



Finance Act 1931

1931 CHAPTER 28

PART II

INCOME TAX

5 **Income Tax for 1931-32**

- (1) Income tax for the year 1931-32 shall be charged at the standard rate of four shillings and sixpence 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.
- (2) All such enactments as had effect with respect to the income tax charged for the year 1930-31 shall (subject to such of the provisions contained in the Finance Act, 1930, with respect to income tax as did not take effect with respect to the income tax charged for the year 1930-31) have effect with respect to the income tax charged for the year 1931-32.

6 **Higher rates of income tax for 1930-31**

Income tax for the year 1930-31 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 the amounts specified in the second column of the following Table :—

TABLE.

In respect of the first five hundred pounds of the excess.	One shilling.
In respect of the next five hundred pounds of the excess.	One shilling and threepence.
In respect of the next one thousand pounds of the excess.	Two shillings.

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In respect of the next one thousand pounds of the excess.	Three shillings.
In respect of the next one thousand pounds of the excess.	Three shillings and sixpence.
In respect of the next two thousand pounds of the excess.	Four shillings.
In respect of the next two thousand pounds of the excess.	Five shillings.
In respect of the next five thousand pounds of the excess.	Five shillings and sixpence.
In respect of the next five thousand pounds of the excess.	Six shillings.
In respect of the next ten thousand pounds of the excess.	Six shillings and sixpence.
In respect of the next twenty thousand pounds of the excess.	Seven shillings.
In respect of the remainder of the excess.	Seven shillings and sixpence.

7 Construction of Rule 20 of General Rules

- (1) The provisions of Rule 20 of the General Rules, which authorise the deduction of the appropriate tax from any dividend paid by a body of persons, shall, in relation to a dividend paid by any body of persons, whether before or after the commencement of this Act, be construed as authorising the deduction of tax from the full amount paid out of profits and gains of the said body which have been charged to tax or which, under the provisions of the Income Tax Acts, would fall to be included in computing the liability of the said body to assessment to tax for any year if the said provisions required the computation to be made by reference to the profits and gains of that year and not by reference to those of any other year or period.
- (2) Subject as hereinafter provided, a dividend paid by a body of persons, whether before or after the commencement of this Act, shall, to the extent to which it is paid out of such profits and gains as are mentioned in subsection (1) of this section, be deemed, for all the purposes of the Income Tax Acts, to represent income of such an amount as would, after such deduction of tax as is authorised by the provisions of the said Rule 20, be equal to the net amount received :

Provided that the provisions of this subsection shall not apply to a preference dividend to which section twelve of the Finance Act, 1930, applies, and shall have effect subject to the provisions of subsection (3) of that section.

8 Amendment as to payment of tax, by instalments

Subsection (2) of section one hundred and fifty-seven of the Income Tax Act, 1918 (which provides that in the cases to which that subsection applies income tax shall be payable in two equal instalments), shall have effect as if for the words “two equal instalments,” the first on or before the first day of January in that “year, or on such other day as aforesaid, and the second ” on or before the following first day of July “there were substituted the following words,” two instalments, “the first, being an

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amount equal to three-quarters of the tax, on or before the first day of January in that year, or on such other day as aforesaid, and the second, “being an amount equal to one quarter of the tax, on or before the following first day of July.”

9 Extension of s. 18 of 13 & 14 Geo. 5. c. 14 to profits from business of air transport

Section eighteen of the Finance Act, 1923 (which gives relief from double taxation in the case of profits arising from the business of shipping), shall apply in relation to profits or gains arising from the business of air transport as it applies in relation to profits or gains arising from the business of shipping, and accordingly the said section shall have effect as if—

- (1) in paragraph (a) of subsection (1) thereof, after the words “from the business of shipping,” there were inserted the words “or from the business of air transport” ; and
- (2) after the word “ships,” in subsection (4) thereof, there were inserted the words “and the expression 'business of air transport' means the " business carried on by an owner of aircraft.”