



Finance Act 1924

1924 CHAPTER 21

PART II

INCOME TAX AND INHABITED HOUSE DUTY

19 Income tax and super-tax for 1924-25

- (1) Income tax for the year 1924-25 shall be charged at the rate of four shillings and sixpence, and the rates of super-tax for that year shall, for the purposes of section four of the Income Tax Act, 1918, as amended by the Finance Act, 1920, be the same as those for the year 1923-24.
- (2) All such enactments relating to income tax and super-tax respectively as were in force with respect to the duties of income tax and super-tax granted for the year 1923-24, other than sections twenty, twenty-two, twenty-seven and thirty-one of the Finance Act, 1923, shall have full force and effect with respect to the duties of income tax and super-tax respectively granted by this Act.
- (3) The annual value of any property which has been adopted for the purpose of income tax under Schedules A and B for the year 1923-24 shall be taken as the annual value of that property for the same purpose for the year 1924-25:

Provided that this subsection shall not apply to lands, tenements, and hereditaments in the administrative county of London with respect to which the valuation list under the Valuation (Metropolis) Act, 1869, is, by that Act, made conclusive for the purposes of income tax.

20 Repeal of inhabited house duty

Inhabited house duty shall not be chargeable, in the case of Scotland, in respect of any year subsequent to the year ending on the twenty-fourth day of May, nineteen hundred and twenty-four, and elsewhere in respect of any year subsequent to the year 1923-24.

21 Increase of amount of deduction under ss.19 and 20 of Finance Act, 1920

The amount of the deduction to be allowed under section nineteen of the Finance Act, 1920, as amended by this Act and under section twenty of the Finance Act, 1920 (which sections provide respectively for deductions from assessable income in respect of relatives taking charge of widowers' and widows' children or acting as housekeepers, and for such deductions in respect of widowed mothers, &c), shall be increased from forty-five pounds to sixty pounds.

22 Extension of s. 19 of Finance Act, 1920

- (1) Section nineteen of the Finance Act, 1920, (which makes provision for a deduction in respect of relatives taking charge of widowers' or widows' children), shall be extended so as to apply to a person resident with a widower or widow in the capacity of housekeeper as it applies to a person resident with a widower or widow for the purpose of having the charge and care of children, and accordingly for subsection (1) of the said section from the beginning thereof down to the proviso there shall be substituted the following:—

“If the claimant proves that he is a widower and that for the year of assessment a person, being a female relative of his or of his deceased wife, is resident with him for the purpose of having the charge and care of any child of his or in the capacity of a housekeeper, or that he has no female relative of his own or of his deceased wife who is able and willing to take such charge or act in such capacity and that he has employed some other female person for the purpose he shall, subject as hereinafter provided, be entitled to a deduction of forty-five pounds in respect of that female relative or female person”;

and the following shall be added after proviso (b) to the said subsection—

“and

- (c) not more than one deduction of sixty pounds shall be allowed to any claimant under this section in any year.”

- (2) References in any enactment to the said section nineteen shall be construed as references to the said section as amended by this section.

23 Exemption of certain profits of agricultural societies

- (1) Any profits or gains arising to an agricultural society from an exhibition or show held for the purposes of the society shall, if they are applied solely to the purposes of the society, be exempt from income tax.
- (2) The expression "agricultural society" in this section means any society or institution established for the purpose of promoting the interests of agriculture, horticulture, live-stock breeding or forestry.

24 Amendment of subs. (3) of s.39 of Income Tax Act, 1918

Paragraph (ii) of the proviso to paragraph (b) of subsection (3) of section thirty-nine of the Income Tax Act, 1918 (which subsection provides for the exemption from tax of certain income of savings banks), shall have effect as though for the words " where the interest paid or " credited to any depositor in the year for which " exemption is claimed by the bank exceeds the sum " of five pounds" there were substituted the

words " where in the year for which exemption is claimed by " the bank, the interest paid or credited to any depositor " out of the income of its funds, other than interest " and dividends arising from investments with the " National Debt Commissioners, exceeds the sum of " fifteen pounds."

25 Amendment of Rule 8 of No.V in Schedule A

Rule 8 of No. V. in Schedule A shall have effect as if at the end of paragraph (2) thereof there were added the words " and shall also include additions or " improvements to farmhouses, farm buildings, or " cottages, but only if no increased rent is payable in " respect of the additions or improvements and in so " far as they are made in order to comply with the " provisions of any statute or the regulations or bye-" laws of a local authority."

26 Relief from tax assessed on income under Case V of Schedule D

The following rule shall be added after Rule 3 of the Rules applicable to Case V. of Schedule D :—

Where a person who has been charged with tax in respect of income from a possession out of the United Kingdom proves that the total amount of tax, computed in accordance with Rule 1 of the Rules applicable to Cases I and II of Schedule D, which was paid in respect of that income for the first three complete years of assessment during which he was the owner of the possession, exceeds the total amount which would have been paid if he had been assessed for each of those years on the actual amount of the income of each year, he shall be entitled to repayment of the excess.

An application for repayment under this Rule shall be made within twelve months after the end of the three years aforesaid and shall be determined by the Commissioners by whom the assessment for the last of the said three years was made."

