

Finance Act, 1932.

[22 & 23 GEO. 5. CH. 25.]



ARRANGEMENT OF SECTIONS.

A.D. 1932.

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CUSTOMS AND EXCISE.

Section.

1. Duties on tea.
2. Duties on certain colonial sugar, molasses, &c.
3. Excise duties on sugar, molasses, &c.
4. Rates of drawback on certain sugar and molasses.
5. Additional and substituted customs duties on articles made wholly or partly of silk or artificial silk.
6. Repeal of subs. (2) of s. 5 of 16 & 17 Geo. 5. c. 22.
7. Power to remove goods from Schedule I of 22 & 23 Geo. 5. c. 8.
8. Power to revoke Orders in Council made under s. 5 of 22 & 23 Geo. 5. c. 8.
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[Price 6d. Net.] A

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CHAPTER 25.

An Act to grant certain duties of Customs and Inland Revenue (including Excise), to alter other duties, to amend the law relating to the Inland Revenue (including Excise) and the National Debt, to amend the Import Duties Act, 1932, in certain particulars, and also other enactments relating to the Customs, and to make further provision in connection with Finance. A.D. 1932.

[16th June 1932.]

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 King'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.

CUSTOMS AND EXCISE.

1.—(1) Customs duties at the rates hereinafter mentioned shall be payable on tea imported into the Duties on tea.

A.D. 1932. United Kingdom on or after the twentieth day of April, nineteen hundred and thirty-two, that is to say :—

PART I.
—cont.

Tea not being an Empire product the lb., Fourpence
Tea being an Empire product the lb., Twopence.

(2) An excise duty at the rate of twopence the pound shall be payable on tea which was imported into the United Kingdom before the twentieth day of April, nineteen hundred and thirty-two, and was on that date in the ownership or possession of any person who then held more than one thousand pounds thereof, but not including any such tea which is shown to the satisfaction of the Commissioners of Customs and Excise to have been intended for use by the person in whose ownership or possession it was and not to have been intended for sale or for use in the preparation of a beverage for sale.

14 & 15
Geo. 5. c. 21. (3) Section fourteen of the Finance Act, 1924 (which makes provision for the allowance of drawback on the exportation of certain blended tea), shall (as amended by section twelve of the Finance Act, 1925, which provides that the said section fourteen shall extend to tea shipped as stores) extend to blended tea prepared from teas in respect of which either of the customs duties or the excise duty payable under this section has been paid.

15 & 16
Geo. 5. c. 36. (4) In this section the expression " Empire product " has the same meaning as in subsection (1) of section eight of the Finance Act, 1919.

9 & 10
Geo. 5. c. 32.

Duties
on certain
colonial
sugar,
molasses,
&c.

2.—(1) As from the commencement of this section, the customs duties in respect of sugar, molasses, glucose and saccharin shown to the satisfaction of the Commissioners of Customs and Excise to have been consigned from and grown, produced or manufactured in a colony or other country to which this section applies shall be at the rates specified in the First Schedule to this Act instead of at the rates theretofore chargeable.

(2) The colonies to which this section applies are all the colonies except Southern Rhodesia, and the other countries to which this section applies are territories under His Majesty's protection and territories in respect of which a mandate of the League of Nations is being exercised by the Government of the United Kingdom,

being territories to which section five of the Import Duties Act, 1932, by virtue of an Order in Council made thereunder for the time being applies.

A.D. 1932.
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PART I.
—cont.

(3) This section shall be deemed to have had effect as from the twentieth day of April, nineteen hundred and thirty-two :

22 & 23
Geo. 5. c. 8.

Provided that in the application of this section to any duty chargeable on manufactured or prepared goods under section seven of the Finance Act, 1901, the first day of July shall be substituted for the twentieth day of April.

1 Edw. 7.
c. 7.

3.—(1) As from the commencement of this section, the excise duties in respect of sugar, molasses, glucose and saccharin shall be at the rates specified in the Second Schedule to this Act instead of at the rates theretofore chargeable.

Excise
duties on
sugar,
molasses,
&c.

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

4. In the case of sugar and molasses produced in the United Kingdom from material on which there has been paid a customs duty at a rate chargeable by virtue of section two of this Act or an excise duty, drawbacks shall be paid in accordance with the scales set out in the Third Schedule to this Act instead of in accordance with the scales which would otherwise have been applicable :

Rates of
drawback
on certain
sugar and
molasses.

Provided that the reduction under this subsection of the rates or amounts of any drawback shall not have effect in relation to any goods as respects which it is shown to the satisfaction of the Commissioners of Customs and Excise that duty was paid at the rate in force before the twentieth day of April, nineteen hundred and thirty-two.

5.—(1) As from the commencement of this section, in addition to the customs duties chargeable under section four of and the Second Schedule to the Finance Act, 1925, and subsection (1) of section five of the Finance Act, 1926, a customs duty equal to ten per cent. of the value of the articles shall be charged on the importation into the

Additional
and sub-
stituted
customs
duties on
articles
made wholly

A.D. 1932. United Kingdom of yarns and tissues and other articles (not being articles of apparel) made wholly or partly of silk or artificial silk.

PART I.
—cont.

or partly of silk or artificial silk.
16 & 17
Geo. 5. c. 22.

