) shall apply in relation to orders under subsection (1) of this section as they apply in relation to orders under that Act.

(3) For the purposes of this section " wine " includes the lees of wine.

(4) The foregoing provisions of this section shall have effect from the beginning of the year nineteen hundred and fifty-nine; and as respects the period between the fifteenth day of April, nineteen hundred and fifty-eight, and the coming into force of those provisions section four of the Finance Act, 1949, shall have and be deemed to have had effect as if the rates of duty specified in the second and third columns of the Second Schedule to that Act for wines other than light wines had been those specified in the second and third columns of the Third Schedule to this Act.

Sweets.

5.—(1) There shall be charged on sweets, in lieu of the duty charged under section six of the Finance Act, 1927, a duty of excise at the rates shown in the Fourth Schedule to this Act.

(2) This section shall be deemed to have had effect as from the sixteenth day of April, nineteen hundred and fifty-eight.

Repeal of spirits duty on certain methyl alcohol.

6.—(1) Methyl alcohol, notwithstanding that it is so purified or prepared as to be potable, shall not be deemed for the purposes of the Customs and Excise Act, 1952, to be spirits nor be chargeable with the customs and excise duties on spirits, nor shall naphtha or any mixture or preparation containing naphtha or methyl alcohol and not containing spirits within the meaning of that Act.

(2) Methyl alcohol shall be included among the alcohols mentioned in subsection (2) of section one hundred and fifteen of that Act (which empowers the Commissioners of Customs and Excise for the purpose of protecting the revenue arising from the said duties to make regulations relating to those alcohols).

(3) This section shall have effect as from the first day of August, nineteen hundred and fifty-eight.

Date and periods of road vehicle licences.

7.—(1) Subject to the provisions of this section, licences under the Vehicles (Excise) Act, 1949 (other than the annual licence provided for by section one of that Act and other than trade licences), may be taken out for such periods as may be prescribed by order of the Minister of Transport and Civil Aviation, being periods of a fixed number of months (not exceeding fifteen) running from the beginning of the month in which the licence first has effect.

(2) A licence for any period prescribed by an order under the foregoing subsection shall be taken out on payment of duty at such rate as may be so prescribed:

Provided that—

(*a*) the rate of duty on any licence taken out for a period of twelve months shall be the same as on the corresponding annual licence provided for by section one of the said Act, and any other rate of duty shall be such as to bear to that rate no less proportion than the number of months for which the licence is taken out bears to a year; and

(*b*) the rate of duty for any licence taken out for a period of three months or for a period of four months shall not exceed for each month of the period ten per cent. of the duty on the corresponding annual licence.

(3) Any order made by the Minister under this section may be made so as to apply only to vehicles of specified descriptions and may make different provision for vehicles of different descriptions or for different circumstances; and the power to make orders under this section shall be exercisable by statutory instrument and shall include power to vary or revoke any order so made.

(4) On the surrender of a licence, not being a licence for a period ending at or before the end of the year nineteen hundred and fifty-eight, the amount of any repayment under subsection (2) of section twelve of the Vehicles (Excise) Act, 1949, shall, in all cases except that of a general trade licence taken out for one quarter of the year, be that specified in paragraph (*b*) of that subsection (that is to say, one-twelfth of the full annual duty for each complete month unexpired of the period of the currency of the licence); and for paragraph (*a*) of that subsection there shall be substituted—

"(*a*) in the case of a general trade licence taken out for one quarter of a year only, an amount equal to one-third of the duty charged on that licence".

(5) In subsection (5) of section eleven of the Vehicles (Excise) Act, 1949 (which authorises the issue of general trade licences for one quarter of the year only), the expression "quarter" shall, as respects the year nineteen hundred and fifty-nine or any later year, mean any period of three months beginning with the first day of January, of April, of July or of October.

(6) An order made under this section as respects any description of vehicles may provide that for one (but not more than one) of the first three years in which licences of the kind provided for by subsection (1) of this section may be issued for vehicles of that description, annual licences shall not be issued for those

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vehicles in any cases prescribed by the order, being cases in which the order provides instead for the issue of licences for some period of not less than eleven months.

(7) This section shall have effect in place of subsections (2) and (4) of section eleven of the Vehicles (Excise) Act, 1949; but neither this section nor any repeal by this Act of a provision contained in or amending section eleven or twelve of that Act shall affect the operation of that Act in relation to licences for any description of vehicles, except as respects licences issued after the date on which an order comes into force under this section with respect to vehicles of that description.

Use of motor vehicle unlicensed on way to or from compulsory test, etc.

8.—(1) A mechanically propelled vehicle shall not be chargeable with any duty under the Vehicles (Excise) Act, 1949, by reason of its use on public roads—

(*a*) for the purpose of submitting it by previous arrangement for, or bringing it away from, a compulsory test; or

(*b*) where a test certificate is refused on a compulsory test, for the purpose of delivering it by previous arrangement at, or bringing it away from, a place where work is to be or has been done on it to remedy for a further compulsory test the defects on the ground of which the test certificate was refused.

(2) In this section " test certificate " has the same meaning as in the Road Traffic Act, 1956, and " compulsory test " means an examination under section one of that Act with a view to obtaining a test certificate without which a licence cannot be granted for the vehicle under the Vehicles (Excise) Act, 1949.

Use of trade licences for collection and delivery of road vehicles.

9.—(1) The purposes for which the holder of a trade licence within the meaning of the Vehicles (Excise) Act, 1949, may be authorised to use the licence by regulations under section ten of that Act shall not include the collection or delivery of mechanically propelled vehicles on or by means of another mechanically propelled vehicle except in connection with activities which would be treated for the purposes of the said section ten as part of his business as a motor trader apart from subsection (5) of section seven of the Finance Act, 1952 (under which in certain circumstances the collection and delivery of motor vehicles is to be treated as itself constituting or forming part of the business of a motor trader).

(2) This section shall not invalidate any regulations made under the said section ten before the coming into force of this section, but the purposes for which they authorise trade licences to be used shall be taken to be limited in accordance with the foregoing subsection

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(3) This section shall come into force on the first day of January, nineteen hundred and fifty-nine, or such later date (if any) as may be appointed by order of the Minister of Transport and Civil Aviation made by statutory instrument.

Extension of time for repayments to tobacconists on pensioners' tokens.

10. Paragraph 4 of the Sixth Schedule to the National Insurance (No. 2) Act, 1957 (which contained transitional provisions in connection with the withdrawal of the pensioner's tobacco relief under section four of the Finance Act, 1947), shall have, and be deemed to have had, effect as if the date specified in sub-paragraph (3) as the latest date on which tokens may be surrendered by a dealer had been the thirtieth day of September, nineteen hundred and fifty-eight (instead of, in the events which happened, the thirty-first day of March).

Dog licences.

11. The proviso to subsection (4) of section six of the Finance Act, 1908 (under which, on a change in the rate of any duty transferred by that section to local authorities in England and Wales, the transfer becomes inoperative), shall cease to apply to the duty on dog licences; and accordingly those licences and the duty on them shall in England and Wales cease to be excise licences or an excise duty for any purpose (but without prejudice to the operation of the excise Acts in relation to them, in so far as those Acts apply at the coming into force of this section).

PART III

INCOME TAX

Charge of tax for 1958–59.

12. Income tax for the year 1958–59 shall be charged at the standard rate of eight shillings and sixpence in the pound, and, in the case of an individual whose total income exceeds two thousand pounds, at such higher rates in respect of the excess as Parliament may hereafter determine.

Surtax rates for 1957–58.

13. Income tax for the year 1957–58 shall be charged, in the case of an individual whose total income exceeded two thousand pounds, at the same higher rates in respect of the excess as were charged for the year 1956–57.

Increase of personal reliefs.

14.—(1) In section thirteen of the Finance Act, 1957 (relief for persons over sixty-five with small incomes)—

(*a*) for the references to two hundred and fifty pounds and four hundred pounds (which refer to the income limits for exemption under that section) there shall be substituted references to two hundred and seventy-five pounds and four hundred and forty pounds respectively; and

(*b*) for the reference to fifty pounds (which refers to the excess over those limits by reference to which relief under that section by reduction of tax is limited) there shall be substituted a reference to fifty-five pounds.

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(2) In subsections (2) and (3) (old age relief) of section two hundred and eleven of the Income Tax Act, 1952, for the references to seven hundred pounds (which refer to the income limit for the full relief under subsection (2)) there shall be substituted references to eight hundred pounds.

(3) In section two hundred and sixteen of the Income Tax Act, 1952 (dependent relatives), for the references to one hundred and sixty-five pounds and one hundred and five pounds (which refer to the income of the dependent relative) there shall be substituted respectively references to one hundred and ninety-five pounds and one hundred and thirty-five pounds.

(4) Subsections (1) and (2) of this section shall not be deemed to have required any change in the amounts deducted or repaid under section one hundred and fifty-seven (pay as you earn) of the Income Tax Act, 1952, before the twenty-second day of June, nineteen hundred and fifty-eight.

Increase of certain initial allowances.

15.—(1) An initial allowance under Chapter I (industrial buildings and structures, etc.) of Part X of the Income Tax Act, 1952, in respect of expenditure to which this section applies shall be equal to three-twentieths of the expenditure, and accordingly in relation to such an allowance subsection (1) of section two hundred and sixty-five of that Act shall have effect with the substitution of the words " three-twentieths " for the words " one-tenth ".

(2) An initial allowance under Chapter II (machinery and plant) of the said Part X in respect of expenditure to which this section applies shall be equal to three-tenths of the expenditure, and accordingly, in relation to such an allowance—

(*a*) subsection (2) of section sixteen of the Finance Act, 1953 (which in relation to certain expenditure reduced the rates of initial allowances under the said Chapter II from two-fifths to one-fifth) shall not apply;

(*b*) subsection (1) of section two hundred and seventy-nine of the said Act of 1952 shall have effect with the substitution of the words " three-tenths " for the words " two-fifths ";

(*c*) sub-paragraph (2) of paragraph 3 of the Fourteenth Schedule to the said Act of 1952 shall have effect with the substitution in paragraph (*d*) and paragraph (i) of the words " seven-tenths " for the words " three-fifths ".

(3) Notwithstanding subsection (3) of section fifteen of the Finance Act, 1956 (which exempted certain fuel economy expenditure from the suspension of investment allowances), an initial allowance under Chapter I or Chapter II of the said Part X shall, if the person entitled so elects, be made instead of an investment allowance in respect of any such expenditure as is

mentioned in paragraph (*a*) or paragraph (*b*) of that subsection, being expenditure to which this section applies.

(4) An initial allowance under section seventeen of the Finance Act, 1956 (dredging), in respect of expenditure to which this section applies shall be equal to three-twentieths of the expenditure, and accordingly in relation to such an allowance that section shall have effect with the substitution in paragraph (*a*) of subsection (1) thereof of the words " three-twentieths " for the words " one-tenth ".

(5) Subject to the next following subsection, this section applies to expenditure incurred on or after the fifteenth day of April, nineteen hundred and fifty-eight; but expenditure shall not be treated for the purposes of this section as having been so incurred by virtue of the following provisions, that is to say,—

(*a*) subsection (6) of section two hundred and sixty-five or subsection (2) of section two hundred and seventy-nine of the Income Tax Act, 1952 (which relate to expenditure incurred by a person for the purposes of a trade before he begins to carry it on);

(*b*) subsection (4) of section two hundred and sixty-five and subsection (2) of section two hundred and seventy-seven of that Act (which relate to cases where mills, factories, etc., allowances cease to be allowable);

if it would not be so treated apart from those provisions.

(6) This section does not apply to any expenditure in respect of which an initial allowance under Chapter II of Part X of the Income Tax Act, 1952, may be made by virtue of the proviso to subsection (5) of section two hundred and seventy-nine of the said Act of 1952.

Fees and subscriptions to professional bodies, learned societies, etc.

16.—(1) Subject to the following provisions of this section, the following may be deducted from the emoluments of any office or employment to be assessed to tax, if defrayed out of those emoluments, that is to say,—

(*a*) any fee or contribution mentioned in the Fifth Schedule to this Act;

(*b*) any annual subscription paid to a body of persons approved for the purposes of this section by the Commissioners of Inland Revenue.

(2) The Commissioners of Inland Revenue may on the application of the body approve for the purposes of this section any body of persons not of a mainly local character whose activities are carried on otherwise than for profit and are solely or mainly directed to all or any of the following objects, that is to say,—

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(*a*) the advancement or spreading of knowledge (whether generally or among persons belonging to the same or similar professions or occupying the same or similar positions);

(*b*) the maintenance or improvement of standards of conduct and competence among the members of any profession;

(*c*) the indemnification or protection of members of any profession against claims in respect of liabilities incurred by them in the exercise of their profession.

(3) If the activities of a body approved for the purposes of this section are to a significant extent directed to objects other than those mentioned in subsection (2) of this section the Commissioners may determine that such specified part only of any annual subscription paid to the body may be deducted under this section as corresponds to the extent to which its activities are directed to objects mentioned in that subsection; and in doing so the Commissioners shall have regard to all relevant circumstances and, in particular, to the proportions of the body's expenditure attributable to the furtherance of objects so mentioned and other objects respectively.

(4) A fee, contribution or subscription shall not be deducted under this section from the emoluments of any office or employment unless—

(*a*) the fee is payable in respect of a registration (or retention of a name in a roll or record) or certificate which is a condition or one of alternative conditions of the performance of the duties of the office or employment or, as the case may be, the contribution is payable on the issue of such a certificate;

(*b*) the subscription is paid to a body the activities of which, so far as they are directed to the objects mentioned in subsection (2) of this section, are relevant to the office or employment, that is to say, the performance of the duties of the office or employment is directly affected by the knowledge concerned or involves the exercise of the profession concerned.

(5) Any approval given and any determination made under this section may be withdrawn, and any such determination varied, so as to take account of any change of circumstances; and where a body is approved for the purposes of this section in pursuance of an application made before the end of any year of assessment a deduction may be made under this section in respect of a subscription paid to the body in that year, whether the approval is given before or after the end of that year.

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(6) Any body aggrieved by the failure of the Commissioners of Inland Revenue to approve the body for the purposes of this section, or by their withdrawal of the approval, or by any determination made by them under this section or the variation of or a refusal to withdraw or vary such a determination may, by notice in writing given to the Commissioners within thirty days from the date on which the body is notified of their decision, require the matter to be determined by the Special Commissioners, and the Special Commissioners shall thereupon hear and determine the matter in like manner as an appeal made to them against an assessment under Schedule D; and the provisions of the Income Tax Acts relating to such appeals (including the provisions relating to the statement of a case for the opinion of the High Court on a point of law) shall apply accordingly with the necessary modifications.

(7) References in the Income Tax Acts to paragraph 7 of the Ninth Schedule to the Income Tax Act, 1952, shall be construed as including references to this section, and the proviso to subsection (1) of section one hundred and sixty of that Act shall apply to a deduction under this section as it applies to a deduction under the said paragraph 7 in respect of money expended wholly, exclusively and necessarily in performing the duties of the office or employment.

Amendment as to reliefs in respect of property belonging to charities and certain other institutions or occupied by ministers of religion.

17.—(1) The amount of the total income of a person occupying or having the use and enjoyment of any property shall not affect—

(*a*) the allowance directed by paragraph (*c*) of subsection (1) of section one hundred and three of the Income Tax Act, 1952, to be made under Schedule A in respect of public buildings, offices and premises belonging to any hospital, public school or almshouse;

(*b*) the exemption granted by paragraphs (*a*) and (*b*) of subsection (1) of section four hundred and forty-eight of that Act in respect of property owned and occupied or, as the case may be, occupied by a charity.

(2) Subsection (3) of section four hundred and seventy-nine of the Income Tax Act, 1952 (which relates to certain dwelling-houses occupied by ministers of religion), is hereby repealed.

Purchases of shares by financial concerns and persons exempted from tax.

18.—(1) Section four of and the Third Schedule to the Finance (No. 2) Act, 1955 (which make provision as to the treatment of certain dividends paid to any extent out of accumulated profits), shall have effect subject to the amendments specified in subsections (2) to (4) of this section.

(2) In subsection (3) of the said section four, for the words "and in doing so were acting in concert" there shall be substituted the words "and the transactions in pursuance of which

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the acquisition was made were either transactions entered into by those persons acting in concert or transactions together comprised in any arrangements made by any person".

