



Finance Act 1944

1944 CHAPTER 23

PART III

INCOME TAX (CHARGE OF TAX AND MISCELLANEOUS).

19 Income tax for 1944-45.

- (1) Income tax for the year 1944-45 shall be charged at the standard rate of ten shillings in the pound, and in the case of an individual whose total income exceeds one thousand five hundred pounds, at such higher rates in respect of the excess over one thousand five hundred pounds as Parliament may hereafter determine.
- (2) Subject to the provisions of the Income Tax (Employments) Act, 1943, and the Income Tax (Offices and Employments) Act, 1944 all such enactments as had effect with respect to the income tax charged for the year 1943-44, other than such enactments as by their terms relate only to tax for that year, shall have effect with respect to the income tax charged for the year 1944-45.

20 Higher rates of income tax for 1943-44.

Income tax for the year 1943-44 shall be charged at rates exceeding the standard rate in the case of individuals whose total incomes exceed two thousand pounds and in respect of the excess of their total incomes over that sum ; and the said rates shall be rates in the pound which respectively exceed the standard rate for the year 1943-44 by the amounts specified in the second column of the Table in subsection (1) of section seven of the Finance (No. 2) Act, 1940.

21 Extension to 1944-45 of s. 11 of Finance (No. 2) Act, 1939.

Section eleven of the Finance (No. 2) Act, 1939 (which grants relief in respect of diminution of earned income owing to circumstances directly or indirectly connected with the present war) shall apply in relation to tax for the year 1944-45 as it applied in relation to tax for the year 1939-40, with the adaptation that references to the year

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

1939-40 shall be construed as references to the year 1944-45 and references to the year 1938-39 shall be construed as references to the year 1943-44.

22 Increased house allowance to clergymen and ministers.

In sub-paragraph (b) of paragraph (i) of Rule 2 of the General Rules (which provides, in the case of a clergyman or minister of any religious denomination, for the deduction from any profits, fees or emoluments of his profession or vocation of a part, not exceeding one-eighth, of the rent or annual value of a dwelling-house any part of which is used mainly and substantially for the purposes of his duty as a clergyman or minister) for the words " one-eighth " there shall be substituted the words " one-quarter. "

23 Amendment of s. 24 of Finance Act, 1920.

- (1) For the purposes of the proviso to subsection (1) of section twenty-four of the Finance Act, 1920 (which provides for the granting of reliefs from income tax to certain individuals not resident in the United Kingdom, subject to certain limitations on the amount of the relief) Dominion income tax relief shall be left out of account in computing—
 - (a) the amount of the income tax payable by an individual; and
 - (b) the amount which would be payable by him by way of income tax if the tax were chargeable on his total income from all sources, including income which is not subject to income tax charged in the United Kingdom.
- (2) In this section the expression " Dominion income tax relief " means the relief provided for by section twenty-seven of the Finance Act, 1920.

24 Sale of copyrights for lump sum.

- (1) Where—
 - (a) the author of a literary, dramatic, musical or artistic work assigns the copyright therein wholly or partially or grants any interest in the copyright by licence ; and
 - (b) the consideration for the assignment or grant consists wholly or partially of a lump sum payment the whole amount of which would, but for this section, be included in computing the amount of his profits or gains for a single year of assessment; and
 - (c) the author was engaged on the making of the work for a period of more than twelve months,

he shall be entitled to claim that effect shall be given to the subsequent provisions of this section in connection with that payment.
- (2) If the period for which he was engaged on the making of the work does not exceed twenty-four months, then, for all the purposes of the Income Tax Acts, one half only of the amount of the payment shall be treated as having become receivable on the date on which it actually became receivable, and the remaining half shall be treated as having become receivable twelve months before that date.
- (3) If the period for which he was engaged on the making of the work exceeds twenty-four months, then, for all the purposes of the Income Tax Acts, one third only of the amount of the payment shall be treated as having become receivable on the date on

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

which it actually became receivable, and one third shall be treated as having become receivable twelve months, and one third twenty-four months, before that date.

- (4) A claim under subsection (1) of this section must be made to the Commissioners of Inland Revenue not later than twelve months from the end of the year of assessment mentioned in that subsection, and section nineteen of the Finance Act, 1925 (which relates to the making and allowing of claims for certain reliefs and to rights of appeal), shall apply in relation to claims under the said subsection (1) as it applies in relation to the claims mentioned in that section.
- (5) Where, on a claim made under this section, liability to tax falls to be adjusted in accordance with subsection (2) or subsection (3) of this section, such additional assessments, reductions of assessments and repayments shall be made as are necessary to give effect to the provisions of this section.
- (6) In this section, the expression " author " includes a joint author, and the expression " lump sum payment " includes an advance on account of royalties which is not returnable.