(2) As from the commencement of this section, in the case of an article of apparel made wholly or partly of silk or artificial silk there shall, in lieu of the customs duty chargeable under the enactments aforesaid, be charged, on the importation thereof into the United Kingdom, whichever is the higher of the two following duties, that is to say—

- (a) a customs duty equal to the aggregate amount of the customs duty which would otherwise have been chargeable under the enactments aforesaid, and of a duty equal to ten per cent. of the value of the article;
- (b) a customs duty calculated at the rate shown in the following table on the weight of the article :—

	In the case of articles containing silk alone or containing both silk and artificial silk.	In the case of articles containing artificial silk alone.
	the lb. s. d.	the lb. s. d.
Where the article is made wholly of silk or artificial silk, or where the value of the silk or artificial silk component exceeds twenty per cent. of the aggregate of the values of all the components of the article - - -	12 0	5 0
Where the value of the silk or artificial silk component exceeds five per cent. but does not exceed twenty per cent. of the aggregate of the values of all the components of the article - -	4 0	1 8
Where the value of the silk or artificial silk component does not exceed five per cent. of the aggregate of the values of all the components of the article - - - - -	0 9	0 4

(3) The provisions of Part II of the Second Schedule to the Finance Act, 1925 (which relates to drawbacks), shall not apply in relation to the duties chargeable under

this section, but a drawback equal to the amount of any duty paid under this section in respect of any articles may be allowed—

A.D. 1932.
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PART I.
—cont.

(a) if the articles (not being articles specified in paragraph 1 of the said Part II) are shown to the satisfaction of the Commissioners of Customs and Excise to be in such form and state that the rate of duty which would be payable in respect thereof, if they were being imported, would be the same as that at which they or their components have already been charged; or

(b) if the articles are made-up articles exported in the form and state in which they were imported.

(4) The provisions of Part III of the said Schedule shall, so far as applicable, apply to, and in relation to, the duties charged and the drawbacks allowed under this section as they apply to, and in relation to, the duties and drawbacks mentioned in the said Schedule, subject to the following modifications and exceptions:—

(a) paragraphs 1 and 2 of the said Part III shall not apply in relation to any duty which is calculated by reference to value or to any drawback of such a duty;

(b) paragraph 7 shall apply as if there were inserted after the word "if," in the second and third place where that word occurs, the words "or so far as";

(c) paragraphs 10 and 11 shall not apply.

(5) In the case of goods being Empire products within the meaning of subsection (1) of section eight of the Finance Act, 1919, the customs duties imposed by this section shall be charged at the preferential rate of five-sixths of the full rate.

(6) This section shall be deemed to have had effect as from the eleventh day of May, nineteen hundred and thirty-two.

6.—(1) Subsection (2) of section five of the Finance Act, 1926 (which gives a person importing for his own use and not for sale an article of apparel made wholly or partly of silk (including artificial silk) the option of having the article charged with duty by reference to the whole weight thereof) shall be repealed.

Repeal of
subs. (2) of
s. 5 of
16 & 17
Geo. 5. c 22.

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PART I.

—cont.

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

Power to remove goods from Schedule I of 22 & 23 Geo. 5. c. 8.

7.—(1) The Treasury, after receiving a recommendation from the Import Duties Advisory Committee that goods of any class or description exempted from the general ad valorem duty imposed by section one of the Import Duties Act, 1932, by reason of their being included for the time being in the First Schedule to that Act, ought no longer to be so exempted, may, after consultation with the appropriate Department, by order direct that goods of all or any of the classes or descriptions specified in the recommendation shall cease to be included in that Schedule.

(2) The Treasury may, on the recommendation of the said Committee and after consultation with the appropriate Department, by order vary or revoke any order made under this section.

(3) Orders made by the Treasury under this section shall be deemed for the purpose of subsections (1), (2), (3) and (4) of section nineteen of the Import Duties Act, 1932, to have been made under that Act, and in this section the expression “appropriate Department” has the same meaning as in that Act.

Power to revoke Orders in Council made under s. 5 of 22 & 23 Geo. 5. c. 8.

8. An Order in Council made under section five of the Import Duties Act, 1932, may be revoked or varied by a subsequent Order in Council.

Further provision for drawback of duties under Part I of 22 & 23 Geo. 5. c. 8.

9.—(1) Where it appears to the Import Duties Advisory Committee that, in the case of goods of any class or description manufactured in, and exported or shipped as stores from, the United Kingdom, a drawback as respects duties chargeable under Part I of the Import Duties Act, 1932, should be allowed in respect of any material of a class or description used in the manufacture of those goods, the Committee may submit to the Treasury a scheme for the allowance of such a drawback, and the Treasury may, after consultation with the appropriate Department, by order approve the scheme, and thereupon drawback shall be allowed in accordance with, and subject to the provisions of, the scheme and of this section:

Provided that the Committee shall not submit, and the Treasury shall not approve, any such scheme, unless satisfied that, having regard to all the circumstances, including the interests of any producers in the United Kingdom of material of the kind specified in the scheme, it is in the national interest that drawback should be allowed as provided by the scheme.

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PART I.
—cont.

(2) Any such scheme—

(a) shall specify the class or description of manufactured goods in the case of which, and the class or description of material in respect of which, the drawback is to be allowed;

(b) may provide for the allowance of drawback in respect of such quantity of material of that class or description as is actually contained in the goods or is specified in the scheme as being the average quantity of such material (whether wholly duty-paid, or whether partly duty-paid and partly not duty-paid) used in the manufacture of goods of that class or description, either by manufacturers generally or by any particular manufacturer;

(c) shall specify the rate of drawback to be allowed, being such a rate fixed by reference to weight or some other measure of quantity as the Committee think fit, but not exceeding such an amount as appears to the Committee to be equivalent to the average amount of duty paid in respect of material of that class or description;

(d) may provide for the allowance of drawback for any period specified in the scheme, or without any limit of period.

(3) The Committee may at any time recommend such amendments of any scheme in force under this section as they think fit, and the Treasury may by order approve any amendment so recommended and thereupon the scheme shall have effect as so amended.