(3) In sub-paragraph (3) of paragraph 5 of the said Third Schedule, the following shall be inserted after paragraph (*c*):—

"and

(*d*) if the company is not engaged in carrying on such a trade as is mentioned in subsection (1) of section four of this Act and has received in a year of assessment in the period a dividend which, if the company had been engaged in such a trade, would have been required by the said subsection (1) to be brought into account to any extent as mentioned therein, such amount as would, after deduction of income tax at the standard rate in force in that year of assessment, be equal to the amount which would have been so required to be brought into account,"

(4) At the end of paragraph 4 of the said Third Schedule there shall be added the following sub-paragraph:—

"(3) In ascertaining for the purposes of this paragraph the amount of income tax and profits tax by which the income of the company for the period is to be diminished any tax on the amount to be deducted under paragraph (*d*) of sub-paragraph (3) of paragraph 5 of this Schedule shall be left out of account."

(5) Where such a company as is mentioned in the new paragraph (*d*) set out in subsection (3) of this section has received such a dividend as is mentioned therein, any question whether any dividend on shares in that company is to be brought into account as mentioned in subsection (1) of the said section four or whether any exemption from income tax extending to any dividend on such shares is to be excluded to any extent by subsection (2) of that section shall be determined as if the words "being shares sold or issued to him or otherwise acquired by him after the twenty-sixth day of October, nineteen hundred and fifty-five, and not more than six years before the date on which the dividend becomes payable" in subsection (1) of the said section four, and all similar expressions in that section, were omitted.

(6) Where a person has acquired any shares before the sixteenth day of April, nineteen hundred and fifty-eight,—

(*a*) nothing in subsection (2) of this section shall require him to bring into account as mentioned in subsection (1) of the said section four the amount of any dividend received by him on those shares or exclude to any extent any exemption from income tax extending to dividends so received by him; and

(*b*) subsection (3) of this section shall have effect, in relation to any dividend received by him on those shares, as if in the new paragraph (*d*) set out in that subsection the reference to a dividend received by the company did not include any dividend on shares acquired by the company before the said sixteenth day of April;

and subsections (5) and (6) of the said section four (which make provision as to the time at which and the person by whom shares are to be treated as having been acquired), and the definition of "share" in subsection (8) of that section, shall apply for the purposes of this subsection.

Disallowance for certain purposes of dividends paid out of accumulated profits.

19.—(1) Where a person carries on a trade other than such a trade as is mentioned in subsection (1) of section four of the Finance (No. 2) Act, 1955, and his income for any year of assessment includes a dividend the net amount of which would, if the trade were such a trade as is mentioned in that subsection, be required to any extent to be brought into account as a trading receipt which has not borne tax, then, in ascertaining whether any or what repayment of tax is to be made to that person under section three hundred and forty-one of the Income Tax Act, 1952, subsection (3) of section fifteen of the Finance Act, 1953, or paragraph 3 of the Third Schedule to the Finance Act, 1954, by reference to any loss sustained in the trade and the aggregate amount of his income for the said year of assessment, there shall be left out of account—

(*a*) the gross amount corresponding to so much of the said net amount as would have been required to be brought into account as aforesaid; and

(*b*) any tax paid on the amount required to be left out of account under paragraph (*a*) of this subsection.

(2) Where—

(*a*) a company carries on a trade other than such a trade as is mentioned in subsection (1) of section four of the Finance (No. 2) Act, 1955; or

(*b*) the business of a company consists mainly in the making of investments;

and the company's income for any year of assessment includes a dividend the net amount of which would, if the company carried on such a trade as is mentioned in the said subsection (1), be required to any extent to be brought into account as a trading receipt which has not borne tax,—

(i) the gross amount corresponding to so much of the said net amount as would have been required to be brought into account as aforesaid shall be left out of account in determining for the purposes of section twenty of the

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Finance Act, 1953 (which relates to payments between associated companies in respect of losses), whether the company has any surplus for tax purposes during any period or what is the amount of that surplus; and

(ii) if any annual payment payable by the company is to any extent payable out of the said dividend, that annual payment shall be deemed to that extent not to be payable out of profits or gains brought into charge to tax, and section one hundred and seventy of the Income Tax Act, 1952, shall apply accordingly.

(3) Where the shares on which the dividend is paid were acquired by the said person or company before the sixteenth day of April, nineteen hundred and fifty-eight, the foregoing provisions of this section shall not apply to the net amount of the dividend except to the extent (if any) that, if the trade or business were such a trade as is mentioned in subsection (1) of section four of the said Act of 1955, the said amount—

(*a*) would be required to be brought into account as aforesaid by virtue of the last foregoing section; but

(*b*) would not be required to be so brought into account apart from that section.

(4) Where shares in a company were acquired by another company from a third company at a time when the three companies were associated, any question whether or to what extent a dividend on those shares was paid out of profits accumulated before the acquisition, shall, for the purposes of this section (but for no other purposes), be determined as if the acquisition had taken place at whichever of the following times is the later, that is to say—

(*a*) the time when the shares were acquired by the said third company;

(*b*) the time when the said other company and the said third company became associated;

except that if the said third company had acquired the shares from a fourth company at a time when the four companies were associated, the foregoing provisions of this subsection shall have effect as if for the references in paragraphs (*a*) and (*b*) to the third company there were substituted references to the fourth company and for the reference in paragraph (*b*) to the said other company a reference to the third company; and so on for any greater number of associated companies.

In this subsection "associated" means, as regards two companies, that one is a subsidiary of the other or both are subsidiaries of a third company, and, as regards three or more companies, that one is associated with each of the others; and "subsidiary" has the meaning assigned to it for certain purposes of the profits tax by section forty-two of the Finance Act, 1938.

(5) Subsections (5) and (6) of section four of the said Act of 1955 (which make provision as to the time at which and the person by whom shares are to be treated as having been acquired), and the definitions of " company " and " share " in subsection (8) of that section, shall apply for the purposes of this section.

Settlements on children.

20.—(1) Chapter II of Part XVIII of the Income Tax Act, 1952 (which relates to settlements on children), shall be amended in accordance with the following provisions of this section.

(2) In relation to a payment to which this subsection applies, the words " at the time of the payment " shall be substituted for the words " at the commencement of that year " in subsection (1) of section three hundred and ninety-seven of that Act (which relates to payments in any year of assessment to or for the benefit of a child who at the commencement of that year was an infant and unmarried) and for the words " at the commencement of the year of assessment in which the sum is paid " in paragraph (*b*) of subsection (2) of section three hundred and ninety-eight of that Act (which makes provision supplementary to the said section three hundred and ninety-seven).

(3) The reference in the said paragraph (*b*) to another sum previously paid to or for the benefit of a child who, at the commencement of the year of assessment in which it was paid, was an infant and unmarried, shall be construed, in relation to a payment to which this subsection applies of any such sum, as a reference to a sum so paid to or for the benefit of a child who at the time of the payment was an infant and unmarried.

(4) Subsections (2) and (3) of this section apply to any payment made after the year 1957-58, except a payment made in the year 1958-59 to or for the benefit of a child born after the sixth day of April, nineteen hundred and fifty-eight, and so made by virtue or in consequence of a settlement made before the ninth day of July of that year.

(5) In paragraph (ii) of the proviso to section three hundred and ninety-nine of the Income Tax Act, 1952 (which enables a settlement to be treated as irrevocable for the purposes of the said Chapter II notwithstanding that it provides for its determination, if the determination will not, during the lifetime of such a child as is mentioned in that section, benefit any person other than such a child, or the wife, husband or issue of such a child), for the words from " any person " to " issue of such a child " there shall be substituted the words " the settlor or the wife or husband of the settlor ".

(6) In relation to a settlement which would not have been irrevocable within the meaning of the said Chapter II but for subsection (5) of this section, the reference in paragraph (*b*) of

PART III —*cont.*

subsection (2) of the said section three hundred and ninety-eight to the date when it became irrevocable shall be construed as referring to the sixth day of April, nineteen hundred and fifty-eight.

Revocable settlements and settlements made abroad.

21.—(1) In subsection (1) of section four hundred and four of the Income Tax Act, 1952,—

(*a*) the references to a power to revoke or otherwise determine a settlement or any provision thereof shall be deemed to include references to any power to diminish the amount of any payments which are or may be payable under the settlement or any provision thereof and to any power to diminish the amount of any annual payments which the settlor or the wife or husband of the settlor is or may be liable to make by virtue or in consequence of any provision of the settlement;

(*b*) the references to the settlor or the wife or husband of the settlor ceasing to be liable to make any annual payments payable by virtue or in consequence of any provision of the settlement shall be deemed to include references to a diminution of the amount of any such annual payments which the settlor or the wife or husband of the settlor is or may be liable to make;

but the sums to be treated under the said subsection (1) as the income of the settlor for any year of assessment and not as the income of any other person shall, where that subsection would not apply but for paragraph (*b*) of this subsection, be such part only of the sums payable as aforesaid by the settlor or the wife or husband of the settlor in that year as corresponds to the diminution mentioned in that paragraph.

(2) In subsection (2) of the said section four hundred and four the references to a power to revoke or otherwise determine a settlement or any provision thereof shall be deemed to include references to—

(*a*) any power to diminish the property comprised in the settlement; and

(*b*) any power to diminish the amount of any payments which are or may be payable under the settlement or any provision thereof to any person other than the settlor and the wife or husband of the settlor.

(3) Subject to subsection (4) of this section, the foregoing provisions of this section shall apply for all the purposes of income tax for the year 1958-59 and subsequent years of assessment and also for estimating an individual's total income for the purposes of surtax for the year 1957-58.

PART III —*cont.*

(4) Where, in the case of any settlement made before the sixteenth day of April, nineteen hundred and fifty-eight, any sums payable by the settlor or by the wife or husband of the settlor, or any income arising under the settlement, would, by virtue of the foregoing provisions of this section, fall to be treated (whether for purposes of surtax or for all the purposes of income tax) as the income of the settlor and not as the income of any other person, but would not fall to be so treated apart from those provisions, the sums or income shall not be so treated if—

(*a*) no power by reason of which they or it would fall to be so treated has been exercised after the fifteenth day of April, nineteen hundred and fifty-eight, or is or can become exercisable after the fifth day of April, nineteen hundred and fifty-nine, or such later date as the Commissioners of Inland Revenue may in any particular case allow; and

(*b*) neither the settlor nor the wife or husband of the settlor has received or is entitled to any consideration or benefit in connection with the fulfilment of the condition set out in paragraph (*a*) of this subsection;

or if, in the case of a settlement to which subsection (1) of the said section four hundred and four applies by virtue of subsection (1) of this section, the settlement was entered into in connection with any judicial separation or any agreement between spouses to live separate and apart or with the dissolution or annulment of a marriage.

(5) For the removal of doubts it is hereby declared that sections four hundred and four and four hundred and five of the Income Tax Act, 1952 (which re-enact, without amendment, the provisions of subsections (1) to (4) of section thirty-eight of the Finance Act, 1938), apply and always have applied in relation to any settlement in relation to which the said section thirty-eight would have applied but for its repeal by the said Act of 1952, that is to say, in relation to any settlement, wherever made.

Settlements—discretionary power for benefit of settlor, etc.

22.—(1) If and so long as the terms of any settlement (wherever made) are such that any person has or may have power, whether immediately or in the future, and whether with or without the consent of any person—

(*a*) to pay or apply to or for the benefit of the settlor or the wife or husband of the settlor the whole or any part of the income or property which may at any time arise under or be comprised in the settlement; or

(*b*) to secure the payment or application to or for the benefit of the settlor or the wife or husband of the settlor of the whole or any part of that income or property;

being a power exercisable at his discretion, any income arising under the settlement in any year of assessment or, as the case

PART III —*cont.*

may be, any income so arising from the property comprised in the settlement or from a corresponding part of that property, or a corresponding part of any such income, shall (so far as it is not so treated apart from this section) be treated for all the purposes of the Income Tax Acts as the income of the settlor for that year and not as the income of any other person, subject however to the following provisions of this section.

(2) Where the power mentioned in subsection (1) of this section cannot be exercised within six years from the time when any income or class of income first arises under the settlement or from the time when any particular property first becomes comprised in the settlement, then, so long as the power cannot be exercised, that subsection shall not apply to any income arising under the settlement or, as the case may be, any income of that class or income from that property or property representing that property.

(3) Where, under the proviso to subsection (2) of section four hundred and five of the Income Tax Act, 1952, the settlor is not deemed to have an interest in any income arising under or property comprised in the settlement, subsection (1) of this section shall not apply to that income or, as the case may be, to income arising from that property.

(4) Subject to subsection (5) of this section, the foregoing provisions of this section shall apply for all the purposes of income tax for the year 1958-59 and subsequent years of assessment and also for estimating an individual's total income for the purposes of surtax for the year 1957-58.

(5) Where, in the case of any settlement made before the ninth day of July, nineteen hundred and fifty-eight, any income arising under the settlement would, by virtue of the foregoing provisions of this section, fall to be treated (whether for purposes of surtax or for all the purposes of income tax) as the income of the settlor and not as the income of any other person, but would not fall to be so treated apart from those provisions, it shall not be so treated if—

(*a*) no power by reason of which it would fall to be so treated has been exercised after the eighth day of July, nineteen hundred and fifty-eight, or is or can become exercisable after the fifth day of April, nineteen hundred and fifty-nine, or such later date as the Commissioners of Inland Revenue may in any particular case allow; and

(*b*) neither the settlor nor the wife or husband of the settlor has received or is entitled to any consideration or benefit in connection with the fulfilment of the condition set out in paragraph (*a*) of this subsection.

PART III —*cont.*

(6) This section shall be deemed to be included in Chapter III of Part XVIII of the Income Tax Act, 1952, and to precede section four hundred and six thereof, and the references in subsection (1) of section four hundred and seven and subsection (2) of section four hundred and eight of that Act to section four hundred and four thereof shall be construed as including references to this section.

Time limits.

23. The provisions of the Sixth Schedule to this Act shall have effect for extending the time limits specified in the enactments mentioned in that Schedule.

Penalty for incorrect accounts.

24.—(1) Where, after the passing of this Act, incorrect accounts are submitted to the surveyor or any Commissioners in connection with the ascertainment of a person's liability to income tax for any year of assessment, that person shall be liable, subject to the following provisions of this section, to be proceeded against as mentioned in paragraph (*a*) or (*b*) of subsection (3) of section twenty-five of the Income Tax Act, 1952 (which imposes penalties on persons failing to make certain statements), and the amounts mentioned therein shall be forfeited and recovered accordingly.

(2) Proceedings under the said subsection (3) shall not be taken against the same person both by virtue of this section and apart from this section in respect of the same year of assessment.

(3) Where a person discovers that accounts submitted in connection with the ascertainment of his liability to income tax are incorrect and he submits a statement rectifying the accounts, no proceedings shall thereafter be taken against him by virtue of this section in respect of the accounts.

(4) In proceedings taken against any person by virtue of this section it shall be a defence to prove that the accounts were submitted without his consent or connivance.

(5) Where accounts for a period not exceeding a year are submitted in connection with the ascertainment of a person's liability to tax for more than one year the penalty recoverable by virtue of this section shall be recoverable in respect of such one only of those years as the Commissioners of Inland Revenue may elect.

PART IV

THE PROFITS TAX

Change of rate, and basis of charge.

25.—(1) As from the beginning of April, nineteen hundred and fifty-eight, the profits tax shall be charged on the profits arising in any chargeable accounting period from a trade or business to which section nineteen of the Finance Act, 1937, applies at the rate of ten per cent. on the amount of those profits,

PART IV —*cont.*

subject to the provisions for abatement in section thirty-three of the Finance Act, 1947, but without any relief for non-distribution or any distribution charge for chargeable accounting periods ending after the beginning of that month.

(2) Section sixty-nine of the Finance Act, 1948 (under which certain payments between interconnected companies, though not allowable as deductions in computing the profits of the payer, are to be included in computing profits of the recipient), shall not have effect for the purpose of computing profits or losses for any chargeable accounting period ending as aforesaid.

(3) The transitional provisions contained in the Seventh Schedule to this Act shall have effect in relation to the foregoing provisions of this section.

Amendments as to special classes of business.

26.—(1) The following provisions shall cease to have effect, namely,—

(*a*) the proviso to sub-paragraph (1) of paragraph 7 of the Fourth Schedule to the Finance Act, 1937 (as set out in section thirty-two of the Finance Act, 1947), and subsection (2) of section twenty-nine of the Finance Act, 1951 (which provide that income received from certain statutory undertakers by way of distribution of profits is not to be included in computing profits of a body corporate having a controlling interest in the undertakers, but is to be included in other cases);

(*b*) subsection (3) of section forty of the Finance Act, 1947, and section forty of the Finance Act, 1957 (which make special provision as respects certain payments by nationalised undertakings);

(*c*) section forty-two of the Finance Act, 1947 (which limits the profits tax chargeable in the case of a building society to two per cent. of the profits computed without deduction for interest on money borrowed from members or depositors).