27 Right of appeal on questions of domicile, ordinary residence and residence

- (1) Any person who is aggrieved by the decision of the Commissioners of Inland Revenue on any question to which this section applies may, by notice in writing to that effect given to the Commissioners of Inland Revenue within three months from the date on which notice of the decision is given to him, make an application to have his claim for relief heard and determined by the Special Commissioners.
- (2) Where any application is made under this section, the Special Commissioners shall hear and determine the claim in like manner as an appeal made to them against an assessment under Schedule D, and all the provisions of the Income Tax Acts relating to such an appeal (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 any necessary modifications.
- (3) This section applies to the following questions :—
 - (a) any question as to ordinary residence arising under subsection (1) of section forty-six of the Income Tax Act, 1918:

Status: This is the original version (as it was originally enacted).

- (b) any question as to domicile or ordinary residence arising under paragraph (a) of Rule 2 of the Rules applicable to Case IV of Schedule D, or under paragraph (a) of Rule 3 of the Rules applicable to Case V of Schedule D:
- (c) any question as to residence arising—
 - (i) under paragraph (d) of Rule 2 of the General Rules applicable to Schedule C; or
 - (ii) under Rule 7 of the Miscellaneous Rules applicable to Schedule D in connection with a claim for repayment of income tax made to the Commissioners of Inland Revenue by the person owning the stocks, funds, shares or securities and entitled to the income arising therefrom, or entitled to the annuities, pensions or other annual sums, as the case may be, and from whose income a deduction has been made on account of the income tax assessed and charged under the said Rule.

28 Income tax on war bonus, & c

For the purposes of any assessment to income tax for any year which is made on or after, or has not become final and conclusive before, the thirtieth day of April, nineteen hundred and twenty-four, or of any deduction on account of income tax for any year, any increase of or addition to any salary, remuneration, pension, annuity or stipend by way of war bonus, and any other like temporary increase or addition granted in order to meet the rise in the cost of living, shall be, and shall be deemed always to have been, chargeable to tax as salary, remuneration, pension, annuity or stipend, as the case may be, and not as perquisites under Rule 4 of the Rules applicable to Schedule E or under the fourth of the Rules for charging the duties under Schedule E in section one hundred and forty-six of the Income Tax Act, 1842.

29 Rate of tax at which repayments in respect of deduction or allowance under Part II of Finance Act, 1920, are to be made

Any repayment of income tax for any year of assessment, whether ending before or after the thirtieth day of April, nineteen hundred and twenty-four, to which any person may be entitled in respect of any deduction allowed under sections eighteen to twenty-two of the Finance Act, 1920," or in respect of the reduction of the rate of tax on the first two hundred and twenty-five pounds of taxable income under section twenty-three of that Act, shall be made at the standard rate of tax for that year, or at half that rate, as the case may be, but subject to such adjustments as may be proper in cases where relief is given in respect of Dominion income tax:

Provided that, in the case of any person who proves as regards any year that, by reason of the deductions to which he is entitled, he has no taxable income for that year, any repayment to be made shall be a repayment of the whole amount of the tax paid by him, whether by deduction or otherwise, in respect of his income for that year.

30 Power to recover summarily small amounts of income tax

- (1) Where the amount of any income tax for the time being due and payable under any assessment is less than fifty pounds, the tax may, without prejudice to any other remedy and without prejudice to the provision for recovery of income tax assessed and charged quarterly, be recoverable summarily as a civil debt, and section twenty-nine of the Finance Act, 1921 (which relates to evidence of payment of wages in proceedings

under subsection (2) of section one hundred and sixty-nine of the Income Tax Act, 1918, for the recovery of income tax), shall apply in the case of proceedings under this section as it applies in the case of proceedings under that section and as if references therein to wages included references to salaries, fees and other emoluments.

(2) Proceedings under this section shall be commenced in the name of a collector of taxes.

31 Extension of s. 18 of Finance Act, 1923

Section eighteen of the Finance Act, 1923 (which makes provision for the granting of relief in cases where profits arising from the business of shipping are chargeable both to British income tax and to income tax payable under the law in force in any foreign state), shall have effect as if references therein to a foreign state included references to any British Dominion, any territory which is under His Majesty's protection, and any territory in respect of which a mandate is being exercised by the Government of any part of His Majesty's Dominions.

32 Continuation of s. 21 of Finance Act, 1923

Section twenty-one of the Finance Act, 1923 (which grants an exemption for charities in the Irish Free State in respect of income tax for the year 1923-24), shall apply with respect to income tax chargeable for the year 1924-25 as it applied with respect to income tax chargeable for the year 1923-24.

33 Explanation of income tax deduction to be annexed to dividend warrants, &c

(1) Every warrant or cheque or other order drawn or made, or purporting to be drawn or made, after the thirtieth day of November, nineteen hundred and twenty-four, in payment of any dividend or interest distributed by any company, being a company within the meaning of the Companies (Consolidation) Act, 1908, or a company created by letters patent or by or in pursuance of an Act of Parliament, shall have annexed thereto or be accompanied by a statement in writing showing—

- (a) the gross amount which, after deduction of the income tax appropriate thereto, corresponds to the net amount actually paid; and
- (b) the rate and the amount of income tax appropriate to such gross amount; and
- (c) the net amount actually paid.

(2) If a company fails to comply with the provisions of this section, the company shall, in respect of each offence, incur a penalty of ten pounds :

Provided that the aggregate amount of any penalties imposed under this section on any company in respect of offences connected with any one distribution of dividends or interest shall not exceed one hundred pounds.