(4) Drawback shall only be allowed under this section in respect of such quantity of material as is shown to the satisfaction of the Commissioners of Customs and Excise to be duty-paid.

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PART I.
—cont.

(5) The Commissioners of Customs and Excise may make rules requiring persons who have been concerned at any stage with goods in the case of which drawback is claimed under any such scheme, to furnish such information as may be reasonably necessary to enable the Commissioners to determine whether duty has been paid on the material in respect of which the claim is made, and to produce any books of account or other documents of whatever nature relating to that material, and in particular such rules may provide that—

- (a) a certificate signed by the proper officer of Customs and Excise to the effect that duty has been paid on a specified quantity of material; and
- (b) a statement, signed by the manufacturer of the goods in the case of which drawback is claimed that the material to which the certificate relates has been used in the manufacture of those goods;

may be accepted by the Commissioners as sufficient evidence that duty has been paid on such quantity of material so used as is specified in the certificate.

(6) If any person contravenes or fails to comply with any such rules, he shall in respect of each offence be liable to a customs penalty of fifty pounds.

(7) Any order made by the Treasury under this section, together with the scheme or amendment thereby approved, shall be laid before the Commons House of Parliament as soon as may be after it is made, and subsections (3) and (4) of section nineteen of the Import Duties Act, 1932, shall apply as if the order had been made under that Act, and in this section the expression “appropriate Department” has the same meaning as in that Act.

(8) Where goods are brought into any such registered shipbuilding yard as is mentioned in section eleven of the Import Duties Act, 1932, from any other part of the United Kingdom, the Commissioners of Customs and Excise may, subject to such conditions as are mentioned in subsection (1) of the said section eleven, treat the goods for the purpose of the provisions of this section as if they had been exported from the United Kingdom.

10.—(1) If, in any case where it is proposed to import into the United Kingdom any consignment of machinery of a class or description to which this section applies, the Import Duties Advisory Committee are satisfied that machinery similar to that consignment is not for the time being procurable in the United Kingdom, and are of opinion that, having regard to all the circumstances, it is expedient that the consignment should be allowed to be imported without payment of all or any of the duties chargeable under the Import Duties Act, 1932, the Committee may make a recommendation to the Treasury accordingly, and the Treasury, after consultation with the Board of Trade, may by licence authorise the importation of the consignment in accordance with the recommendation.

(2) The Committee may at any time recommend that this section shall apply to any class or description of machinery, or shall cease to apply to any class or description of machinery to which it previously applied, and where any such recommendation is approved by the Treasury, this section shall apply or cease to apply accordingly.

11.—(1) The following provisions of this section shall have effect for the protection of the revenue arising from the customs and excise duties on spirits.

(2) If any person—

(a) for the purpose of selling any liquor, describes the liquor (whether in any notice or advertisement, or on any label or wrapper, or in any other manner whatsoever) by any name or words which is or are calculated to indicate that the liquor is, or is a substitute for, or bears any resemblance to, any description of spirits, or that the liquor is wine fortified or mixed with spirits or any description of spirits; or

(b) sells, offers for sale, or has in his possession for the purpose of sale, any liquor so described,

that person shall be guilty of an offence under this section, unless he proves that either the customs duty or the excise duty chargeable on spirits has been paid in respect of not less than ninety-seven and one-half per cent. of the liquor:

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PART I.—*cont.*Exemption
of certain
machinery
from duties
under
22 & 23
Geo. 5. c. 8.Penalty on
misdescrib-
ing liquor as
spirits.

A.D. 1932.

PART I.
—cont.

Provided that a person shall not be guilty of an offence under this section by reason only that he has, at some time between the commencement of this Act and the first day of October, nineteen hundred and thirty-two, described any liquor by any such name or words as aforesaid either on, or on a label affixed to, the container of the liquor, or the wrapper, or other covering, or partial covering, of the container, or sold, offered for sale, or had in his possession for the purpose of sale any liquor so described, if he proves that containers, labels, wrappers, coverings, or partial coverings, identical in all respects (including the name or words thereon) with the container, label, wrapper, covering, or partial covering used in the case in question were in use before the fourth day of May, nineteen hundred and thirty-two, for the purpose of describing the liquor.

(3) Where before the commencement of this Act liquor has been sold or offered for sale under any name which was used in association with a description calculated to give any such indication as aforesaid, that name or any similar name shall (subject to the provisions of the next following subsection) be deemed for the purposes of this section to be calculated to give that indication.

(4) Notwithstanding anything in this section—

- (a) the name “port” or “sherry” or the name of any other description of genuine wine; or
- (b) a name which before the fourth day of May, nineteen hundred and thirty-two, was used to describe a liquor containing vermouth and spirits, the quantity of vermouth being not less than the quantity of spirits computed at proof;

shall not, for the purposes of this section, be treated as being in itself calculated to give such an indication as aforesaid, whether it was or was not before the commencement of this Act used in association with a description calculated to give any such indication, and a person who has sold, offered for sale, or had in his possession for the purpose of sale any liquor described only by any such name as is mentioned in paragraph (a) of this subsection shall not be guilty of an offence under this section by reason that the liquor has been described by some other

person (not being the agent or servant of the first-mentioned person) by that name in association with some other description calculated to give such an indication as aforesaid.

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PART I.
—cont.

(5) Any person guilty of an offence under this section shall, in respect of each offence, be liable on summary conviction to a fine not exceeding one hundred pounds, and, on the conviction of a person under this section, the court may direct that any liquor and other articles by means of or in relation to which the offence has been committed shall be forfeited, and any liquor or other article so directed to be forfeited shall be destroyed or otherwise disposed of as the court may direct.