(2) In the case of—

(*a*) a society registered under the Industrial and Provident Societies Acts, 1893 to 1954, or under the Industrial and Provident Societies Acts (Northern Ireland), 1893 to 1955; or

(*b*) a society regulated by any of the Acts regulating building societies (including Acts of the Parliament of Northern Ireland);

dividends, bonuses and similar distributions to members on their shares in the society shall, in computing for the purposes of the

profits tax the profits or losses either of the society or of the recipient, be treated in the same way as interest on moneys borrowed by the society.

(3) Where for any year of assessment a building society enters into arrangements under section four hundred and forty-five of the Income Tax Act, 1952, and by reason thereof income tax is not deducted from dividends or interest of any description, then for the purposes of the profits tax—

(*a*) in computing profits or losses of the society for any accounting period ending in that year, the deduction to be made for any dividends or interest from which income tax is not deductible by reason of arrangements under the said section shall include an amount computed by reference to the last mentioned dividends and interest in accordance with the provision made by the arrangements with reference to dividends and interest for charging the society to income tax for the said year; and

(*b*) the amount to be included in the recipient's profits in respect of any dividend or interest from which tax is not deducted as aforesaid shall be the same as if the amount actually paid or credited were the part remaining after deduction of income tax at the standard rate in force for the said year.

(4) This section shall have effect as respects any chargeable accounting period ending after the beginning of April, nineteen hundred and fifty-eight.

Time limit for assessments and claims for relief.

27.—(1) No assessment to the profits tax shall be made more than six years after the end of the chargeable accounting period in respect of which it is made, except in the following cases—

(*a*) where any form of fraud or wilful default has been committed in connection with or in relation to the profits tax, and the assessment is made for the purpose of making good to the Crown any loss of tax attributable to the fraud or wilful default;

(*b*) where tax for the last chargeable accounting period of a trade or business (being a period ending at or before the beginning of April, nineteen hundred and fifty-eight) is chargeable by reason of a distribution made after the end of that period, and the person assessable has not given notice in writing to the Commissioners of Inland Revenue, after the making of the distribution, that no further distribution is to be made, or, if he has, a year has not elapsed since he did so;

(*c*) where a longer time is allowed for a particular class of case by the enactments relating to the profits tax other than this subsection.

PART IV —*cont.*

(2) Any application for relief in respect of an assessment to the profits tax made by virtue of subsection (2) of section thirty-five of the Finance (No. 2) Act, 1945 (which provides for relief in respect of errors or mistakes in a return or statement made for the purpose of an assessment), shall be made not later than six years after the making of the assessment; but any notice of appeal against the determination of the Commissioners on such an application may be given within thirty days of the notification of the determination (instead of twenty-one days as provided by the Fifth Schedule to the said Act).

(3) This section shall not prevent the making of an assessment or application for the purposes of the profits tax at any time when an assessment or application can be made in respect of the same matter for the purposes of income tax under any provision enlarging for a particular class of case the time ordinarily allowed for making assessments or applications for relief.

(4) In this section "assessment" includes an additional assessment.

(5) This section shall not apply to assessments or applications for relief made before the end of the year nineteen hundred and fifty-eight, except in so far as it enlarges the time for giving notice of appeal.

PART V

ESTATE DUTY

Purchases of interests in expectancy.

28.—(1) Where at any time within five years before a death—

(*a*) there has been in any settled property an interest limited to cease on the death; and

(*b*) a purchase of another interest in that property expectant on or subject to the interest so limited has been made either by the deceased or out of or by means of any property which would have passed for the purposes of estate duty on his death if he had died immediately before the purchase;

then, subject to the following provisions of this section, there shall be deemed for purposes of estate duty on the death to be included in the property passing on the death (in addition to the other property, if any, so included) a sum of money equal to the amount or value of the consideration given for the purchase of that other interest:

Provided that, subject to subsections (2) and (3) of this section, where the settlement is subsisting at the death, this subsection shall not apply unless the interest purchased passes for purposes of

estate duty on the death, and if it does so pass, the persons who are or would be accountable for any duty chargeable on the death in respect of it may (by notice in writing given to the Commissioners of Inland Revenue within twelve months of the death or such longer period as the Commissioners may allow) elect that neither this subsection nor subsection (10) of section seven of the Finance Act, 1894 (which provides that the same property shall not be twice charged or twice aggregated on the same death), shall have effect on the death in relation to that interest.

(2) For the purposes of the proviso to subsection (1) of this section—

(*a*) where the settlement has come to an end as respects part but not the whole of the settled property, there shall be deemed to have been a separate settlement of that part; and

(*b*) where at the death there are separate interests in or derived out of the interest purchased, the purchase of that interest shall be treated as having comprised a separate purchase of each of those interests.

(3) Where a purchased interest as respects which an election might otherwise be made under the proviso to subsection (1) of this section has ceased to subsist as a separate interest before the death and before the time when it was originally limited to determine, any other interest into which the interest purchased has been absorbed or enlarged shall be treated for the purposes of this section (including this subsection) as if it had been the subject matter of the purchase:

Provided that where an election under that proviso is made as respects any interest by virtue of this subsection, the value for the purposes of estate duty of that interest shall be limited to the proportion thereof attributable to the purchased interests which that interest is treated under this subsection as representing.

(4) In determining under this section the duty chargeable by reason of the purchase of an interest in settled property, any consideration for the purchase consisting of another interest under the settlement shall be disregarded, unless there has been a prior purchase of that other interest, being a purchase in respect of which duty would be chargeable on the death under this section apart from the proviso to subsection (1) and apart from this subsection; and if there has been such a prior purchase, the consideration for it shall be treated for the purposes of this section (except for the purpose of determining its value) as given not for that purchase but, in place of the said other interest, for the first-mentioned purchase.

PART V —*cont.*

(5) Where an interest limited to cease on a death ceases to subsist as a separate interest in consequence of any dealing with another interest expectant on or subject to it or of a dealing with that other interest and a dealing with the interest so limited, then this section shall apply to a purchase of that other interest or any interest expectant on or subject to it, as if the interest so limited had continued to subsist as a separate interest until the time when it was originally limited to determine.

(6) Where the interest referred to in paragraph (*a*) of subsection (1) of this section is such that on the cesser of that interest the settled property (or, if the interest purchased is an interest in part only of that property, that part of it) is to be treated for purposes of estate duty as passing to a limited extent only, then the consideration for the purchase shall be treated for the purposes of this section as reduced to a corresponding extent.

(7) Any sum deemed to pass on a death by virtue of subsection (1) of this section shall for the purpose of aggregation, or of determining the persons accountable for duty—

(*a*) where the purchase was made by the deceased, be treated as having been property to which he was absolutely entitled at his death; and

(*b*) in any other case, be treated as forming part of the property out of or by means of which the purchase was made;

but where the settlement has come to an end before the death as respects all or any of the property in which the interest purchased subsisted, section forty-four of the Finance Act, 1950 (which provides for the trustees of a settlement to be accountable for duty chargeable by virtue of section forty-three of the Finance Act, 1940, by reason of a disposition or determination of a life interest), shall apply as if the duty were chargeable by virtue of the said section forty-three in respect of the property in which the interest purchased subsisted.

(8) Section fifty-seven of the Finance (1909-10) Act, 1910 (which provides that in valuing an estate for duty purposes no allowance shall be made in certain cases for debts or incumbrances incurred or created for the purchase of an interest in expectancy), shall not apply to debts or incumbrances incurred or created for the purpose of or in consideration for a purchase made within the five years before the death of the deceased; and where duty is chargeable by virtue of this section by reason of a purchase of an interest, and the deceased incurred any debt or created any incumbrance wholly or partly as consideration for that purchase, that consideration for the debt or incumbrance shall be left out of account for the purpose of section thirty-one of the Finance Act, 1939 (which excludes or limits

the making for purposes of estate duty of an allowance for certain debts incurred or incumbrances created by the deceased for the purchase of property coming ultimately from himself).

(9) Any allowance for a debt or incumbrance, to the extent to which it could not be made apart from subsection (8) of this section, shall, where an election under the proviso to subsection (1) of this section has effect in relation to the purchase in question, be deducted from the value, on which by reason of that purchase duty is chargeable, of the interest chargeable by virtue of the election, and shall not be made otherwise.

(10) In relation to a purchase from a body of persons established for public or charitable purposes only, or from the trustees of a trust so established, references to one year before the death shall be substituted for the references in subsections (1) and (8) of this section to five years before the death.

(11) For the purposes of this section—

(*a*) any transaction whereby a person for money or money's worth acquires an interest or secures its extinction for his benefit shall be deemed to be a purchase of that interest by him, and any interest extinguished shall be treated as absorbed into the interest benefiting from the extinction;

(*b*) any consideration for a purchase given otherwise than in cash shall be valued as at the date of the purchase;

(*c*) any consideration given for the purchase of more than one interest under a settlement, or for the purchase of an interest under a settlement and for something else, shall be apportioned as may be just;

(*d*) the property in which an interest under a settlement from time to time subsists (or is treated for the purposes of this section as subsisting) shall be treated as the same property, notwithstanding any substitution of one item for another or any accretion thereto.

(12) This section shall not apply where estate duty neither is chargeable on the settled property on the death by reason of the coming to an end of the interest referred to in paragraph (*a*) of subsection (1), nor would have been if that interest had continued to subsist as a separate interest until the time when it was originally limited to determine, or where the settled property is or, as the case may be, would have been of no principal value, or of too small a principal value for duty to be payable.

(13) This section shall have effect in relation to any purchase made after the fifteenth day of April, nineteen hundred and fifty-eight, and in relation to any such purchase shall have effect notwithstanding that the death occurs before the date of the passing of this Act.

PART V —*cont.*

Effect of presumptions as to order of deaths.

29.—(1) In all cases where, after the fifteenth day of April, nineteen hundred and fifty-eight, two or more persons have died in circumstances rendering it uncertain which of them survived the other or others, the property chargeable with estate duty in respect of each death shall be ascertained as if they had died at the same instant and all relevant property had devolved accordingly.

(2) Property shall not be deemed for purposes of estate duty to pass, or to have passed, on a person's death because on a later or simultaneous death (occurring after the said fifteenth day of April) a testamentary disposition of that property takes effect, under section thirty-three of the Wills Act, 1837, or otherwise, as if that person had survived the testator.

Quick successions.

30.—(1) Where estate duty becomes payable on any property on a death occurring after the fifteenth day of April, nineteen hundred and fifty-eight, and the Commissioners of Inland Revenue are satisfied—

(*a*) that estate duty has been payable on the same property on an earlier death occurring within five years before the later death; and

(*b*) that the person entitled to the property immediately before the later death did not acquire his title by or under a purchase for a consideration in money or money's worth made since the earlier death (whether by him or by another);

then, subject to the provisions of this section, the amount of the estate duty payable on the property on the later death shall be reduced as follows—

where the earlier death occurred within three months before the later, by seventy-five per cent.;

where the earlier death occurred within one year before the later, by fifty per cent.;

where the earlier death occurred within two years before the later, by forty per cent.;

where the earlier death occurred within three years before the later, by thirty per cent.;

where the earlier death occurred within four years before the later, by twenty per cent.;

where the earlier death occurred within five years before the later, by ten per cent.

(2) Where the estate duty payable on a death in respect of any property falls to be reduced under subsection (1) of this section,

but is payable on a greater value than the net value of the property after the earlier death, the duty shall not be reduced on an amount in excess of that net value.

(3) Relief under this section shall not be given on any death in respect of the same property by reference to more than one earlier death.

(4) This section shall have effect subject to and in accordance with the Eighth Schedule to this Act.

(5) If the enactments relating to estate duty in force in Northern Ireland make provision corresponding to this section, and include provision for giving relief by reference to duty paid under the law in force in Great Britain, then for the purpose of determining the relief (if any) to be given under this section on any death, account shall be taken of the operation of the said enactments on that or any earlier death in relation to property on which estate duty is not payable under the law of Great Britain, so that the like relief shall be given under this section as if in the case of any such property duty payable and relief allowable under the said enactments were payable or allowable under the law of Great Britain; and for this purpose any reference in the Eighth Schedule to this Act to any provision of the law of Great Britain shall include a reference to any corresponding provision of the law of Northern Ireland.

Works of art, etc. bought at auction for public collections.

31. In section forty-four of the Finance Act, 1921, and in the proviso to subsection (2) of section forty of the Finance Act, 1930 (which provide that estate duty shall not become chargeable on certain sales to national institutions or other bodies or persons of works of art or other property previously exempted), and in any subsequent enactment extending the sales to which those provisions apply, the references to a sale shall not include a sale after the commencement of this Act otherwise than by private treaty.

Power to give property in satisfaction of death duty.

32.—(1) Where a person has power to sell any property in order to raise money for the payment of any estate duty, he may agree with the Commissioners of Inland Revenue for the property to be accepted in satisfaction of that duty in pursuance of any enactment authorising its acceptance by the Commissioners; and, except as regards the nature of the consideration, and the receipt and application thereof, any such agreement shall be subject to the same provisions and shall be treated for all purposes as a sale made in the exercise of the said power, and any conveyance or transfer made or purporting to be made to give effect to such an agreement shall have effect accordingly.

(2) The foregoing subsection shall not affect subsection (3) of section thirty of the Finance Act, 1953, as originally enacted

PART V —*cont.*

or as applied by section thirty-four of the Finance Act, 1956 (which provide that the acceptance of certain works of art or other objects in satisfaction of estate duty is not to be treated as a sale so as to raise a charge of duty under subsection (2) of section forty of the Finance Act, 1930).

(3) This section shall be deemed always to have had effect, and to apply and have applied to any former death duties as it applies to estate duty.

Relief in cases of demolition or clearance orders.

33.—(1) In the case of deaths occurring after the commencement of this Act, section thirty-three of the Finance Act, 1956 (which reduces the estate duty chargeable on land compulsorily purchased within five years after the date as at which it is valued for the purposes of duty), shall apply in relation to an interest in a house which is demolished in pursuance of a demolition order under Part II of the Housing Act, 1957, or a clearance order under Part III of that Act, as if—

(*a*) the house had been purchased at site value in pursuance of a compulsory purchase order made by virtue of the said Part II or the said Part III, and compensation in respect of the interest had been payable accordingly; and

(*b*) the purchase had been made in pursuance of a notice to treat served on the date on which the clearance order or demolition order was made.

(2) Subsection (1) of this section shall apply where a house which might have been the subject of a demolition order is, without the making of such an order, vacated and demolished in pursuance of an undertaking given to the local authority, as if there had been a demolition order made at the date when the undertaking is given.

(3) In this section—

"house" includes any building constructed or adapted wholly or partly as, or for the purposes of, a dwelling;

"site value" in relation to a house means the value, at the time the valuation is made, of the site as a cleared site available for development in accordance with the requirements of the building bye-laws for the time being in force in the district.

(4) This section shall have effect in relation to a house in Scotland as if for the references to the Housing Act, 1957, there were substituted references to the Housing (Scotland) Act, 1950, and for the reference to the building bye-laws there were substituted a reference to the building regulations.

PART VI

STAMP DUTIES

Conveyances on sale, etc.

34.—(1) Subject to the following provisions of this section, any stamp duty chargeable under the heading " Conveyance or Transfer on sale " in the First Schedule to the Stamp Act, 1891, shall be charged at the following rates for every fifty pounds or fractional part of fifty pounds (in amount or value) of the consideration for the sale, that is to say:—

Where the consideration is £3,500 or under, and the instrument is certified at £3,500	Nil.
Where the consideration is £4,500 or under, and the instrument is certified at £4,500	5s.
Where the consideration is £5,250 or under, and the instrument is certified at £5,250	10s.
Where the consideration is £6,000 or under, and the instrument is certified at £6,000	15s.
In any other case	20s.

(2) Where the amount or value of the consideration is less than three hundred pounds, but the instrument is not certified at three thousand five hundred pounds, the duty instead of being charged at the rates stated in subsection (1) above for every fifty pounds or fractional part of fifty pounds of the consideration shall be charged at rates equal to half the amounts so stated for every twenty-five pounds or fractional part of twenty-five pounds of the consideration or, if the consideration is less than twenty-five pounds, at rates equal to one tenth of the amounts so stated for every five pounds or fractional part of five pounds of the consideration.

(3) Any duty chargeable by reference to the said heading " Conveyance or Transfer on sale " shall be charged accordingly, except as provided by subsection (5) of this section.