25 Maintenance orders.

- (1) In this section, the expression " small maintenance payments " means payments under an order made by a court in the United Kingdom—
 - (a) to or for the benefit of a woman for her maintenance ; or
 - (b) to any person for the benefit of, or for the maintenance or education of, a person under sixteen years of age,being payments which—
 - (i) are for the time being required by the order (whether as originally made or as varied) to be made weekly at a rate not exceeding two pounds a week in the first-mentioned case and not exceeding one pound a week in the last-mentioned case ; and
 - (ii) would, apart from this section, fall within Rule 19 or Rule 21 of the General Rules (which provide for the deduction of tax from interest, annuities and other annual payments) ;and the expression " small maintenance order " means an order providing for the making of small maintenance payments.
- (2) Notwithstanding anything in Rule 19 or Rule 21 of the General Rules, the following payments shall be made without deduction of tax, that is to say,—
 - (a) any small maintenance payment under an order made after the passing of this Act; and
 - (b) any small maintenance payment falling due after the fifth day of April, nineteen hundred and forty-five, under an order made before the passing of this Act.
- (3) Any sums paid in or towards the discharge of payments required by this section to be made without deduction of tax shall be chargeable under Case III of Schedule D as if they were mentioned in Rule 1 of the Rules applicable to that Case, but the tax shall be computed in all cases" on the payments falling due in the year of assessment, so far as paid in that or in any other year.
- (4) A claimant shall be entitled, in computing his total income for any year of assessment for any of the purposes of the Income Tax Acts, to deduct sums paid by him in

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

or towards the discharge of any such small maintenance payments required by this section to be made without deduction of tax as fall due in that year, and effect shall be given to this deduction by reducing any assessment made on him or by repayment, as the case may require ; and for the purposes of section seventeen of the Income Tax Act, 1918 (which provides that relief is not to be given in respect of charges on income) any amount which can be deducted under this subsection in computing the total income of a person shall be treated as if it were income the tax on which that person is entitled to charge against another person.

- (5) Where a court—
- (a) make a small maintenance order ; or
 - (b) vary an order so that it becomes or ceases to be a small maintenance order; or
 - (c) change the persons who are entitled to small maintenance payments ;
- the court shall furnish to the Commissioners of Inland Revenue, in such form as those Commissioners may prescribe, particulars of the order or variation, as the case may be, the names of the persons affected by the order and, so far as known to the court, the addresses of those persons.
- (6) In this section, the expression " persons affected ", in relation to a small maintenance order, means the person liable to make the payments under the order and any person for the time being entitled to the payments, references to the making of an order include references to the revival of an order, and references to the variation of an order include references to the making of an order changing the persons entitled to the payments thereunder.

26 Simplification of procedure.

- (1) The provisions of this section shall have effect as respects—
 - (a) the year 1945-46 and subsequent years of assessment ; and
 - (b) any additional assessment for the year 1944-45 or any previous year signed or signed and allowed after the fifth day of April, nineteen hundred and forty-five.
- (2) Section one hundred and eighteen of the Income Tax Act, 1918 (which relates to the entry in books of abstracts of particulars contained in lists and statements) shall not have effect except in relation to assessments under Schedule A.
- (3) In subsection (1) of section one hundred and twenty-two of the Income Tax Act, 1918 (which requires the Additional Commissioners to cause certificates of assessments to be made out and entered in books provided for the purpose) for the words , " made out and entered " there shall be substituted the word " embodied ".
- (4) So much of sub-paragraph (2) of paragraph 7 of Part I of the Tenth Schedule to the Finance Act, 1942, as relates to the numbering of pages in each book of assessment and adding up the sums on each page shall not have effect except in relation to assessments under Schedule A.
- (5) All notices of assessment under Schedules B and D shall be prepared and issued by the surveyor.
- (6) The proviso to sub-paragraph (3) of paragraph 7 of Part I of the Tenth Schedule to the Finance Act, 1942 (which relates to the preparation in the division of the City of London of particulars of sums to be collected) shall not have effect except in relation to assessments under Schedule A.