(6) Nothing in this section shall apply to any liquor which is prepared on any premises (being premises in respect of which a licence is in force authorising the sale of intoxicating liquor for consumption on the premises) for immediate consumption thereon or is prepared in any registered club for immediate consumption in the club.

12.—(1) The following provisions of this section shall have effect for the protection of the revenue arising from the customs and excise duties on beer.

Penalty on
misdescrib-
ing sub-
stances as
beer.

(2) If any person—

(a) for the purpose of selling any substance, describes the substance (whether in any notice or advertisement, or on any label, or in any other manner whatsoever) by any name or words which is or are calculated to indicate that the substance is, or is a substitute for, or bears any resemblance to, ale, beer, porter, or stout, or any description of ale, beer, porter, or stout; or

(b) sells, offers for sale, or has in his possession for the purpose of sale, any substance so described;

that person shall be guilty of an offence under this section unless he proves that either the customs duty or the excise duty chargeable on beer has been paid in respect of the whole of the substance:

Provided that a person shall not be guilty of an offence under this section by reason only that he has, at some time between the commencement of this Act and

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PART I.
—cont.

the first day of October, nineteen hundred and thirty-two, described any substance by any such name or words as aforesaid either on, or on a label affixed to, the container of the substance or the wrapper or other covering or partial covering of the container, or sold, offered for sale, or had in his possession for the purpose of sale any substance so described if he proves that containers, labels, wrappers, coverings, or partial coverings identical in all respects (including the name or words thereon) with the container, label, wrapper, covering, or partial covering used in the case in question were in use before the eighth day of June, nineteen hundred and thirty-two, for the purpose of describing the substance.

(3) For the purposes of this section the name “ginger beer” or “ginger ale” shall not in itself be taken to be calculated to give any such indication as aforesaid.

(4) Any person guilty of an offence under this section shall, in respect of each offence, be liable on summary conviction to a fine not exceeding one hundred pounds, and, on the conviction of a person under this section, the court may order that any articles by means of or in relation to which the offence has been committed, shall be forfeited, and any articles so directed to be forfeited shall be destroyed or otherwise disposed of as the court may direct.

Amendment
in respect of
duties for
licences on
motor
bicycles.
10 & 11
Geo. 5. c. 18.

13. As from the first day of January, nineteen hundred and thirty-three, the Second Schedule to the Finance Act, 1920, shall be amended by the substitution in paragraph 1 thereof, of the words—

“ Bicycles :	£	s.	d.
Where the cylinder capacity of the engine thereof—			
(a) does not exceed 150 cubic centimetres	0	15	0
(b) exceeds 150 cubic centimetres but does not exceed 250 cubic centimetres	1	10	0
(c) exceeds 250 cubic centimetres	3	0	0”

for the words—

	£	s.	d.
“ (a) If the cylinder capacity of the engine thereof does not exceed 150 cubic centimetres	0	15	0

(b) In other cases—	£	s.	d.	A.D. 1932.
Not exceeding 224 lbs. in weight unladen - - - - -	1	10	0	— PART I. —cont.
Exceeding 224 lbs. in weight un- laden - - - - -	3	0	0"	

and by the insertion at the end of the said paragraph 1 of the following words—

“Provided that the duty in respect of a bicycle, the weight of which unladen does not exceed 224 lbs, shall, if the bicycle is one in respect of which a licence was taken out before the first day of January, nineteen hundred and thirty-three, continue, notwithstanding that the cylinder capacity of the engine thereof exceeds 250 cubic centimetres, to be chargeable at the rate payable before the first day of January, nineteen hundred and thirty-three.”

14. Where a licence has been taken out for a mechanically propelled vehicle of a certain class or description, duty at a higher rate applicable to mechanically propelled vehicles of some other class or description shall not by virtue of section fourteen of the Finance Act, 1922, become chargeable in respect of the said licence by reason of any such user of the vehicle as is mentioned in the said section fourteen, unless the vehicle as used while the said licence is in force satisfies all the conditions which must be satisfied in order to bring a vehicle, for the purpose of the charge of duty under the Second Schedule to the Finance Act, 1920, into the said other class or description of vehicles.

Effect for purpose of s. 14 of 12 & 13 Geo. 5. c. 17 of change of user &c. of mechanically propelled vehicles.

PART II.

INCOME TAX.

15.—(1) Income tax for the year 1932–33 shall be charged at the standard rate of five shillings in the pound, and, in the case of an individual whose total income from all sources exceeds two thousand pounds, at such higher rates in respect of the excess over two thousand pounds as Parliament may hereafter determine.

Income tax for 1932-33.

(2) All such enactments as had effect with respect to the income tax charged for the year 1931–32 shall

A.D. 1932. have effect with respect to the income tax charged for the year 1932-33.

PART II.

—cont.

Higher rates of income tax for 1931-32.

16. Income tax for the year 1931-32 in respect of the excess of the total income of an individual over two thousand pounds shall be charged at rates in the pound which respectively exceed the standard rate by amounts equal to the amounts by which the rates at which income tax was charged in respect of the said excess for the year 1930-31 respectively exceeded the standard rate for that year.

Tax in respect of voluntary pensions.

17.—(1) Where a person has ceased to hold any office or employment and any pension or annual payment is paid to him, or to his widow or child, or to any relative or dependant of his, by the person under whom he held the office or by whom he was employed, or by the successors of that person, then, notwithstanding that the pension or payment is paid voluntarily, or is capable of being discontinued, it shall be deemed to be income for the purposes of assessment of income tax and in the case of a pension or annual payment which is paid by or on behalf of a person outside the United Kingdom shall be assessed and charged by reference to the provisions of Rule 2 of the Rules applicable to Case V of Schedule D and in any other case shall be assessed and charged under Schedule E.