(4) References in this section to an instrument being certified at a particular amount mean that it contains a statement certifying that the transaction effected by the instrument does not form part of a larger transaction or series of transactions in respect of which the amount or value, or aggregate amount or value, of the consideration exceeds that amount; and for this purpose—

(*a*) any sale or contract or agreement for the sale of goods, wares or merchandise shall be disregarded in the case either—

(i) of an instrument chargeable under the said heading " Conveyance or Transfer on sale ", other

PART VI —*cont.*

than an actual conveyance or transfer of the goods, wares or merchandise (with or without other property); or

(ii) of an instrument chargeable by reference to that heading under section fifty-nine of the Stamp Act, 1891 (which makes a contract or agreement for sale of certain property chargeable with duty as if it were an actual conveyance on sale); and

(*b*) any such statement as aforesaid shall be construed as leaving out of account any matter which in accordance with paragraph (*a*) of this subsection is to be disregarded.

(5) In relation—

(*a*) to duty chargeable by reference to the said heading "Conveyance or Transfer on sale" by virtue of the heading "Lease or Tack" in the same Schedule, in a case where part of the consideration consists of rent, and that rent exceeds the sum of fifty pounds a year; or

(*b*) to duty chargeable under or by reference to the said heading "Conveyance or Transfer on sale" as it applies to a conveyance or transfer of stock or marketable securities;

so much of the foregoing subsections as relates to instruments certified at six thousand pounds or at a lower figure shall not apply, and subject to subsection (6) of this section the rate of duty shall be determined according to the rates given by subsections (1) and (2) for instruments not so certified:

Provided that in the case of duty on a conveyance or transfer on sale of new local authority stock within the meaning of subsection (2) of section thirty-one of the Finance Act, 1953, or of duty chargeable by reference to the amount of the duty on such a conveyance or transfer, the rate of duty shall be one half the rate determined as aforesaid.

(6) Where a conveyance, transfer or letting is made or agreed to be made to a body of persons established for charitable purposes only or to the trustees of a trust so established, any duty chargeable under or by reference to the said heading "Conveyance or Transfer on sale" shall be chargeable at the rate of ten shillings for every fifty pounds or fractional part of fifty pounds (or the corresponding rate under subsection (2) of this section) where apart from this subsection it would be chargeable at any higher rate:

Provided that no instrument not stamped with the duty to which it would apart from this subsection be liable shall be deemed by virtue of this subsection to be duly stamped unless

it has in accordance with the provisions of section twelve of the Stamp Act, 1891, been stamped with a particular stamp denoting that it is duly stamped. PART VI —*cont.*

(7) Nothing in this section shall affect any enactment imposing an upper limit on the amount of duty chargeable ad valorem.

(8) In exemption (11) in the heading "Receipt" in the same Schedule (which exempts certain receipts endorsed or otherwise written upon or contained in an instrument liable to stamp duty and duly stamped), the reference to an instrument liable to stamp duty and duly stamped shall be taken to extend to any instrument wholly relieved of duty by the provisions of this section relating to instruments certified at three thousand five hundred pounds.

(9) The foregoing subsections shall have effect as from the beginning of August, nineteen hundred and fifty-eight.

(10) In relation to duty chargeable by reference to the said heading "Conveyance or Transfer on sale" by virtue of the said heading "Lease or Tack", section thirty-seven of the Finance Act, 1956 (which among other things excluded in certain cases the increase in duty so chargeable provided for by section seventy-three of the Finance (1909-10) Act, 1910), shall be deemed to have had effect as if the reference to section seventy-three had included a reference to section seventy-five of the said Act of 1910 (which had the same effect as section seventy-three in doubling the duty so chargeable).

Miscellaneous amendments.

35.—(1) In the First Schedule to the Stamp Act, 1891,—

(*a*) neither the heading "Bond, Covenant or Instrument of any kind whatsoever" nor the heading "Mortgage, Bond, Debenture, Covenant" shall extend to any instrument in respect of a covenant or agreement by any person, whether as principal or as surety—

(i) to pay, or to guarantee the payment of, sums payable for or in relation to the sale or hire of any goods, wares or merchandise, the sale, hire, construction or installation of any machinery or plant, the supply of electricity, or the execution of any building works or any works of civil engineering; or

(ii) to reimburse or guarantee the reimbursement of advances made for or in respect of the payment of sums payable as aforesaid;

and the heading "Agreement or any Memorandum of an Agreement" and the heading "Deed of any kind whatsoever, not described in this schedule" shall be construed accordingly; and

PART VI —*cont.*

(*b*) in the said heading " Agreement or any Memorandum of an Agreement " exemption (3) (which comprises any agreement, letter or memorandum made for or relating to the sale of any goods, wares or merchandise) shall not apply where the consideration for the sale includes sums payable at stated periods.

This subsection shall not be taken as affecting the duty chargeable on an instrument under the said heading " Mortgage, Bond, Debenture, Covenant " in respect of any security by way of charge on property or in respect of an agreement to give such a security.

(2) Any discharge (by re-conveyance, surrender or otherwise) of a security given for an advance made by a local authority under any of the enactments mentioned below in this subsection shall be exempt from stamp duty.

The enactments in question are—

(*a*) as regards England and Wales, section one of the Small Dwellings Acquisition Act, 1899, section ninety-one and section ninety-two of the Housing Act, 1925, section ninety and section ninety-one of the Housing Act, 1936, section four of the Housing Act, 1949, and section forty-three of the Housing (Financial Provisions) Act, 1958; and

(*b*) as regards Scotland, section one of the Small Dwellings Acquisition Act, 1899, section seventy-four and section seventy-five of the Housing (Scotland) Act, 1925, section twenty-nine of the Housing (Scotland) Act, 1949, and section seventy-five of the Housing (Scotland) Act, 1950.

(3) Any discharge (by re-conveyance, surrender or otherwise) of a security for sums payable to a local authority in respect of the sale or letting of houses by that authority under any of the enactments mentioned below in this subsection shall be exempt from stamp duty.

The enactments in question are—

(*a*) as regards England and Wales, paragraph (*d*) of subsection (1) of section fifty-nine of the Housing Act, 1925, paragraph (*d*) of subsection (1) of section seventy-nine of the Housing Act, 1936, and subsection (1) of section one hundred and four of the Housing Act, 1957; and

(*b*) as regards Scotland, paragraph (*d*) of subsection (1) of section forty-five of the Housing (Scotland) Act, 1925, and paragraph (*d*) of subsection (1) of section sixty-five of the Housing (Scotland) Act, 1950.

PART VI —*cont.*

(4) In section seventy-four of the Finance Act, 1952 (which relieves from stamp duty certain transfers of water undertakings and other property to joint boards or joint committees of local authorities, and certain conveyances and agreements for such transfers)—

(*a*) in paragraph (*a*) of subsection (1) (which relates to transfers of water undertakings by order under the Water Act, 1945) after the words " by an order under the Water Act, 1945 " there shall be inserted the words " or by or under any local Act of Parliament ", and for the words " to a joint board or joint committee consisting exclusively of representatives of local authorities " there shall be substituted the words " to any other water undertakers " ;

(*b*) both in paragraph (*b*) of subsection (1) and in subsection (3) (which relate to transfers of property under the Public Health Act, 1936, or the Local Government (Scotland) Act, 1947, and to conveyances and agreements for such transfers under the said Act of 1947) for the words " from a local authority which is represented on the board or committee " there shall be substituted the words " from any local authority or from another such board or committee " ; and

(*c*) in subsection (2) (which relates to contracts and agreements for transfers of water undertakings which are conditional on orders under the Water Act, 1945) after the words " an order under the Water Act, 1945 " there shall be inserted the words " or under any local Act of Parliament or on the passing of such an Act ".

(5) No stamp duty shall be chargeable under or by reference to the heading " Conveyance or Transfer on sale " in the First Schedule to the Stamp Act, 1891, on any agreement made under section fourteen of the New Towns Act, 1946, by a development corporation under that Act for the transfer of the whole or part of the water undertaking or sewerage undertaking of that corporation, or on any conveyance, agreement or assignment made, or instrument executed, solely for the purpose of giving effect to such a transfer.

(6) This section shall have effect as from the beginning of August, nineteen hundred and fifty-eight.

PART VII

MISCELLANEOUS

Exchequer advances to nationalised industries and undertakings.

36. In subsection (3) of section forty-two of the Finance Act, 1956 (which, as amended by the Nationalised Industries Loans Act, 1958, limits to seven hundred million pounds the total of the advances which may be made under that section and prohibits the making of such advances after the end of August, nineteen hundred and fifty-eight), there shall be substituted, for the words "seven hundred" the words "one thousand and seventy" and for the words "nineteen hundred and fifty-eight" the words "nineteen hundred and fifty-nine".

Pensions under Overseas Service Act, 1958 (income tax and estate duty).

37.—(1) So much of any pension paid to or in respect of any person—

(*a*) under an order made under section two of the Overseas Service Act, 1958, or under a pension scheme provided and maintained under such an order; or

(*b*) under subsection (2) of section four of that Act;

as may be certified by the Secretary of State to be attributable to the employment of that person in the public services of an overseas territory shall not be liable to charge to income tax if it is the income of a person who satisfies the Commissioners of Inland Revenue that he is not resident in the United Kingdom.

(2) Subsections (3) and (4) of section one hundred and ninety of the Income Tax Act, 1952 (which confer a right of appeal on questions of residence under that section), shall apply to any decision of the Commissioners of Inland Revenue on any question as to residence arising under subsection (1) of this section as they apply to such decisions under that section.

(3) For the purposes of the enactments relating to estate duty so much of any pension paid as mentioned in subsection (1) of this section as is certified by the Secretary of State to be attributable to service under the Government of an overseas territory shall be treated as if it had been paid by the Government of that territory.

(4) In this section—

"pension" includes a gratuity or any sum payable on or in respect of death, and a return of contributions with or without interest thereon or any addition thereto;

"overseas territory" means any territory or country outside the United Kingdom;

and references in this section to employment in the public services of an overseas territory and to the Government of an overseas territory shall be construed as if they occurred in the

Overseas Service Act, 1958, and subsections (2) and (3) of section seven of that Act (which relate to the construction of such references) shall apply accordingly.

Annuities under Tithe Acts, 1936 and 1951.

38.—(1) The following provisions shall have effect with respect to annuities within the meaning of the Tithe Acts, 1936 and 1951.

(2) For the year beginning with the second day of October, nineteen hundred and fifty-eight, and subsequent years, instead of annuities being payable by half-yearly instalments on the first day of April and the first day of October, they shall be payable in one yearly sum on the first day of October; and accordingly—

(*a*) in the Tithe Acts, 1936 and 1951, and in any other enactment relating to those annuities the expression " payment date " shall mean the first day of October, and references to an instalment of an annuity shall be construed as referring to the yearly sum payable on that day; and

(*b*) in subsection (1) of section fourteen of the Tithe Act, 1936 (which makes provision for remitting from each instalment of an annuity charged on agricultural land one half of any excess of the annuity over one third of the annual value of the land), the words " one half of " shall be omitted.

(3) In paragraph (*a*) of subsection (1) of section eleven of the Tithe Act, 1936 (which provides for the compulsory redemption in certain circumstances of an annuity of one pound or less, or two or more annuities amounting in the aggregate to one pound or less), for the references to one pound there shall be substituted references to three pounds or such higher amount as may from time to time be specified in rules made by the Treasury under section fifteen of that Act.

Winding up of Treasury Chest Fund.

39. The amount of the available balance of the Treasury Chest Fund as at the end of March, nineteen hundred and fifty-eight, shall be paid into the Exchequer, and no further payments shall be made into or out of that Fund or any Treasury chest.

Short title, construction, extent and repeal.

40.—(1) This Act may be cited as the Finance Act, 1958.

(2) Parts I to VI of this Act shall be construed as one with the enactments mentioned in this subsection respectively, that is to say—

(*a*) Part I with Part V of the Finance (No. 2) Act, 1940;

(*b*) Part II with the Customs and Excise Act, 1952;

PART VII —*cont.*

(*c*) Part III with the Income Tax Acts;

(*d*) Part IV with Part III of the Finance Act, 1937, and the other enactments relating to the profits tax;

(*e*) Part V with Part I of the Finance Act, 1894;

(*f*) Part VI with the Stamp Act, 1891.

(3) Any reference in this Act to any other enactment shall, except so far as the context otherwise requires, be construed as a reference to that enactment as amended or applied by or under any other enactment, including this Act.

(4) Such of the provisions of this Act as relate to matters in respect of which the Parliament of Northern Ireland has power to make laws shall not extend to Northern Ireland.

(5) The enactments specified in the Ninth Schedule to this Act are hereby repealed to the extent mentioned in the third column of that Schedule:

Provided that the repeals effected by any Part of that Schedule shall have effect from the dates and subject to the savings (if any) provided for in that Part.

SCHEDULES

FIRST SCHEDULE

Section 1.

SUBSTANTIVE CHANGES IN PURCHASE TAX RATES, ETC.

NOTE: In this Schedule references to Groups are references to Groups in Part I of the Eighth Schedule to the Finance Act, 1948, as in force on the fifteenth day of April, nineteen hundred and fifty-eight.

1.—(1) Subject to the following provisions of this Schedule—

(*a*) for any charge of tax at 90 per cent. there shall be substituted a charge at 60 per cent.;

(*b*) for any charge at 60 per cent. or 50 per cent. there shall be substituted a charge at 30 per cent.;

(*c*) for any charge at 30 per cent. under Group 5 (haberdashery), Group 10 (wallpaper and certain other papers and articles of paper), Group 16 (*b*) (garden furniture), Group 23 (*b*) (baskets and other cane or wicker receptacles) or Group 26 (*c*) (trophy cups, etc.), there shall be substituted a charge at 15 per cent.;

(*d*) for any charge at 10 per cent. there shall be substituted a charge at 5 per cent.:

Provided that the reduction from 60 per cent. to 30 per cent. shall not apply to tax chargeable under Group 18 (wireless apparatus), to tax chargeable under Group 19 in respect of gramophones, radio-gramophones, player pianos, musical boxes and similar instruments, or parts thereof or accessories thereto, or in respect of gramophone records, or to tax chargeable under Group 35 (road vehicles).

(2) There shall be the following additional reductions in the case of the articles mentioned, that is to say,—

(*a*) in the case of helmets designed to protect the head from injury, where the rate under Group 3 would be reduced under sub-paragraph (1) above to 5 per cent., tax shall not be chargeable under that Group after the sixteenth day of July, nineteen hundred and fifty-eight;

(*b*) in the case of minor articles of apparel and in the case of accessories to apparel of the kind worn on the person, where the rate under Group 5 would be reduced under sub-paragraph (1) above to 15 per cent., it shall instead be reduced to 5 per cent.;

(*c*) in the case of tissues and fabrics exceeding 12 inches in width, where the rate under Group 7 would be so reduced to 5 per cent., tax shall not be chargeable under that Group;

(*d*) in the case of calendars, postcards and letter-cards and articles of any of the descriptions known as greeting cards, where the rate under Group 25 or 34 would be so reduced to 60 per cent., it shall instead be reduced to 30 per cent.;

(*e*) in the case of nippers and knives (being toilet requisites), where the rate under Group 31 would be so reduced to 60 per cent., it shall instead be reduced to 30 per cent.;

(*f*) in the case of baby dusting powders, where the rate under Group 32 would be so reduced to 60 per cent., it shall instead be reduced to 30 per cent.

1ST SCH. —*cont.*

2.—(1) The following provisions shall have effect as respects furs and fur articles.

(2) For the purposes of any charge to tax or exemption from tax in the case of articles comprised in Groups 1, 3 and 5 (garments, headgear and haberdashery), rabbit skin and woolled sheep and lamb skin shall be treated as not being fur skin, and any such articles made wholly or partly of rabbit skin or woolled sheep or lamb skin shall be chargeable with the same tax (if any) as if not so made.

(3) Rabbit skin and woolled sheep and lamb skin previously chargeable under Group 8 at 50 per cent. shall be chargeable at 5 per cent. (and not at 30 per cent. as provided by paragraph 1 above).

(4) Subject to sub-paragraph (2) above, headgear comprised in Group 3 (*g*) (babies' wear) and by virtue thereof exempt from tax shall cease to be so, if made wholly or partly of fur skin (including any skin with fur, hair or wool attached) and not merely trimmed with fur skin.

(5) Subject to sub-paragraph (2) above, any tax chargeable under Group 5 on insoles made wholly or partly of fur skin (including any skin with fur, hair or wool attached) shall, notwithstanding paragraph 1 above, continue to be chargeable at 30 per cent.

3.—(1) The following provisions shall have effect as respects furniture and other articles comprised in Group 11.