13 & 14 Geo. 5. c. 14.

(2) For the purpose of removing doubts, it is hereby declared that the expressions “annuity” and “pension” in the charging provision of Schedule E and in subsection (1) of section seventeen of the Finance Act, 1923, include respectively an annuity and a pension which is paid voluntarily or is capable of being discontinued.

8 & 9 Geo. 5. c. 40.

(3) The expression “earned income” in subsection (3) of section fourteen of the Income Tax Act, 1918, shall be deemed to include any annuity, pension or annual payment to which this section applies.

Additional deductions in case of machinery and plant.

18.—(1) Where, under Rule 6 of the Rules applicable to Cases I and II of Schedule D, a deduction in respect of wear and tear of any machinery or plant during any year of assessment is allowed either in charging profits or gains for the year, or, where the machinery or plant is let, by the repayment of a portion of the tax assessed and charged in respect of the machinery or plant and

deducted from the rent, the Commissioners by whom the deduction is allowed shall, either in charging the profits or gains, or by means of such repayment as aforesaid, as the case may be, allow an additional deduction equal to one-tenth of the amount of the deduction allowed under the said Rule 6 as aforesaid, but excluding from that amount any sum included therein by virtue of paragraph (3) of the said Rule.

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PART II.
—cont.

(2) Where, for any purpose of the Income Tax Acts, account is required to be taken of any deductions allowed, or deemed to have been allowed, in respect of wear and tear for any years prior to the year of assessment, or of the aggregate of the amount of those deductions and of any such deduction for the year of assessment, the additional deduction under this section for any of the said years shall for that purpose be treated as if it were part of the deduction in respect of wear and tear for that year.

19.—(1) Where a loss sustained by a person has been carried forward under section thirty-three of the Finance Act, 1926, and as regards that loss or any part thereof a deduction or set off cannot be given under that section from or against the profits or gains on which the person is assessed under Schedule D for the six years following the year in which the loss was sustained owing to the allowance in the assessments for those years of deductions for wear and tear of machinery or plant under Rule 6 of the Rules applicable to Cases I and II of Schedule D, then so much of the loss in respect of which relief has not been given as represents the amount in respect of which relief could have been given but for the allowance aforesaid shall be further carried forward and deducted or set off under and in accordance with the provisions of the said section as if, in relation to the loss so carried forward, for references in the said section and in section nineteen of the Finance Act, 1928, to the six years of assessment following the year in which the loss was sustained there were substituted references to all following years of assessment:

Extension
of period for
carrying
forward
losses in
certain
cases.18 & 19
Geo. 5. c. 17.

Provided that—

- (a) this section shall not apply in relation to the carrying forward, deduction or set off of a loss under section thirty-three of the Finance

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PART II.

—cont.

17 & 18
Geo. 5. c. 10.

Act, 1926, as applied by section twenty-nine of the Finance Act, 1927;

- (b) the same deduction for wear and tear of machinery or plant to which effect is given in any year of assessment shall not be taken into account more than once for the purposes of this section.

(2) Any relief given under section thirty-three of the Finance Act, 1926, from an assessment shall be given in respect of a loss sustained in any year within the six years immediately preceding the year of assessment before it is given in respect of a loss sustained in any year not within those six years.

Extension of relief under s. 32 of 8 & 9 Geo. 5. c. 40, in respect of certain insurance premiums to premiums on insurances made with certain underwriters.
9 Edw. 7. c. 49.

20. Section thirty-two of the Income Tax Act, 1918 (which provides for relief from tax in respect of life insurance premiums, &c.), shall be extended so as to apply to insurances made and annuities contracted for with underwriters, being members of Lloyd's or of any other association of underwriters approved by the Board of Trade, who comply with the requirements set forth in the Eighth Schedule to the Assurance Companies Act, 1909, as that section applies to insurances made and annuities contracted for with such an insurance company as is mentioned therein.

PART III.

NATIONAL DEBT.

Provision as to permanent annual charge for National Debt for 1932-33.

21. The permanent annual charge for the National Debt for the financial year ending on the thirty-first day of March, nineteen hundred and thirty-three, shall be the sum of three hundred and eight million, five hundred thousand pounds, instead of the sum of three hundred and twenty-two million pounds.

Charge of 4 per cent. Consols sinking fund on Consolidated Fund.

22. There shall be charged on and issued out of the Consolidated Fund or the growing produce thereof any moneys required for the purpose of any undertaking contained in any prospectus to purchase and cancel four per cent. Consolidated Loan.

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23. Section five of the War Loan (Supplemental Provisions) Act, 1915 (which empowers the Treasury to make regulations as to the manner and conditions in which money may be raised through the Post Office under the War Loan Act, 1915, as subsequently amended) shall extend to the Isle of Man and, notwithstanding anything in the Statute Law Revision Act, 1927, shall be deemed to have so extended at all times.

PART III.

—cont.

Extension of 5 & 6 Geo. 5. c. 93, s. 5, to Isle of Man.
5 & 6 Geo. 5. c. 55.
17 & 18 Geo. 5. c. 42.

PART IV.

EXCHANGE EQUALISATION ACCOUNT.

24.—(1) There shall be established an account, to be called “the Exchange Equalisation Account,” which shall be under the control of the Treasury and shall be used for the purposes specified in this Part of this Act.

Establishment of Exchange Equalisation Account.

(2) The Treasury may, if at any time they think it expedient so to do, cause the Exchange Equalisation Account (in this Part of this Act referred to as “the Account”) to be wound up forthwith, and the Account shall in any event be wound up not later than six months after the date on which the Commons House of Parliament resolve that the Account is no longer required for the purpose for which it was established.