(2) The rate of 5 per cent. applicable under paragraph (*b*) of the Group to furniture of a kind used for domestic purposes and comprised in the list there set out shall apply also to furniture so comprised of a kind used for office purposes, and the list shall be extended so as to include articles named in the list but previously excluded as made of metal, and so as to name hat, coat and umbrella stands and racks.

(3) The following articles shall be exempt from tax, namely—

(*a*) draught excluder strip; and

(*b*) water filters designed to remove bacteria and other suspended impurities from drinking water by mechanical means but not including filters also employing chemical reaction.

4.—(1) The following provisions shall have effect as respects appliances and apparatus of a kind used for domestic purposes and comprised in Group 12.

(2) Tax shall be chargeable at 30 per cent. in respect of the following articles, including those previously exempt from tax, that is to say, in respect of oil burning space heaters (including heaters of a kind used for cooking or boiling and also for space heating, but not including furnaces for central heating systems or hot water systems); but, subject to that, the following shall be exempt from tax, namely, parts not electrically operated of oil burning space heaters, and parts of cooking, space heating or water heating appliances comprised in paragraphs (*c*) and (*d*) of the Group.

(3) As from the seventeenth day of July, nineteen hundred and fifty-eight, the following gas burning furnaces for central heating systems, whether or not incorporating electric fans or electric pumps or both, but not otherwise electrically operated, shall be exempt from tax, that is to say—

(*a*) water boilers, but not including appliances of an output less than 30,000 British thermal units per hour;

(*b*) appliances supplied with a system of ducting and designed only for the transmission of heated air through such ducting to two or more rooms simultaneously.

(4) Subject to the last foregoing sub-paragraph, appliances of the sort described in paragraph (*f*) of the Group (which relates to certain heating appliances incorporating electric fans or electric pumps or both) shall cease to be exempt from tax if otherwise electrically operated or if operated by gas.

(5) Tax shall be chargeable at 30 per cent. in respect of cabinets, bases, covers, tables and stands for sewing machines.

5.—(1) Notwithstanding anything in paragraph 1 above, any tax chargeable in respect of the following articles shall be chargeable at 30 per cent., namely—

(*a*) hairpins, hair grips, hair curlers, dress combs, hair slides and similar articles;

(*b*) beads, sequins and similar articles;

(*c*) cuff links and studs;

(*d*) hat-pins;

(*e*) tie-pins, tie-retainers, scarf rings, scarf holders, and similar articles;

and the exemption in Group 5 for pins of base metal shall no longer extend to hat-pins or tie-pins.

(2) Tax shall also be chargeable at 30 per cent. in respect of grass boxes for lawn mowers.

(3) The following articles, so far as comprised in the provision mentioned in relation to them and by virtue thereof exempt from tax, or not chargeable under the Group in question, shall cease to be so, that is to say,—

(*a*) haberdashery, the following:—

(i) laces of a kind used for fastening garments or footwear (Group 5 (*f*));

(ii) insoles (Group 5 (*i*));

(*b*) trunks, bags, wallets, jewel cases, pouches, purses, suit cases, attaché cases, baskets and similar receptacles of a kind used for personal or domestic purposes (whether fitted or not), the following:—

(i) document, folio, despatch or brief cases (Group 23 (*c*));

(ii) shopping-baskets, other than baskets of cane or wicker, and shopping bags (Group 23 (*e*)).

6.—(1) In the case of calendars, postcards and letter-cards, and of articles of any of the descriptions known as greeting cards, the reductions of tax under this Schedule shall not be deemed to have had effect before the twenty-first day of April, nineteen hundred and fifty-eight.

(2) In the case of buttons, including shapes and moulds therefor, the reduction under this Schedule of tax chargeable under Group 5 shall not be deemed to have had effect before the twelfth day of June, nineteen hundred and fifty-eight.

1ST SCH. —*cont.*

7.—(1) As respects the period ending with the eleventh day of June, nineteen hundred and fifty-eight, tax shall be chargeable in respect of shopping-baskets comprised in Group 23 (not being baskets fitted with lids or any other means of closing them) at 15 per cent. in the case of baskets which, except for external fitments, and except for bottoms of wood or other vegetable substance, are made wholly of cane or wicker, and at 30 per cent. in the case of other baskets of cane or wicker.

(2) As respects the period ending with the eleventh day of June, nineteen hundred and fifty-eight, tax shall be chargeable at 5 per cent. in respect of any such clogs and wooden-soled footwear as are comprised in Group 2 (*c*).

Section 1.

SECOND SCHEDULE

PURCHASE TAX (NEW LIST OF CHARGEABLE GOODS, ETC.)

PART I

LIST OF CHARGEABLE AND EXEMPT GOODS, AND RATES OF TAX

NOTE:—The list in this Part of this Schedule is to be interpreted in accordance with the following rules.

1. Where a Group begins with a general description of the goods comprised in the Group, the goods mentioned below in the Group (including those mentioned under a heading " Exempt ") comprise only goods falling within the general description.

2. Goods comprised in a heading " Exempt " are exempt from all charge to purchase tax (but so that an exemption of a vehicle under Group 27 shall not be taken as an exemption of its chassis from tax chargeable under Group 28).

3. A heading " Not chargeable under this Group " is to be taken as excluding the goods referred to from any charge to tax under that Group (but not other Groups), and not as restricting or extending the descriptions of goods to be treated as comprised in the Group.

4. Where any goods are chargeable at more than one rate, tax is to be chargeable in respect of them at the higher or highest of those rates.

5.—(1) " Fur skin " includes any skin with fur, hair or wool attached.

(2) Any reference in Group 1 to the cost of any component of a garment to the manufacturer of the garment is to be taken as referring to the total cost to him of that component ready for assembling into the garment, or, where the Commissioners of Customs and Excise are not satisfied both that the whole of the cost of the component is actually borne by the manufacturer of the garment and as to the amount thereof, the cost which in their opinion would be incurred by the manufacturer of a similar garment who did bear the whole of the said cost.

GROUP 1

comprising Garments, headgear, footwear and gloves.

(*a*) Articles not comprised below in this Group ... 5 per cent.

(*b*) Fur garments and fur headgear, that is to say, garments and headgear made wholly or partly of fur skin (other than rabbit skin or woolled sheep or lamb skin) but excluding articles merely trimmed with such fur skin unless, in the case of a garment, the trimming represents a cost to the manufacturer of the garment greater than the cost to him of the other components or has an area greater than one-fifth of the area of the outside material. 30 per cent.

Not chargeable under this Group

Helmets designed to protect the head from injury.

Exempt

(1) Garments and footwear of a kind suitable for young children's wear, but not including fur garments as described above.

(2) Headgear and gloves suitable only for babies' wear, but not including fur headgear as described above.

(3) Protective boots designed for use by miners or quarrymen or moulders, and protective helmets designed for use by miners or quarrymen.

(4) Clogs and other wooden-soled footwear, other than articles made wholly or partly of fur skin.

(5) Surgical appliances.

(6) Wigs.

(7) Articles knitted or crocheted by hand without mechanical aid, including such articles embroidered by hand-needlework.

GROUP 2

comprising Haberdashery and minor articles of apparel.

(*a*) Articles not comprised below in this Group ... 15 per cent.

(*b*) Minor articles of apparel (including handkerchiefs), and accessories to apparel of the kind worn on the person. 5 per cent.

(*c*) Articles made wholly or partly of fur skin (other than rabbit skin or woolled sheep or lamb skin). 30 per cent.

Not chargeable under this Group

Tissues and fabrics, whether in the piece, shaped or partly made up.

Exempt

(1) Sewing thread, and mending and knitting wool.

(2) Sewing and darning needles, knitting needles, bodkins, crochet hooks, pins of base metal (except hairpins, hat-pins, and tie-pins), thimbles, finger shields for needlework and tape measures.

(3) Paper patterns.

(4) Articles knitted or crocheted by hand without mechanical aid, including such articles embroidered by hand-needlework.

2ND SCH. —*cont.*

GROUP 3

(*a*) Beads, sequins and similar articles ... ... 30 per cent.

(*b*) Cuff links and studs ... ... 30 per cent.

(*c*) Hat-pins ... ... 30 per cent.

(*d*) Tie-pins, tie-retainers, scarf rings, scarf holders and similar articles. 30 per cent.

(*e*) Hairpins, hair grips, hair curlers, dress combs, hair slides and similar articles. 30 per cent.

GROUP 4

(*a*) Jewellery and imitation jewellery being articles consisting wholly or partly of stones (precious, semi-precious or imitation) or of pearls (real, cultured or imitation) or of beads. 30 per cent.

(*b*) Articles of personal adornment and other articles of a kind worn on the person, being articles made wholly or partly of gold, silver or other precious metal (not including base metal which is coated or plated with precious metal). 30 per cent.

(*c*) Trophy cups, bowls and similar articles of a kind awarded as prizes. 15 per cent.

Exempt

Miniatures or reproductions of the insignia of orders, decorations and medals granted by the Sovereign or conferred by or in the gift of a foreign Sovereign State or the Head of a foreign Sovereign State, and ribbons, bars and clasps designed to wear with, or with miniatures or reproductions of, such orders, decorations and medals (including made-up ribbon bars).

GROUP 5

Paper serviettes, paper doyleys, paper table covers, paper table decorations, shelf paper and similar articles of paper. 15 per cent.

GROUP 6

Cushions, cushion pads, pillows, bolsters, overlay mattresses and mattress shapes, being articles of a kind used for domestic purposes. 5 per cent.

Exempt

Air pillows, air cushions, water beds, water pillows and water cushions, being articles of a kind used for domestic purposes.

GROUP 7

comprising Tissues and fabrics, whether in the piece, shaped or partly made up, including such tissues or fabrics which have been dyed, printed, coated or otherwise treated.

Tissues and fabrics not exceeding 12 inches in width 5 per cent.

Not chargeable under this Group

Tissues and fabrics exceeding 12 inches in width.

Exempt

(1) Fabrics of the following descriptions, not being woven-figured fabrics, pile fabrics, elastic fabrics, braids, fringes, gimps or similar trimmings, furnishing fabrics, floor coverings, suitings or overcoatings, nor fabrics which have been shaped or partly made-up or have been bleached, printed, embroidered or otherwise decorated:—

(i) jute, felt, glass fibre or asbestos fabrics;

(ii) woven fabrics not containing wool which weigh not less than 12 ounces per square yard;

(iii) woven fabrics containing wool which weigh not less than 18 ounces per square yard;

(iv) woven hemp fabrics and woven hemp and jute fabrics, being fabrics which weigh not less than 6 ounces per square yard but less than 12 ounces per square yard and in which the total number of picks per linear inch together with the number of ends per linear inch does not exceed forty;

(v) bonded fibre fabric, being a structure consisting of a web or mass of fibres held together with a bonding substance.

(2) Knitted cotton cloth, unbleached and uncoloured, made with at least one needle omitted in every fifty needles.

(3) Woven fabrics on which the words "industrial processing", continuously repeated from one edge of the fabric to another, are printed in indelible ink of a contrasting colour and in letters not less than half an inch high in such a way that each side of the material is defaced by a line of the printing appearing at least every six inches or, if the printing is in straight lines running diagonally across the material at an angle of about 45 degrees, every fifteen inches.

(4) Netting of cordage, rope or twine, including fishing net, but not including composite fabrics incorporating such netting and not including sports netting.

(5) Bolting cloth.

(6) Tracing cloth.

(7) Abrasive cloth.

(8) Machinery belting.

(9) Grass tape, being weftless material of a width not exceeding one inch made of cotton threads laid side by side and held together by a bonding substance.

(10) Adhesive cloth tape in widths not exceeding three inches and in lengths of not less than fifty yards.

(11) Varnished or bitumenised cloth and varnished or bitumenised tape of the kinds used for the purpose of electrical insulation.

(12) Lamp wick.

(13) Lining socks and seat socks, being shaped pieces of fabric for incorporation in footwear.

(14) Fabrics of a kind suitable for and prepared or put up in special packs as surgical dressings.

(15) Rags.

2ND SCH. —*cont.*

GROUP 8

comprising Fur skin, dressed.

(*a*) Fur skin not comprised below in this Group ... 30 per cent.

(*b*) Rabbit skin and woolled sheep or lamb skin ... 5 per cent.

Exempt

Australasian red opossum, undyed, in strips measuring not more than 9 inches in length and not more than one inch in width.

GROUP 9

(*a*) (i) Floor coverings of textile material and (except for tiles, strips and blocks, and except for rugs made of fur skin) other floor coverings. 15 per cent.

(ii) Tiles, strips and blocks of a kind suitable for laying or fixing to floors or sub-floors, not of metal, and of a thickness (excluding any backing) of less than three-eighths of an inch, or, if of cork, of less than five-eighths of an inch. 15 per cent.

(*b*) Rugs made of fur skin, whether floor rugs or not:—

(i) rugs not comprised below in this paragraph ... 30 per cent.

(ii) lined floor rugs made of skin of the kind commonly known as sheep skin, but not containing any other fur skin. 15 per cent.

GROUP 10

(*a*) Wallpaper ... ... 15 per cent.

(*b*) Window display papers, being fancy papers coated, stained, printed, embossed, laminated or otherwise decorated, including coated poster papers, but not including papers in the following list. 15 per cent.

Goods not comprised in paragraph (*b*)

1. Single-coloured corrugated papers.

2. Single-coloured papers not decorated by printing, embossing or otherwise, being chromo, surface or enamel papers, flint papers, metal-faced papers or coated art papers.

3. Papers not produced for general sale, being papers decorated with a pattern consisting of or incorporating a trade name and designed for use as box papers or wrapping papers.

4. Papers cut to a size suitable for use as box papers or as printing paper.

GROUP 11

comprising Furniture, hardware, ironmongery, turnery, table-ware, kitchen-ware and toilet-ware, being articles of a kind used for domestic or office purposes.

(*a*) Articles not comprised below in this Group ... 15 per cent.

(*b*) Furniture, the following ... ... 5 per cent.

(i) wardrobes, cupboards, tallboys, cabinets other than refrigerator cabinets, chests, chests of drawers,

dressing chests, sideboards, bureaux, bookcases, bookcase units, and sets of shelves;

(ii) tables, including writing and dressing tables, and trolleys;

(iii) chairs, settees, stools, pouffes and other seats;

(iv) hat, coat and umbrella stands and racks;

(v) divans, bunks, ottomans, spring-bases, box-spring mattresses and other mattresses, not being overlay mattresses;

(vi) headboards and bedstead ends;

(vii) fireside curbs.

(*c*) Mirrors, whether framed or not ... ... 30 per cent.

Not chargeable under this Group

Builders' hardware, sanitary ware and other articles of kinds ordinarily installed by builders as fixtures.

Exempt

(1) Babies' high chairs, babies' cradles and stands therefor, cots and playpens.

(2) Invalid chairs, commode chairs, commode stools and over-bed tables.

(3) Sanitary pans, chambers, urinals, commode pans, and lids for any of those articles.

(4) Clothes lockers of a kind installed in cloakrooms other than domestic cloakrooms, being either metal lockers or lockers with doors and frames of metal and sides and backs of hardboard.

(5) Household brushes, brooms and mops.

(6) Hot-water bottles and stoppers therefor.

(7) Fire-guards, except those incorporating heating elements.

(8) Accessories for domestic stoves, grates, ranges and fireplaces, the following:—

(i) trivets and similar articles;

(ii) accessories designed for use as fuel economisers, being fire-bricks or similar articles or being accessories designed so as, when placed above the fuel in an open fire, temporarily to convert the fire into an enclosed fire.

(9) Thermal insulation covers designed for domestic water systems.

(10) Thermostats.

(11) Draught excluder strip.

(12) Water filters designed to remove bacteria and other suspended impurities from drinking water by mechanical means, but not including filters also employing chemical reaction.

GROUP 12

comprising Appliances and apparatus, whether mechanically operated or not, of a kind used for domestic purposes, including cooking, heating and refrigerating appliances and apparatus of a kind so used, but not including mechanical lighters.

2ND SCH. —*cont.*

(*a*) Appliances and apparatus not comprised below in this Group.	15 per cent.
(*b*) Appliances and apparatus designed for operation by electricity or gas.	30 per cent.
(*c*) Oil burning space heaters, including heaters of a kind used for cooking or boiling and also for space heating.	30 per cent.
(*d*) Sewing machines, electrically operated or not, electric motors for sewing machines, and cabinets, bases, covers, tables and stands for sewing machines.	30 per cent.

Not chargeable under this Group

Thermometers and barometers; lighting appliances.