(3) The Treasury may cause any funds in the Account to be invested in securities or in the purchase of gold in such manner as they think best adapted for checking undue fluctuations in the exchange value of sterling.

(4) There shall be issued to the Account out of the Consolidated Fund, or the growing produce thereof, at such times and in such manner as the Treasury may direct such sums, not exceeding in the aggregate one hundred and fifty million pounds, as the Treasury may determine, and all the assets of the Exchange Account shall be transferred to the Account at such time as the Treasury may direct.

(5) For the purpose of providing for the issue of sums out of the Consolidated Fund under the last preceding subsection or for the repayment to that Fund of all or any part of any sums so issued, the Treasury may raise money in any manner in which they are

A.D. 1932. authorised to raise money under and for the purposes of subsection (1) of section one of the War Loan Act, 1919, and any securities created and issued to raise money under this subsection shall for all purposes be deemed to have been created and issued under the said subsection (1).

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PART IV.
—*cont.*
9 & 10
Geo. 5. c. 37.

(6) The Bank of England may advance to the Treasury any sums which the Treasury have under this section power to raise.

(7) The Account shall in every year until it is wound up be examined by the Comptroller and Auditor-General in such manner as he, in his discretion, thinks proper with a view to ascertaining whether the operations on and the transactions in connection with the Account have been in accordance with the provisions of this Part of this Act, and he shall certify to the Commons House of Parliament whether in his opinion, having regard to the result of the examination, the operations on and the transactions in connection with the Account have or have not been in accordance with the provisions of this Part of this Act.

Application
of Account,
transfers
thereto, &c.

25.—(1) There shall be paid to the Issue Department of the Bank of England out of the Account such sum not exceeding eight million pounds as is in the opinion of the Treasury equal to the amount of the net loss which by reason of variations in rates of exchange has been sustained in connection with the credits obtained by the Bank of England from the Bank of France and the Federal Reserve Bank of New York on the first day of August, nineteen hundred and thirty-one.

(2) For the purpose of any valuation of the assets held in the Issue Department of the Bank of England, being a valuation made before the winding up of the Account—

- (a) gold held in the Department shall be taken to be of the value of three pounds seventeen shillings and tenpence halfpenny for every ounce troy of the standard fineness specified in the First Schedule to the Coinage Act, 1870 (hereafter referred to as “the fixed value”); and
- (b) assets in currencies other than sterling held in the Department shall be valued at the rate of exchange prevailing at the date of each valuation.

33 & 34
Vict. c. 10.

A.D. 1932.

PART IV.
—cont.

(3) Whenever any gold is purchased or sold on account of the Issue Department during the existence of the Account, the amount by which the price of the gold exceeds the fixed value thereof shall, in the case of a purchase, be made good to the Issue Department from the Account, and, in the case of a sale, be made good to the Account from the Issue Department.

(4) Immediately before the Account is wound up, the amount by which the market value (as agreed between the Bank and the Treasury) of the gold then held in the Issue Department exceeds its fixed value shall be made good by the Department to the Account.

(5) If on any sale of assets in currencies other than sterling held in the Issue Department (whether the sale occurred before the establishment of the Account or occurs at any time during the existence of the Account), or on any valuation during the existence of the Account of any such assets, it appears that by reason of variations in rates of exchange occurring at any time after the twenty-first day of September, nineteen hundred and thirty-one, there has been any depreciation or loss in connection with those assets, the amount of the depreciation or loss shall be made good to the Issue Department from the Account, and if on any such sale or valuation as aforesaid it appears that by reason as aforesaid any appreciation or gain has arisen in connection with any of the said assets, the amount of the appreciation or gain shall be made good from the Issue Department to the Account.

(6) Where under this section any amount is to be made good from or to the Account, there may, in lieu of a payment in cash, be transferred from or to the Account securities equivalent in value, in the opinion of the Treasury, to that amount.

(7) It is hereby declared that in subsection (3) of the last preceding section of this Act and in section three of the Currency and Bank Notes Act, 1928 (which relates to the securities to be held in the Issue Department), the expression "securities" includes securities and assets in currency of any country and in whatever form held.

18 & 19
Geo. 5. c. 13.

26. On the winding-up of the Account the assets thereof shall be applied in such manner as the Treasury may direct for the redemption of debt, and the Treasury

Winding-up
of Account.

A.D. 1932.

PART IV.
—cont.

shall thereupon cause to be laid before Parliament a statement of the sum so applied, and of the sums issued out of the Consolidated Fund to the Account, together with a report by the Comptroller and Auditor-General with respect to such matters in relation to the Account as he thinks fit.

PART V.

MISCELLANEOUS.

Suspension
of land
value tax.
21 & 22
Geo. 5. c. 28.

27. Section ten of the Finance Act, 1931, which provides that land value tax shall be charged for the financial year ending the thirty-first day of March, nineteen hundred and thirty-four, and for each subsequent financial year, shall have effect as if for the reference therein to the financial year ending as aforesaid there were substituted a reference to such financial year as Parliament may hereafter determine, and the provisions of Part III of the said Act relating to valuation shall have effect as if for the dates respectively mentioned in the definition of "valuation date" in section thirty-two of the said Act there were substituted such dates as Parliament may hereafter determine.

Power to
make
advances to
Road Fund
for meeting
expenditure
in connec-
tion with
expedited
schemes.