Exempt

(1) Cooking, space heating and water heating appliances (but not including oil burning space heaters other than furnaces for central heating or hot water systems, nor appliances designed for operation by electricity or gas) the following:—

(i) stoves, grates, ranges, fireplaces and ovens;

(ii) boiling rings, grillers and hot-plates;

(iii) radiators and convectors;

(iv) storage water heaters, circulator water heaters for tank storage, water boilers for tank storage or central heating and instantaneous water heaters.

(2) Cooking appliances designed for operation by electricity or gas (not being appliances of a kind used for cooking and also for space heating) the following, stoves, ovens, boiling rings, grillers and hot-plates.

(3) Parts of appliances comprised in paragraphs (1) and (2) above, and parts, not electrically operated, of oil burning space heaters, but not including in either case any part or collection of parts constituting an oil burning space heater.

(4) Appliances of the following descriptions incorporating electric fans or electric pumps or both, but not otherwise electrically operated nor operated by gas:—

(i) solid fuel burning space or water heaters;

(ii) oil burning furnaces for central heating or hot water systems, other oil burning water heaters and burners (not being space heaters) for such furnaces and water heaters;

(iii) radiators and convectors for connection to steam or hot water central heating systems.

(5) Gas burning furnaces for central heating systems, whether or not incorporating electric fans or electric pumps or both, but not otherwise electrically operated, the following:—

(i) water boilers, but not including appliances of an output less than 30,000 British thermal units per hour;

(ii) appliances supplied with a system of ducting and designed only for the transmission of heated air through such ducting to two or more rooms simultaneously.

(6) Wash boilers and wash coppers.
(7) Vaporisers (not being toilet requisites) and fumigating lamps.

GROUP 13

comprising Cutlery suitable for domestic or personal use, and spoons, forks and similar articles suitable for domestic use, including blanks of any such cutlery and of any such spoons, forks and similar articles.

Articles not comprised below in this Group ... ... 15 per cent.

Exempt

(1) Articles designed for use solely in the course of any trade, profession, employment or vocation and unsuitable for use for other purposes, and blanks thereof.

(2) Articles specially designed for use by persons not having the full use of their arms, and blanks thereof.

GROUP 14

(*a*) Fittings of a kind used for interior domestic or office lighting, the following:— 30 per cent.

(i) table and floor standards (whether complete or not);

(ii) brackets, pendants, candelabra and electroliers;

(iii) lanterns, shades, bowls and reflectors;

(iv) other illuminating glassware.

(*b*) Incandescent mantles ... ... 30 per cent.

(*c*) Electric filament lamps not exceeding 250 watts, and fluorescent lighting tubes not exceeding 80 watts. 30 per cent.

Exempt

(1) Articles of a kind used for interior domestic or office lighting, the following:—

(i) oil burning lamps and accessories therefor, other than globes, shades and reflectors;

(ii) glass chimneys and similar primary glasses, being chimneys and glasses designed for candle lamps.

(2) Electric filament lamps suitable only for use in cinematograph projectors or in projectors for slides or for film strips.

GROUP 15

comprising Hand lamps and hand torches.

Articles not comprised below in this Group ... ... 30 per cent.

Exempt

Acetylene hand lamps, and miners' safety lamps.

GROUP 16

(*a*) Garden rollers, lawn mowers and grass boxes for lawn mowers. 30 per cent.

(*b*) Garden furniture ... ... 15 per cent.

(*c*) Garden ornaments ... ... 30 per cent.

2ND SCH. —*cont.*

GROUP 17

comprising Clocks and watches; movements and cases for, and accessories to, clocks and watches; and watch chains, wristlet watch straps and similar articles.

Articles not comprised below in this Group ... ... 30 per cent.

Exempt

(1) Clocks designed for use as public clocks with dials not less than 2 ft. in diameter or with dials having a diagonal measurement of 2 ft. 6 ins. or more.

(2) Movements, complete with hands, designed—

(i) for mechanical and impulse clocks with dials not less than 2 ft. in diameter or with dials having a diagonal measurement of 2 ft. 6 ins. or more; or

(ii) for synchronous clocks with dials not less than 2 ft. 6 ins. in diameter or with dials having a diagonal measurement of 3 ft. or more.

GROUP 18

(*a*) Wireless receiving sets of the domestic, portable or road vehicle types (including kits of parts, whether or not assembled and whether or not complete, of a kind used in the assembly of such sets) and valves and loudspeakers suitable for use therewith. 60 per cent.

(*b*) Apparatus of the domestic type designed for receiving wireless programmes re-transmitted by wire. 60 per cent.

Exempt

Batteries and accumulators suitable for use with wireless receiving sets of the domestic or portable type.

GROUP 19

(*a*) Musical instruments not comprised below in this Group, and parts thereof and accessories thereto. 30 per cent.

(*b*) Gramophones, radiogramophones, player pianos, musical boxes and similar instruments, and parts thereof and accessories thereto. 60 per cent.

(*c*) Gramophone records ... ... 60 per cent.

Exempt

(1) Keyboard musical instruments (except instruments of the types designed to be carried when played) and parts thereof and accessories thereto.

(2) Gramophones specially designed for reproduction of speech from records specially adapted for the use of the blind, gramophone records for the reproduction of speech, specially adapted for the use of the blind, and gramophone records of a kind not produced in quantity for general sale.

(3) Bells of a kind suitable for installation in a campanile or belfry, and parts thereof and accessories thereto (including playing mechanisms).

GROUP 20

comprising Toys and games (including coin or disc operated machines) and appliances, apparatus, accessories and requisites for sports, games, amusements, gymnastics or athletics (not being garments, footwear, road vehicles, bicycles, bicycle sidecars, bicycle and sidecar combinations or tricycles), including parts thereof and accessories thereto.

Articles not comprised below in this Group ... ... 30 per cent.

Exempt

(1) Swings, slides (including water chutes), see-saws, roundabouts and giant strides, not being mechanically operated articles.

(2) Gliders large enough to carry human beings, and accessories for such gliders.

(3) Boats and other vessels large enough to carry human beings, and accessories for such boats and vessels.

GROUP 21

comprising Umbrellas, sunshades, walking sticks and canes.

Articles not comprised below in this Group ... ... 30 per cent.

Exempt

Walking sticks and canes wholly of wood except for the ferrules.

GROUP 22

Smokers' requisites, except matches and mechanical lighters. 30 per cent.

GROUP 23

comprising Trunks, bags, wallets, jewel cases, pouches, purses, suitcases, attaché cases, baskets and similar receptacles of a kind used for personal or domestic purposes (whether fitted or not).

(*a*) Articles not comprised below in this Group ... 30 per cent.

(*b*) Articles which, except for external fitments, and except for bottoms of wood or other vegetable substance, are made wholly of cane or wicker. 15 per cent.

Not chargeable under this Group

Articles of a kind used primarily, and designed for use, for the purposes of any trade, profession, employment or vocation, other than document, folio, despatch or brief cases.

Exempt

(1) Shopping baskets of cane or wicker, not being baskets fitted with lids or any other means of closing them.

(2) Shoulder satchels of a kind designed for use by schoolchildren.

GROUP 24

comprising Photographic cameras, and photographic enlargers, lenses and other parts of, and accessories to, photographic cameras and photographic enlargers; and unexposed sensitized photographic paper, cloth, plates and film.

2ND SCH. —*cont.*

Articles not comprised below in this Group ... ... 30 per cent.

Exempt

(1) Cinematograph cameras for film of standard width and parts of, and accessories to, such cameras, and cinematograph film of standard width.

(2) Cameras and enlargers, and parts thereof and accessories thereto, being articles suitable only for industrial, scientific or military use.

(3) Photographic paper, cloth, plates and film, the following:—

(i) X-ray plates, film and paper;

(ii) ferro-prussiate and ferro-gallic paper and cloth;

(iii) dye-line paper, cloth and film;

(iv) document base paper, transparent tracing paper base and tracing cloth.

GROUP 25

comprising Pictures, prints, engravings, photographs, figures, busts, reliefs and similar articles of a kind produced in quantity for general sale; and frames for pictures, frames and stands for photographs and similar frames and stands.

Articles not comprised below in this Group ... ... 30 per cent.

Not chargeable under this Group

1. Figures, busts and similar articles comprised in any other Group.

2. The following articles (being of a kind used for domestic purposes), namely, vessels designed for use primarily as containers for food or drink in the course of its storage, preparation or consumption, lids for use with vessels so designed, serving trays, breadboards, bowls, vases and jugs and ewers.

3. Wallpaper.

4. Maps.

Exempt

(1) Picture frames of wood, plain, gilt or coloured, with or without ornamental composition, which are made from moulding of a width not less at any point than 3 inches.

(2) Cinematograph films, film-strips and lantern slides being films, film-strips and lantern slides containing pictures for exhibition by means of a projector.

(3) The following articles, if designed specially for the display of wearing apparel or coiffures, namely, figures, busts, heads and mannequin shapes.

GROUP 26

(*a*) Diaries, calendars and similar articles; and articles of any of the descriptions known as greeting cards. 30 per cent.

(*b*) Stationery and office requisites, except furniture and machinery. 30 per cent.

Exempt

Labels, tags, gummed seals and other marking tickets.

GROUP 27

(*a*) Road vehicles not comprised below in this Group, being vehicles constructed or adapted solely or mainly for the carriage of passengers or having to the rear of the driver's seat roofed accommodation which is fitted with side windows or which is constructed or adapted for the fitting of side windows:—

(i) mechanically propelled vehicles	60 per cent.
(ii) vehicles not mechanically propelled	30 per cent.

(*b*) Bicycles, bicycle and sidecar combinations and tricycles constructed or adapted solely or mainly for the carriage of passengers, bicycle sidecars (including sidecar bodies without chassis) so constructed or adapted, and bicycle sidecar chassis—

(i) mechanically propelled tricycles, being road vehicles of more than 8 cwt. unladen weight;	60 per cent.
(ii) articles not comprised in the foregoing sub-paragraph.	30 per cent.
(*c*) Motor units (assembled or unassembled) suitable for fitting to pedal cycles to equip them with a system of mechanical propulsion.	30 per cent.

Exempt

(1) Ambulances, invalid carriages and perambulators; tramcars, trolley vehicles and other vehicles constructed to carry not less than twelve passengers; vehicles of not less than 3 tons unladen weight; prison vans and fire tenders; caravans; vehicles of a type approved by the Commissioner of Police of the Metropolis as conforming to the conditions of fitness for the time being laid down by him for the purposes of the London Cab Order, 1934.

(2) Vehicles of the following descriptions in which the accommodation for carrying passengers is only incidental to the use of the vehicle for other purposes, namely, bullion vans; mobile cinemas, sound film production vehicles and similar vehicles; mobile canteens, mobile clinics, travelling libraries, travelling shops, travelling showrooms and similar vehicles; mobile printing presses and other mobile workshops; pantechnicons and horse boxes; hearses (but not including hearsettes); tower wagons, road construction, road cleansing, road watering, refuse collecting and similar vehicles; breakdown vehicles fitted with a crane or other lifting device.

GROUP 28

Road vehicle chassis, mechanically propelled	30 per cent

GROUP 29

Fancy or ornamental articles suitable for personal or domestic use, and of a kind produced in quantity for general sale (but not including articles comprised in any other Group, textile articles of a kind used for domestic purposes or articles of a kind used as domestic soft furnishings or as domestic bedding).	30 per cent.

2ND SCH. —*cont.*

GROUP 30

(*a*) Articles designed for use in one or more of the following processes, that is to say, waving, curling, setting, dyeing, tinting, bleaching or in any way dressing or treating the hair, including preparations and substances made up for sale for use (either alone or in conjunction with, or with an admixture of, any other preparation or substance) in any such process, but not including articles comprised in paragraph (*c*) below, or in Group 2, in Group 3 (*e*), in Group 31 (*b*) or in Group 32 (*b*) (ii). 60 per cent.

(*b*) Assemblies of two or more such articles as are comprised in paragraph (*a*) above, or of one or more such articles together with any other article not so comprised. 60 per cent.

(*c*) Hair waving and hair drying machines, and articles and appliances designed for heating the hair in the process of waving, curling or setting it. 30 per cent.

GROUP 31

comprising Toilet requisites, except face cloths and towels.

(*a*) Articles not comprised below in this Group ... 60 per cent.

(*b*) Brushes, combs, scissors, nippers, knives, razors and razor blades, razor strops, razor sharpeners, dry shavers and dry shaver heads, mirrors, sponges, dental sticks and toothpicks. 30 per cent.

Exempt

Toothbrushes; toilet paper.

GROUP 32

(*a*) Perfumery ... ... 60 per cent.

(*b*) Toilet preparations, whether medicated or not, including cosmetics:—

(i) preparations not comprised below in this paragraph. 60 per cent.

(ii) soap made up for sale as toilet soap; soap substitutes made up for sale as substitutes for toilet soap; baby dusting powders; shaving creams; shampoos; dentrifices; eye lotions, mouth washes and antiseptics; calamine lotion and similar alleviating preparations, unperfumed. 30 per cent.

GROUP 33

comprising Drugs and medicines, manufactured or prepared (except toilet preparations).

Goods not comprised below in this Group ... ... 30 per cent.

Exempt

(1) Goods complying with the provisions of Part II of the Eighth Schedule to the Finance Act, 1948.

(2) Goods specified in the Schedule to the Purchase Tax (No. 1) Order, 1958.

PART II

CONSEQUENTIAL AMENDMENTS OF REFERENCES

1.—(1) In the Finance Act, 1950,—

(*a*) for the reference in subsection (5) of section eighteen to an order varying or revoking Group 35 in Part I of the Eighth Schedule to the Finance Act, 1948, there shall be substituted a reference to an order varying or revoking the new Group 27 or 28; and

(*b*) in sub-paragraph (2) of paragraph 3 of the Fifth Schedule for the reference in paragraph (*a*) to the said Group 35 and for the reference in paragraph (*b*) (as originally enacted) to paragraph (*c*) of the said Group 35 there shall be substituted references to the new Group 27.

(2) In subsection (9) of section seven of the Finance Act, 1956, for the reference to paragraph (*a*) or (*b*) of the said Group 35 there shall be substituted a reference to paragraph (*a*) or (*b*) of the new Group 27.

(3) Any reference in this paragraph to a new Group shall be construed as referring to the Groups in Part I of this Schedule.

2. Subject to the foregoing paragraph (and to any repeal made by this Act), for any reference in any enactment to Part I of the Eighth Schedule to the Finance Act, 1948, there shall be substituted a reference to Part I of this Schedule.

THIRD SCHEDULE

Section 4.

WINES (RATES OF CUSTOMS DUTY)

Description of Wine	*Rate of duty per gallon*	
	Not qualifying for Commonwealth preference	*Qualifying for Commonwealth preference*
	£ s. d.	£ s. d.
Light wines:—		
Still—		
not in bottle at	13 0	11 0
in bottle at	1 7 6	1 4 6
Sparkling at	1 17 6	1 15 6
Other wines:—		
Still—		
not in bottle at	1 18 0	1 8 0
in bottle at	2 0 6	1 9 6
Sparkling at	2 10 6	2 0 6
together, in the case of wine exceeding 42 degrees proof spirit, with an additional duty for each degree or fraction of a degree of the excess at	3 2	2 4

For the purposes of this Schedule, the expression "light wine" means wine not exceeding 25 degrees or, in the case of wine qualifying for Commonwealth preference, 27 degrees of proof spirit.

Section 5.

FOURTH SCHEDULE

SWEETS (RATES OF EXCISE DUTY)

Description of Sweets	*Rate of duty per gallon* £ s. d.
Not exceeding 27 degrees proof spirit—	
Still at	10 6
Sparkling at	1 8 6
Exceeding 27 degrees proof spirit—	
Still at	18 6
Sparkling at	1 8 6

Section 16.

FIFTH SCHEDULE

STATUTORY FEES AND CONTRIBUTIONS ELIGIBLE FOR DEDUCTION UNDER SECTION SIXTEEN

Fee payable in respect of retention of name in the Register of Architects.

Fee payable in respect of retention of name in dentists register or in roll or record kept for a class of ancillary dental workers.

Fee payable in respect of retention of name in either of the registers of ophthalmic opticians or in the register of dispensing opticians.

Annual fee payable by registered patent agent.

Fee payable in respect of retention of name in register of pharmaceutical chemists.

Fee and contribution to Compensation Fund or Guarantee Fund payable on issue of solicitor's practising certificate.

Annual fee payable by registered veterinary surgeon or by person registered in the Supplementary Veterinary Register.

Section 23.

SIXTH SCHEDULE

EXTENSION OF TIME LIMITS

PART I

CLAIMS, ELECTIONS, ETC.