28.—(1) There may at any time within the financial year ending on the thirty-first day of March, nineteen hundred and thirty-three, be advanced, subject to the approval of the Treasury, to the Road Fund, out of moneys provided by Parliament (in addition to any advances made to that Fund under section twenty-seven of the Finance Act, 1928), such sums, not exceeding in the aggregate two million seven hundred and fifty thousand pounds, as may be required for the purpose of making any payments falling to be made out of the Road Fund on account of expenditure incurred in respect of the construction or improvement of roads within the meaning of the Development and Road Improvement Funds Act, 1909, including any such construction or improvement undertaken in pursuance of schemes expedited on account of the conditions of employment, which cannot be met out of the income of the Road Fund.

9 Edw. 7.
c. 47.

(2) Any sums advanced under this section, together with interest thereon or on such part thereof as is for

the time being outstanding, at such rate as may be fixed by the Treasury, shall be charged on the Road Fund, and the said sums shall be repaid out of the Road Fund to the Exchequer by such instalments and at such dates between the first day of April, nineteen hundred and thirty-five, and the thirty-first day of March, nineteen hundred and forty-one, as the Treasury may determine.

A.D. 1932.
—
PART V.
—cont.

(3) Any interest chargeable in respect of advances made under this section shall be paid annually on such date as the Treasury may determine.

(4) Section thirty-six of the Finance Act, 1931, (which authorises certain advances to the Road Fund within the financial year ending on the thirty-first day of March, nineteen hundred and thirty-two) shall have effect as if in subsection (2) thereof for the words "nineteen hundred and thirty-six" there were substituted the words "nineteen hundred and thirty-five."

29.—(1) With a view to facilitating improvements in the organisation of the collection of taxes and thereby conducing to greater efficiency and economy, the Treasury are hereby authorised to grant, subject to and in accordance with such conditions as they may prescribe, an annual allowance by way of compensation to any collector of taxes to whom this section applies in the event of his appointment being determined after the commencement of this Act.

Power to grant compensation allowances to certain collectors of taxes on determination of appointment.

(2) This section applies to any collector of taxes in England or Northern Ireland who held an appointment as such, in England under the Commissioners of Inland Revenue, or in Northern Ireland under the Special Commissioners, on the thirty-first day of July, nineteen hundred and thirty-one, and has continued to hold the appointment up to the commencement of this Act.

(3) The Pensions Commutation Acts, 1871 to 1882, shall apply to any collector to whom a compensation allowance is awarded in pursuance of this section as if he had retired from a public civil office in consequence of the abolition of his office.

(4) The provisions of this section shall apply in relation to collectors of land tax as they apply in relation to collectors of taxes.

A.D. 1932.

—

PART V.

—cont.

Stamp duty
in respect of
audit by
district
auditors.

11 & 12

Geo. 5. c. 32.

30. Subsection (1) of section sixty-one of the Finance Act, 1921, shall have effect, and shall be deemed always to have had effect, as if, in all cases whatsoever where by virtue of any enactment the accounts of any local authority are subject to audit by district auditors, it required the stamp duty chargeable in respect of the audit to be calculated in accordance with the scale fixed under that section :

Provided that nothing in this section shall be taken to affect the provisions of subsection (2) of the said section sixty-one.

Construc-
tion, short
title and
extent.
39 & 40
Vict. c. 36.

31.—(1) Part I of this Act so far as it relates to duties of customs shall be construed as one with the Customs Consolidation Act, 1876, and so far as it relates to duties of excise shall be construed as one with the Acts which relate to the duties of excise and to the management of those duties.

(2) Part II of this Act shall be construed as one with the Income Tax Acts.

(3) Any reference in this Act to any other enactment shall be construed as a reference to that enactment as amended by any subsequent enactment, including this Act.

(4) In this Act the expression “the United Kingdom” does not include the Isle of Man.

(5) This Act may be cited as the Finance Act, 1932.

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

SCHEDULES.

A.D. 1932.

FIRST SCHEDULE.

Section 2.

CUSTOMS DUTIES ON COLONIAL SUGAR, MOLASSES, &C.**1. Sugar.**

Article.	Rates of Duty.	
	In the case of sugar accompanied by a quota certificate.	In any other case.
Sugar of a polarisation exceeding 99 degrees - - - the cwt.	<i>s. d.</i> 3 6·5	<i>s. d.</i> 4 8·2
Sugar of a polarisation exceeding 98 but not exceeding 99 degrees - the cwt.	2 7·2	3 8·2
Sugar of a polarisation not exceeding 76 degrees - - - the cwt.	1 4·2	1 10·8
Sugar of a polarisation exceeding—		
76° but not exceeding 77° - the cwt.	1 4·4	1 11·2
77° " " 78° - "	1 5·0	2 0·0
78° " " 79° - "	1 5·5	2 0·8
79° " " 80° - "	1 6·0	2 1·5
80° " " 81° - "	1 6·6	2 2·3
81° " " 82° - "	1 7·1	2 3·0
82° " " 83° - "	1 7·6	2 3·8
83° " " 84° - "	1 8·2	2 4·6
84° " " 85° - "	1 8·8	2 5·4
85° " " 86° - "	1 9·4	2 6·3
86° " " 87° - "	1 10·0	2 7·1
87° " " 88° - "	1 10·7	2 8·1
88° " " 89° - "	1 11·3	2 9·0
89° " " 90° - "	2 0·1	2 10·1
90° " " 91° - "	2 0·9	2 11·3
91° " " 92° - "	2 1·7	3 0·4
92° " " 93° - "	2 2·5	3 1·5
93° " " 94° - "	2 3·2	3 2·6
94° " " 95° - "	2 4·0	3 3·7
95° " " 96° - "	2 4·8	3 4·8
96° " " 97° - "	2 5·7	3 6·0
97° " " 98° - "	2 6·5	3 7·1

A.D. 1932.

—
1st SCH.
—cont.