1. There shall be substituted—

(*a*) in each of the enactments shown in Table I set out below, the words " six years " for the words " twelve months " or " one year ", according as the enactment is shown in the first or second column of that Table;

(*b*) in subsection (2) of section one hundred and twenty-nine of the Income Tax Act, 1952, the words " seven years " for the words " two years ";

(*c*) in subsection (2) of section twenty-two of the Finance Act, 1953, the words " eight years " for the words " three years ";

and in subsection (2) of section one hundred and seven, and in subsection (3) of section one hundred and fifteen, of the Income Tax Act, 1952, after the words " upon appeal " there shall be inserted the words " (notice of which may, notwithstanding anything in this Act, be given at any time not later than six years after the end of the year of assessment)".

Table I

The Income Tax Act, 1952

Sections 107 (4), 129 (2), 131 (1), 133 (1) (*c*), 181 (2), 343 (1), 425 (8) (except the proviso), 471 (4).	Schedule 23, Part II, paragraph 9 (2).

2. There shall be substituted—

(*a*) in each of the enactments shown in Table II set out below, the words " two years " for the words " twelve months " or " one year ", according as the enactment is shown in the first or second column of that Table;

(*b*) in subsection (2) of section one hundred and twenty-five of the Income Tax Act, 1952, the words " not later than two years after the end of the year of assessment " for the words " within two months after the commencement of the year of assessment ";

(*c*) in subsection (1) of section four hundred and thirty-four and in subsection (1) of section four hundred and thirty-five of the Income Tax Act, 1952, the words " two years after the end of the year of assessment " for the words " the end of the year of assessment next following the year of assessment ";

(*d*) in subsection (2) of section eighteen of the Finance Act, 1952, the words " eight years " for the words " seven years ";

(*e*) in subsection (2) of section twenty of the Finance Act, 1953, the words " the second year " for the words " the year ".

Table II

The Income Tax Act, 1952

Sections 318 (1), 318 (2); Schedule 20, paragraph 2 (3).	Sections 324 (1), 341 (1).

The Finance Act, 1952

Sections 18 (1) (*c*), 18 (2).	

The Finance Act, 1953

Section 23 (2).	

3. This Part of this Schedule shall be deemed to have come into force on the fifth day of April, nineteen hundred and fifty-eight, but this paragraph shall not enable any application, claim, election, payment or notice to be effectively made or given after that day which could not have been so made or given on that day.

6TH SCH. —*cont.*

4. Such repayments of tax, reductions of assessments and additional assessments shall be made as may be required in consequence of the foregoing provisions of this Schedule; and where any application, claim, election or notice is validly made or given in a year of assessment in which it could not have been made or given but for those provisions, no assessment or additional assessment made on any person in consequence thereof shall be out of time if made not later than three years after the end of the said year of assessment.

PART II

APPEALS, ETC.

5. There shall be substituted in each of the enactments shown in Table III set out below the words " thirty days " for the words " twenty-one days ", " twenty-eight days " or " ten days ", according as the enactment is shown in the first, second or third column of that Table.

Table III

The Income Tax Act, 1952

Sections 51 (3), 64 (2), 64 (4), 66 (4), 200 (4), 247 (1), 247 (2), 248 (3), 450 (2), 471 (5), 510 (2), 510 (4); Schedule 5, Part II, paragraph 1; Schedule 7, Part I, paragraphs 1 and 2; Schedule 13, paragraph 1; Schedule 18, Part III, paragraph 4 (2).	Sections 251 (2) and 251 (4); Schedule 21, paragraph 7 (3), provisos (*a*) and (*b*).	Sections 42 (4), 43 (1), 45 (1), 45 (2); Schedule 23, Part I, paragraph 4 (2).

Section 25.

SEVENTH SCHEDULE

PROFITS TAX (TRANSITIONAL PROVISIONS)

1.—(1) Subject to the provisions of this paragraph, where, in the case of a body corporate, society or other body, the rate of dividend for any chargeable accounting period falling between the end of the standard period of that body or society and the beginning of April, nineteen hundred and fifty-eight, is less than the rate of dividend for the standard period, the gross relevant distributions to proprietors of the body or society for that chargeable accounting period shall be deemed to include an additional distribution by way of dividend computed on the amount of the paid up share capital at the end of the period at a rate equal to the difference between those rates.

(2) If in the case of any body or society there is more than one such chargeable accounting period as is mentioned in sub-paragraph (1) of this paragraph, and the rate of dividend is higher for one, and lower for another, of those periods than for the standard period, then the amount or aggregate amount to be added by virtue of that sub-paragraph to the gross relevant distributions for the period or periods for which the rate is lower shall be reduced by the amount or aggregate amount by which the dividends included in the gross relevant distributions for any of the said periods exceed an amount computed on the amount of the paid up share capital at the end of that period at the rate of dividend for the standard period.

7TH SCH. —*cont.*

(3) The amount to be added under the foregoing sub-paragraphs to the gross relevant distributions of a body or society for any chargeable accounting period shall not be greater than will amount, with any dividends included in those distributions, to three-fifths of the profits of the body or society for that period, computed without abatement and including franked investment income.

(4) Where a body or society has been charged to tax by virtue of sub-paragraph (1) of this paragraph, and for the period between the end of the standard period and the beginning of April, nineteen hundred and sixty (or the time, if earlier, when the body or society ceases to carry on any trade or business) both the rate of dividend and the rate of earnings are less than for the standard period, there shall be given such relief (if any) by way of repayment of tax as will secure that no more tax is charged by virtue of that sub-paragraph than would have been chargeable if the rate of dividend for the standard period had been the higher of the following rates, namely,—

(*a*) the rate of dividend for the other period mentioned in this sub-paragraph; and

(*b*) the rate which bears to the rate of dividend for the standard period the same proportion as the rate of earnings for the other period bears to the rate of earnings for the standard period.

(5) Where it is shown to the satisfaction of the Commissioners of Inland Revenue that for the standard period of a body or society the dividends included in the gross relevant distributions to proprietors comprised an amount of an exceptional nature, or the rate of dividend was for other special reasons (unrelated to the amount available for distribution) exceptionally high, and that in consequence that rate of dividend is inequitable as a measure of liability to tax under this paragraph, the Commissioners may direct that the rate of dividend of the body or society for the standard period shall be treated for the purposes of this paragraph as reduced to such extent as appears to the Commissioners to be just in the circumstances.

A body or society aggrieved by the decision of the Commissioners of Inland Revenue on an application for a direction under this sub-paragraph may appeal to the Special Commissioners, and all the provisions of the enactments relating to appeals against assessments to the profits tax (including the provisions enabling the Commissioners of Inland Revenue to make regulations) shall have effect with respect to any appeal to the Special Commissioners under this sub-paragraph.

(6) References in this paragraph to the rate of dividend or to the rate of earnings of a body or society for any period shall be taken as referring respectively to the monthly rate relative to the amount of the paid up share capital at the end of the period of the dividends included in the gross relevant distributions to proprietors for the period, and to the monthly rate relative to the said amount of the profits for the period computed without abatement and including franked investment income (any fraction of a month being reckoned in computing either rate as a month):

Provided that—

(*a*) if the period is not a period for which accounts are made up (in this paragraph referred to as a " period of account "), the rate shall be the rate or the average of the rates for the period or periods of account in which it is comprised (any

7TH SCH. —*cont.*

such average being taken according to the number of months or parts of a month at each rate in the period); and

(*b*) the gross relevant distributions for a period of account which is not a chargeable accounting period shall be computed as if it were.

(7) For the purposes of this paragraph any amount of share capital treated by a body or society as paid up since the end of the standard period in consideration of the retention by the body or society of sums distributable by way of dividend, or in consequence of the application by the body or society to that purpose of any sums, whether distributable or not, shall be disregarded.

(8) For the purposes of this paragraph the standard period of a body or society is its last period of account for which either—

(*a*) the rate of dividend cannot be affected by virtue of paragraph (*a*) of subsection (1) of section thirty-five of the Finance Act, 1947, by any declaration of dividends made on or after the fifteenth day of April, nineteen hundred and fifty-eight; or

(*b*) the body or society in general meeting has before the said day finally decided the total amount of the dividends (if any):

Provided that—

(i) where the length of a period of account is less than that regularly adopted for the preceding periods of account, it shall not be treated as the standard period but shall be disregarded, unless it is shown to the satisfaction of the Commissioners of Inland Revenue that the length of the period was determined before the said day; and

(ii) where a decision as to dividends is made by a body or society in general meeting after the said day in accordance with a recommendation of the directors, and the directors' decision to make that recommendation was, with their authority, publicly announced before the said day, the decision of the body or society shall be treated for the purposes of this sub-paragraph as made before the said day.

2.—(1) Any notice given by a principal company under subsection (1) of section twenty-two of the Finance Act, 1937 (which relates to groups of companies), may, at any time within six months of the passing of this Act or such longer time as the Commissioners of Inland Revenue may allow, be revoked by that company by notice in writing to the Commissioners, and a notice given as respects more than one subsidiary may be so revoked as respects any or all of them.

(2) A notice revoked under this paragraph shall not have or be deemed to have had effect for any period after the end of March, nineteen hundred and fifty-eight, in relation to any subsidiary as respects which it is so revoked; but its revocation shall not revive any previous notice.

(3) Any election made by an assurance company under paragraph 5 of Part III of the Eighth Schedule to the Finance Act, 1947, may be revoked under this paragraph within the like time, in the like manner and with the like effect as such a notice as aforesaid.

(4) This paragraph shall not authorise the revocation of any notice given after the passing of this Act, unless the notice has effect for a period beginning before the end of March, nineteen hundred and fifty-eight.

EIGHTH SCHEDULE

Section 30.

ESTATE DUTY (QUICK SUCCESSIONS)

1.—(1) The net value after the earlier death of any property forming part of the deceased's estate at his death and transferred to a person specifically entitled thereto shall be taken to be the value on which estate duty was payable on that death, less the amounts payable out of that property in respect of death duties on that death or of liabilities of the deceased or his estate, other than amounts deducted in arriving at that value or met in the course of administration out of or by means of other property passing on the death.

(2) Property paid or appropriated on the earlier death in or towards satisfaction of legacies (other than property forming part of the deceased's estate at his death and transferred to a person specifically entitled thereto) shall be regarded as being the same as the property passing on the death and not so transferred, and any property so paid or appropriated shall be treated as being of a net value after the death equal to its value at the time when it is paid or appropriated, after allowing for any charge or incumbrance subject to which it is paid or appropriated; and similarly with property distributed on the coming to an end of a settlement (whether on the earlier death or not).

In this sub-paragraph " legacy " includes any right conferred by a testamentary disposition or arising by reason of intestacy.

(3) Any sums received on the earlier death under any policy or contract of assurance on the life of the deceased, where sub-paragraph (2) of this paragraph does not apply, shall be regarded as being the same property as that policy or contract, and to be of a net value after the death equal to the value on which duty is payable on that death, less any death duties payable thereout on that death.

(4) Save as otherwise provided, the net value after the earlier death of any property shall be taken to be the value on which estate duty is payable on that death, less any death duties payable thereout on that death.

2.—(1) Property to which the (second) deceased is at his death or has at any time since the earlier death been beneficially entitled (not being property which is or would apart from this paragraph be regarded as being property on which duty was payable on the earlier death) shall be regarded as being the same property as any sum of money received by him on the earlier death (being a sum which is or is to be regarded as being property on which duty was payable as aforesaid), if and to the extent to which it is shown to the satisfaction of the Commissioners that the property can be so regarded on the assumption that the property at any time paid away or otherwise disposed of by the deceased since the earlier death was (as far as might be) property other than that representing the said sum, or, in so far as the property retained by the deceased at his death is not sufficient to represent the said sum, that the sum was applied by him rateably in making any gifts or settlements property comprised in which is chargeable with estate duty on his death.

(2) Where the (second) deceased received on the earlier death property other than a sum of money, and before his death he has

8TH SCH. —*cont.*

ceased to have possession and enjoyment of it in any circumstances in which he can be regarded as receiving money or money's worth in substitution for it, sub-paragraph (1) of this paragraph shall apply as if the property received by him on the earlier death had consisted of a sum of money equal to the net value of that property after the earlier death or to the amount or value (at the time when he ceased to have possession and enjoyment of that property) of what he so receives in substitution for that property, whichever is the less.

(3) References in the foregoing sub-paragraphs to a sum of money or other property being received by the deceased on the earlier death include its being received by him under a gift inter vivos in respect of which estate duty was chargeable on the earlier death and to its being received by him on the distribution under a settlement of property in respect of which duty was so chargeable.

(4) The duty to be reduced by relief given by virtue of this paragraph shall be the duty payable on any property comprised in the deceased's estate at his death, or in the gift or settlement, as the case may be, other than property in respect of which relief is given apart from this paragraph, but subject to the limit imposed on the amount of the relief by subsection (2) of section thirty of this Act.

(5) For the purposes of subsection (3) of section thirty of this Act, relief given by virtue of this paragraph shall be treated as given only on a part of the property on which the duty is reduced equal in value to the amount on which relief is given.

3.—(1) The provisions of this paragraph shall have effect where the property chargeable with duty on the later death is or has been settled property.

(2) The property at any time comprised in a settlement shall be regarded as the same property, notwithstanding any substitution of one item for another; and any reference in paragraph (*b*) of subsection (1) of section thirty of this Act or in this Schedule to the person entitled to property shall, in the case of settled property, be taken as referring to the persons in whom the property is vested on the trusts of the settlement.

(3) Where there has been a purchase for a consideration in money or money's worth of an interest under the settlement, relief shall not be allowed on the death of a person who acquired his title to the property chargeable (or his interest therein) by or under that purchase, except by reference to the death of another such person, nor be allowed by reference to the death of such a person, except on the death of another such person.

(4) Where on the later death the settled property is chargeable with duty by virtue of section forty-three of the Finance Act, 1940, and the settlement has come to an end before the death as respects any part of that property, then in relation to that part of the property paragraph (*b*) of subsection (1) of section thirty of this Act and sub-paragraph (2) of this paragraph shall apply as if any reference to a time immediately before the death were a reference to a time immediately before the coming to an end of the settlement as respects that part of the property; and relief shall not be allowed by reference to a death occurring after the end of the settlement, other than the death of the

settlor or of a person who received property distributed under the settlement when it came to an end and did not acquire his title thereto by or under a purchase for a consideration in money or money's worth made at any time (whether by him or another).

(5) Where relief is allowed in a case to which sub-paragraph (4) of of this paragraph applies by reference to the death of a person receiving property distributed under the settlement, and that property includes (or is treated as including) a sum of money, then—

(*a*) the property chargeable with duty on the later death shall be regarded as being the same as any property forming part of the said person's estate or otherwise chargeable with duty on his death to the extent to which it is shown to the satisfaction of the Commissioners that that property can be regarded as being the same property as that sum, on the assumption that the property at any time paid away or otherwise disposed of by the said person since the coming to an end of the settlement was (as far as might be) property other than that representing the said sum, or, in so far as the property forming part of his estate is not sufficient to represent the said sum, that the sum was applied by him rateably in making any gifts or settlements the property comprised in which is chargeable with estate duty on his death; and

(*b*) where the said person has before his death ceased to have possession and enjoyment of any property distributed to him under the settlement other than a sum of money, and has done so in any circumstances in which he can be regarded as receiving money or money's worth in substitution for it, paragraph (*a*) of this sub-paragraph shall apply as if the property distributed to him had included, instead of that property, a sum of money equal to the amount or value (at the time when he ceases to have possession and enjoyment of that property) of what he so receives in substitution for it.

(6) Where on the later death settled property is chargeable with duty by reason of the coming to an end of an interest limited to cease on the death (or a disposition or determination of such an interest), and relief is allowed either—

(*a*) by reference to an earlier death on which there passed an interest expectant on or subject to the interest so limited; or

(*b*) in a case to which sub-paragraph (4) of this paragraph applies, by reference to the death of a person receiving property distributed under the settlement;

the net value of the relevant property after the earlier death shall be taken to be the value on which estate duty is payable on the earlier death, except that in the case of property referred to in paragraph (*a*) or (*b*) of sub-paragraph (5) of this paragraph it shall be taken to be the amount of the sum of money there referred to.

4.—(1) The provisions of this paragraph shall have effect where property is chargeable on the later death as property comprised in a gift inter vivos made by the deceased.

8TH SCH. —*cont.*

(2) Paragraph (*b*) of subsection (1) of section thirty of this Act shall apply as if any reference to a time immediately before the death were a reference to the time when the gift is made, but relief shall not be allowed by reference to the death of any person who has acquired his title to the property in question by or under a purchase for a consideration in money or money's worth made since that time (whether by him or by another).

(3) Subject to the following sub-paragraph the property on which duty is chargeable on the later death as property comprised in the gift shall be regarded as being the same as the property originally comprised in the gift.