In the foregoing table the expression "quota certificate" means a certificate issued by the Secretary of State certifying that the sugar in question forms part of the quantity of sugar which may be imported from the colonies and other countries to which section two of this Act applies at the lower of the rates of duty chargeable in respect of such sugar :

Provided that the quantity of sugar in respect of which quota certificates are issued shall not in the financial year ending the thirty-first day of March, nineteen hundred and thirty-three, exceed two hundred and seventy-five thousand tons, and shall not in any subsequent year during which section two of this Act remains in force exceed such a quantity as may be fixed by the Treasury after consultation with the Secretary of State.

2. *Molasses, &c.*

Articles.	Rate of duty.
	<u>s. d.</u>
Molasses (including all sugar and extracts from sugar which cannot be completely tested by the polariscope), if the sweetening matter contained therein—	
amounts to 70 per cent. or upwards - the cwt.	3 0
exceeds 50 per cent. but does not amount to 70 per cent. - - - the cwt.	2 2
does not exceed 50 per cent. - - - the cwt.	1 0½
Glucose—	
Solid - - - - - the cwt.	3 0
Liquid - - - - - the cwt.	2 2
Saccharin (including substances of a like nature or use) - - - - - the oz.	1 6½

SECOND SCHEDULE.

A.D. 1932.

Section 3.

EXCISE DUTIES ON SUGAR, MOLASSES, &C.

1. Sugar.

Article.	Rate of duty.	
	s.	d.
Sugar of a polarisation exceeding 99 degrees - the cwt.	4	7
Sugar of a polarisation exceeding 98 but not exceeding 99 degrees - - - - - "	3	7·1
Sugar of a polarisation not exceeding 76 degrees - - - - - "	1	10·2
Sugar of a polarisation exceeding—		
76 degrees but not exceeding 77 degrees - "	1	10·6
77 " " 78 " - "	1	11·4
78 " " 79 " - "	2	0·1
79 " " 80 " - "	2	0·9
80 " " 81 " - "	2	1·6
81 " " 82 " - "	2	2·3
82 " " 83 " - "	2	3·1
83 " " 84 " - "	2	3·9
84 " " 85 " - "	2	4·7
85 " " 86 " - "	2	5·5
86 " " 87 " - "	2	6·3
87 " " 88 " - "	2	7·3
88 " " 89 " - "	2	8·2
89 " " 90 " - "	2	9·3
90 " " 91 " - "	2	10·4
91 " " 92 " - "	2	11·5
92 " " 93 " - "	3	0·6
93 " " 94 " - "	3	1·6
94 " " 95 " - "	3	2·7
95 " " 96 " - "	3	3·8
96 " " 97 " - "	3	4·9
97 " " 98 " - "	3	6·0

A.D. 1932.

2ND SCH.
—cont.

2. *Molasses, &c.*

Article.	Rates of Duty.
Molasses (including all sugar and extracts from sugar which cannot be completely tested by the polariscope), if the sweetening matter contained therein—	s. d.
amounts to 70 per cent. or upwards - the cwt.	2 11
exceeds 50 per cent. but does not amount to 70 per cent. - - - - - the cwt.	2 1½
does not exceed 50 per cent. - - - - - the cwt.	1 0½
Glucose—	
Solid - - - - - the cwt.	2 11
Liquid - - - - - the cwt.	2 1½
Saccharin (including substances of a like nature or use) - - - - - the oz.	1 6

Section 4.

THIRD SCHEDULE.

SCALES OF DRAWBACK ON CERTAIN SUGAR AND MOLASSES.

1. SCALE APPLICABLE IN THE CASE OF SUGAR.

Degree of Polarisation.	Rate or amount of drawback.
Of a polarisation exceeding 99 degrees.	Where the rate of duty paid was 4s. 8·2d., 3s. 6·5d. or 4s. 7d. the cwt., a drawback at the same rate as the duty paid.
	Where a customs duty was paid on the higher scale at a rate less than 4s. 8·2d. the cwt., a drawback at the rate of 3s. 10·9d. the cwt.
	Where a customs duty was paid on the lower scale at a rate less than 3s. 6·5d. the cwt., a drawback at the rate of 2s. 9·2d. the cwt.
	Where an excise duty was paid at a rate less than 4s. 7d. the cwt., a drawback at the rate of 3s. 9¾d. the cwt.
	Where a customs duty was paid on the lower or higher scale, a drawback equal to the duty chargeable on sugar of the like polarisation in accordance with the scale on which duty was paid.
Of a polarisation not exceeding 99 degrees.	Where an excise duty was paid, a drawback equal to the excise duty chargeable on sugar of the like polarisation.

2. SCALE APPLICABLE IN THE CASE OF MOLASSES.

A.D. 1932.

Nature of Molasses.	Amount of Drawback.		
	Where Customs Duty paid on Higher Scale.	Where Customs Duty paid on Lower Scale.	Where Excise Duty paid.
	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>
If containing not more than 50 per cent. of sweetening matter and weighing not less than 14 pounds to the gallon.	0 11	0 8	0 11
If containing more than 50 per cent. but not more than 60 per cent. of sweetening matter.	1 4½	1 0	1 4½
If containing more than 60 per cent. but not more than 70 per cent. of sweetening matter.	1 10½	1 4	1 10
If containing more than 70 per cent. but not more than 80 per cent. of sweetening matter.	2 6½	1 9½	2 6
If containing more than 80 per cent. of sweetening matter.	2 11	2 0½	2 10

3RD SCH.
—cont.

In this Schedule—

The expression “the lower scale” means the scale of duties chargeable under the First Schedule to this Act in the case of sugar accompanied by a quota certificate;

The expression “the higher scale” means the scale of duties chargeable under the First Schedule to this Act in the case of sugar not accompanied by a quota certificate.

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