(4) Where the donee has died before the donor, relief shall not be allowed by reference to any death subsequent to that of the donee, and for the purpose of allowing relief by reference to the death of the donee—

(*a*) the property chargeable on the later death shall be regarded as being the same as—

(i) the property on which duty would have been so chargeable if the donor had died immediately before the donee; and

(ii) if that property, not being settled property, includes (or is treated as including) a sum of money, any other property forming part of the donee's estate or otherwise chargeable with duty on his death to the extent to which it is shown to the satisfaction of the Commissioners that that property can be regarded as property comprised in the gift on the assumption that the property at any time paid away or otherwise disposed of by the donee since the gift was (as far as might be) property other than that representing the property so comprised, or, in so far as the property forming part of the donee's estate is not sufficient to represent the said sum, that the sum was applied by him rateably in making any gifts or settlements property comprised in which is chargeable with estate duty on his death; and

(*b*) the net value after the donee's death of the property referred to in sub-paragraph (i) of paragraph (*a*) above shall be taken to be the value on which estate duty is payable on the donee's death, and of the property referred to in sub-paragraph (ii) shall be taken to be the amount of the sum of money in question.

5. For the purposes of section thirty of this Act and of this Schedule, a disposition for partial consideration treated as a gift inter vivos for the purpose of charging duty on the later death shall not be regarded as a purchase for a consideration in money or money's worth; but where relief is given in respect of property comprised in the gift, the net value after the earlier death of the relevant property shall be abated in the same proportion in which the value on which estate duty is payable on the later death is abated by reason of the consideration.

6. In this Schedule "death duties" includes duties payable under the law of any country or territory.

NINTH SCHEDULE

Section 40.

ENACTMENTS REPEALED

PART I

CUSTOMS, EXCISE AND PURCHASE TAX REPEALS

Session and Chapter	Short title	Extent of Repeal
17 & 18 Geo. 5. c. 10.	The Finance Act, 1927 ...	Section six.
11 & 12 Geo. 6. c. 49.	The Finance Act, 1948 ...	From the beginning of October, nineteen hundred and fifty-eight, section twenty and in the Eighth Schedule, Part I; and, from the beginning of August, nineteen hundred and fifty-eight, the words "including naphtha and methylic alcohol purified so as to be potable" in the Third Schedule.
12, 13 & 14 Geo. 6. c. 47.	The Finance Act, 1949 ...	Section five; the Third Schedule; and, from the beginning of the year nineteen hundred and fifty-nine, section four and the Second Schedule.
12, 13 & 14 Geo. 6. c. 89.	The Vehicles (Excise) Act, 1949.	Subject to subsection (7) of section seven of this Act, subsections (2), (4) and (6) of section eleven and subsection (3) of section twelve.
15 & 16 Geo. 6. and 1 Eliz. 2. c. 44.	The Customs and Excise Act, 1952.	From the beginning of August, nineteen hundred and fifty-eight, subsection (1) of section one hundred and fifteen.
4 & 5 Eliz. 2. c. 54.	The Finance Act, 1956 ...	Subject to subsection (7) of section seven of this Act, subsection (4) of section five.
5 & 6 Eliz. 2. c. 49.	The Finance Act, 1957 ...	From the beginning of October, nineteen hundred and fifty-eight, section eight.
6 & 7 Eliz. 2. c. 6.	The Import Duties Act, 1958.	In the First Schedule, in paragraph 3, sub-paragraph (2) and sub-paragraph (3) from the second "and" onwards.
6 & 7 Eliz. 2. c. 9.	The Entertainments Duty Act, 1958.	In section one, subsection (1) from "of the amount" onwards; section seven; and, except as respects entertainments given on or before the fourth day of October, nineteen hundred and fifty-eight, and except as respects allowances for spoilt and unused stamps,

9TH SCH. —*cont.*

Session and Chapter	Short title	Extent of Repeal
6 & 7 Eliz. 2. c. 9—*cont.*	The Entertainments Duty Act, 1958—*cont.*	subsection (1) of section three from the beginning of paragraph (*a*) to "ticket" in paragraph (*b*), in subsection (2) of section three the words "in the case of admission otherwise than by stamped ticket", subsections (3), (4) and (5) of section three and subsection (1) of section six from "and in particular" onwards.

Treasury Orders

Reference	Title	Extent of Repeal
S.I. 1956/383 (1956 II, p. 1927).	The Purchase Tax (Consolidation) Order, 1956.	The whole Order except in so far as it amends Part II of the Eighth Schedule to the Finance Act, 1948.
S.I. 1956/485 (1956 II, p. 1942).	The Purchase Tax (No. 2) Order, 1956.	The whole Order.

The repeals of Treasury orders shall have effect from the beginning of October nineteen hundred and fifty-eight.

PART II

PROFITS TAX REPEALS

A. *Repeals resulting from this Act*

Session and Chapter	Short title	Extent of Repeal
1 Edw. 8. & 1 Geo. 6. c. 54.	The Finance Act, 1937 ...	In section nineteen, subsections (1) and (5); and, from the beginning of the year nineteen hundred and fifty-nine, paragraph 5 of Part I of the Fifth Schedule, down to the word "and".
5 & 6 Geo. 6. c. 21.	The Finance Act, 1942 ...	In section thirty-six, subsection (1) to the word "accordingly", and subsection (2) from "and ending" onwards; in the Ninth Schedule the words "subsection (1) of section nineteen of the Finance Act, 1937 and".
9 & 10 Geo. 6. c. 13.	The Finance (No. 2) Act, 1945.	From the beginning of the year nineteen hundred and fifty-nine, the words "and the national defence contribution" in subsection (1) of section thirty-five.
10 & 11 Geo. 6. c. 35.	The Finance Act, 1947 ...	Section thirty; in subsection (1) of section thirty-two the proviso in the new sub-paragraph (1) of paragraph 7 of the Fourth Schedule to the Finance Act, 1937; section thirty-four; section thirty-five, except subsection (5); sections thirty-six and thirty-seven; in section thirty-eight, in subsection (1), the words "and the gross relevant distributions" in both places in paragraph (*a*), and the words from "and no distributions" to "as aforesaid" in paragraph (*b*), and subsection (2); sections thirty-nine to forty-two; in Part I of the Eighth Schedule, in paragraph 6, paragraph (*d*) of sub-paragraph (2).
11 & 12 Geo. 6. c. 49.	The Finance Act, 1948 ...	Sections sixty-nine and seventy; in section seventy-one, subsection (2) from "and the said increase" onwards.
14 & 15 Geo. 6. c. 43.	The Finance Act, 1951 ...	Section twenty-nine (but not so as to confer any new right to relief for losses or to deductions for wear and tear); section thirty-one.

9TH SCH. —*cont.*

Session and Chapter	Short title	Extent of Repeal
15 & 16 Geo. 6. & 1 Eliz. 2. c. 10.	The Income Tax Act, 1952	In the Twenty-first Schedule, sub-paragraph (5) of paragraph 10.
15 & 16 Geo. 6. & 1 Eliz. 2. c. 33.	The Finance Act, 1952 ...	Section thirty-five; subsection (3) of section sixty-seven.
1 & 2 Eliz. 2. c. 34.	The Finance Act, 1953 ...	Section twenty-eight.
4 & 5 Eliz. 2. c. 17.	The Finance (No. 2) Act, 1955.	In the Second Schedule, in sub-paragraph (3) of paragraph 3 the words " and subsections (1) and (2) of section thirty-nine ", the word " respectively " and the words " and to persons resident outside the United Kingdom ".
4 & 5 Eliz. 2. c. 54.	The Finance Act, 1956 ...	In section twenty-nine, subsections (1) and (2); in section thirty, in subsection (3) the words " or distributions " and the words " and about distributions ", and subsections (4) and (5); section thirty-one; the Fourth Schedule except sub-paragraph (1) of paragraph 1.
5 & 6 Eliz. 2. c. 49.	The Finance Act, 1957 ...	Section forty ; in the Seventh Schedule, paragraphs 4 to 8, paragraph 11 and sub-paragraph (2) of paragraph 12.

B. *Repeals of provisions superseded by earlier Acts*

10 & 11 Geo. 6. c. 35.	The Finance Act, 1947 ...	Subsections (2) to (5) of section forty-seven.
11 & 12 Geo. 6. c. 9.	The Finance (No. 2) Act, 1947.	Section seven.
12, 13 & 14 Geo. 6. c. 64.	The Profits Tax Act, 1949	The whole Act.
14 & 15 Geo. 6. c. 43.	The Finance Act, 1951 ...	Section twenty-eight; the Sixth Schedule.
15 & 16 Geo. 6. & 1 Eliz. 2. c. 33.	The Finance Act, 1952 ...	In section thirty-three, subsections (2) to (4); the Seventh Schedule.
4 & 5 Eliz. 2. c. 17.	The Finance (No. 2) Act, 1955.	Section two; the Second Schedule, except paragraph 3.

These repeals (other than repeals expressed to operate from the beginning of the year nineteen hundred and fifty-nine) shall not affect liability to the profits tax for chargeable accounting periods ending at or before the end of March, nineteen hundred and fifty-eight.

PART III

STAMP DUTY REPEALS

Session and Chapter	Short title	Extent of Repeal
54 & 55 Vict. c. 39.	The Stamp Act, 1891 ...	In the First Schedule, in the heading "Conveyance or Transfer on sale", the words from "Where" to the last entry in the second column.
10 Edw. 7. c. 8.	The Finance (1909–10) Act, 1910.	Section seventy-three; section seventy-five, so far as it relates to duty chargeable by reference to the heading "Conveyance or Transfer on sale".
9 & 10 Geo. 5. c. 35.	The Housing, Town Planning, etc. Act, 1919.	In proviso (*b*) to paragraph (*d*) of section forty-nine, the words "shall not be liable to stamp duty and".
10 & 11 Geo. 5. c. 18.	The Finance Act, 1920 ...	Subsection (1) of section thirty-six.
10 & 11 Geo. 6. c. 35.	The Finance Act, 1947 ...	In subsection (2) of section fifty-two, sub-paragraphs (iii) and (viii) of paragraph (*a*) together with the reference to the said sub-paragraph (iii) in paragraph (*c*), and sub-paragraph (iv) of paragraph (*a*), together with the reference to it in paragraph (*c*) so far as they relate to duty chargeable by reference to the heading "Conveyance or Transfer on sale"; in subsection (1) of section fifty-four the words "the heading 'Conveyance or Transfer on sale'".
1 & 2 Eliz. 2. c. 34.	The Finance Act, 1953 ...	Subsection (2) of section thirty-one from the beginning to the words "transfer; and".
4 & 5 Eliz. 2. c. 54.	The Finance Act, 1956 ...	Section thirty-seven.

These repeals shall have effect from the beginning of August, nineteen hundred and fifty-eight.

9TH SCH. —*cont.*

PART IV

MISCELLANEOUS REPEALS

Session and Chapter	Short title	Extent of Repeal
40 & 41 Vict. c. 45.	The Treasury Chest Fund Act, 1877.	The whole Act, but without prejudice to the operation of section four as respects accounts for the financial year 1957–58.
56 & 57 Vict. c. 18.	The Treasury Chest Fund Act, 1893.	The whole Act.
4 & 5 Geo. 5. c. 10.	The Finance Act, 1914 ...	Section fifteen.
26 Geo. 5. & 1 Edw. 8. c. 43.	The Tithe Act, 1936 ...	From the second day of October, nineteen hundred and fifty-eight, subsections (1) and (2) of section thirteen, in subsection (1) of section fourteen, the words " one half of " and the words " each instalment payable in ", in subsection (1) of section forty-seven the words " and ' payment date ' " and in subsection (4) of section forty-seven the words " and any instalment of an annuity ".
15 & 16 Geo. 6. & 1 Eliz. 2. c. 10.	The Income Tax Act, 1952.	In section one hundred and three, in paragraph (*c*) of subsection (1), the words from " any individual " to " or by "; in section four hundred and forty-eight, in subsection (2), the words from " or to any parts " to the end of the subsection; in section four hundred and seventy-nine, subsection (3).
2 & 3 Eliz. 2. c. 44.	The Finance Act, 1954 ...	Subsection (4) of section thirty.
3 & 4 Eliz. 2. c. 15.	The Finance Act, 1955 ...	In section two, subsection (6).
5 & 6 Eliz. 2. c. 49.	The Finance Act, 1957 ...	In section twelve, subsection (2).
6 & 7 Eliz. 2. c. 19.	The Nationalised Industries Loans Act, 1958.	The whole Act.

Table of Statutes referred to in this Act

Short Title	Session and Chapter
Wills Act, 1837	7 Will. 4 & 1 Vict. c. 26.
Stamp Act, 1891	54 & 55 Vict. c. 39.
Finance Act, 1894	57 & 58 Vict. c. 30.
Small Dwellings Acquisition Act, 1899 ...	62 & 63 Vict. c. 44.
Finance Act, 1908	8 Edw. 7. c. 16.
Finance (1909–1910) Act, 1910...	10 Edw. 7 & 1 Geo. 5. c. 8.
Finance Act, 1921	11 & 12 Geo. 5. c. 32.
Housing Act, 1925	15 & 16 Geo. 5. c. 14.
Housing (Scotland) Act, 1925	15 & 16 Geo. 5. c. 15.
Finance Act, 1927	17 & 18 Geo. 5. c. 10.
Finance Act, 1930	20 & 21 Geo. 5. c. 28.
Tithe Act, 1936	26 Geo. 5 & 1 Edw. 8. c. 43.
Public Health Act, 1936...	26 Geo. 5 & 1 Edw. 8. c. 49.
Housing Act, 1936	26 Geo. 5 & 1 Edw. 8. c. 51.
Finance Act, 1937	1 Edw. 8 & 1 Geo. 6. c. 54.
Finance Act, 1938	1 & 2 Geo. 6. c. 46.
Finance Act, 1939	2 & 3 Geo. 6. c. 41.
Finance Act, 1940	3 & 4 Geo. 6. c. 29.
Finance (No. 2) Act, 1940	3 & 4 Geo. 6. c. 48.
Water Act, 1945	8 & 9 Geo. 6. c. 42.
Finance (No. 2) Act, 1945	9 & 10 Geo. 6. c. 13.
Finance Act, 1946	9 & 10 Geo. 6. c. 64.
New Towns Act, 1946	9 & 10 Geo. 6. c. 68.
Finance Act, 1947	10 & 11 Geo. 6. c. 35.
Local Government (Scotland) Act, 1947 ...	10 & 11 Geo. 6. c. 43.
Finance Act, 1948	11 & 12 Geo. 6. c. 49.
Finance Act, 1949	12, 13 & 14 Geo. 6. c. 47.
Housing Act, 1949	12, 13 & 14 Geo. 6. c. 60.
Housing (Scotland) Act, 1949	12, 13 & 14 Geo. 6. c. 61.
Vehicles (Excise) Act, 1949	12, 13 & 14 Geo. 6. c. 89.
Finance Act, 1950	14 Geo. 6. c. 15.
Housing (Scotland) Act, 1950	14 Geo. 6. c. 34.
Finance Act, 1951	14 & 15 Geo. 6. c. 43.
Tithe Act, 1951	14 & 15 Geo. 6. c. 62.
Income Tax Act, 1952	15 & 16 Geo. 6 & 1 Eliz. 2. c. 10.
Finance Act, 1952	15 & 16 Geo. 6 & 1 Eliz. 2. c. 33.
Customs and Excise Act, 1952	15 & 16 Geo. 6 & 1 Eliz. 2. c. 44.
Finance Act, 1953	1 & 2 Eliz. 2. c. 34.
Finance Act, 1954	2 & 3 Eliz. 2. c. 44.
Finance (No. 2) Act, 1955	4 & 5 Eliz. 2. c. 17.
Finance Act, 1956	4 & 5 Eliz. 2. c. 54.
Road Traffic Act, 1956	4 & 5 Eliz. 2. c. 67.
Finance Act, 1957	5 & 6 Eliz. 2. c. 49.
Housing Act, 1957	5 & 6 Eliz. 2. c. 56.
National Insurance (No. 2) Act, 1957... ...	6 & 7 Eliz. 2. c. 1.
Import Duties Act, 1958	6 & 7 Eliz. 2. c. 6.
Entertainments Duty Act, 1958	6 & 7 Eliz. 2. c. 9.
Overseas Service Act, 1958	6 & 7 Eliz. 2. c. 14.
Nationalised Industries Loans Act, 1958 ...	6 & 7 Eliz. 2. c. 19.
Housing (Financial Provisions) Act, 1958 ...	6 & 7 Eliz. 2. c. 42.

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