

Finance Act, 1946

15 of 1946

[27 June 1946]

CONTENTS

PART 1 :- Income Tax

1. Income Tax And Sur-Tax For The Year 1946-47
2. Repeal Of Rule 8 Of Rules Applicable To Schedule E Of The Income Tax Act, 1918
3. Amendment Of Section 3 Of The Finance Act, 1925
4. Provisions As To Carrying Forward Of Losses Under Section 14 Of The Finance Act, 1929
5. Allowance For Scientific Research
6. Allowance For Mining Development

PART 2 :- Customs and Excise

7. Alteration Of Rates Of Duties On Spirits
8. Alteration Of Rates Of Customs Duties On Wine
9. Abolition Of Duties On Sugar And Molasses And Reimposition Of Existing Duties On Glucose And Saccharin
10. Reduction Of Duties On Mineral Hydrocarbon Light Oil
11. Reduction Of Duties On Hydrocarbon Oil
12. Reduction Of Cinematograph Film Duty On Copies Of Certain Films
13. Abolition Of Entertainments Duty On Admission To Balls And Dances
14. Exemption From Customs Duties Of Goods Brought From Abroad To Customs-Free Airports.
15. Exemption Or Gifts Of Food From Minimum Charge Of Customs Duty
16. Exemption Of Certain Packages From Customs Duty On Packages
17. Exemption From Customs Duty Of Goods Supplied As Gifts Or On Loan To The Irish Red Cross Society By Foreign Red Cross Organisations
18. Exemptions From Duty For Certain Air Services
19. Exemption From Payment Of Customs Duty Of Articles Required For Rescue, Salvage And Repair Of Damaged Aircraft Registered In Another State
20. Amendment Of Sections 93, 102 And 104 Of The Spirits Act, 1880, And Of Part B Of The First Schedule To The Finance (1909-

10) Act, 1910

21. Amendment Of Section 2 Of The Refreshment Houses (Ireland) Act, 1860

22. Amendment Of Section 26 Of The Finance Act, 1932

23. Fraudulent Removal, Etc., Of Goods With Intent To Evade Excise Duties

PART 3 :- Corporation Profits Tax

24. Assessment Of Corporation Profits Tax In Respect Of Accounting Periods Ending On Or After 1st January 1941

25. Amendment Of Section 37 Of The Finance Act, 1941, And Section 14 Of The Finance Act, 1942

26. Construction Of Part Iii

PART 4 :- Miscellaneous and General

27. Form Of Execution Order In Certain Revenue Cases

28. Interest On Deposits In Post Office Savings Bank

29. Interest On Deposits In Trustee Savings Banks

30. Transition Development Fund

31. Repeals

32. Care And Management Of Taxes And Duties

33. Short Title, Construction And Commence-Ment

SCHEDULE 1 :- FIRST SCHEDULE

SCHEDULE 2 :- SECOND SCHEDULE

SCHEDULE 3 :- THIRD SCHEDULE

SCHEDULE 4 :- FOURTH SCHEDULE

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AN ACT TO CHARGE AND IMPOSE CERTAIN DUTIES OF CUSTOMS AND INLAND REVENUE (INCLUDING EXCISE), TO AMEND THE LAW RELATING TO CUSTOMS AND INLAND REVENUE (INCLUDING EXCISE) AND TO MAKE FURTHER PROVISIONS IN CONNECTION WITH FINANCE. BE IT ENACTED BY THE OIREACHTAS AS FOLLOWS:-

PART 1 Income Tax

1. Income Tax And Sur-Tax For The Year 1946-47 :-

(1) Income tax shall be charged for the year beginning on the 6th

day of April, 1946, at the rate of six shillings and sixpence in the pound.

(2) Sur-tax (other than excess sur-tax) for the year beginning on the 6th day of April, 1946, shall be charged in respect of the income of any individual the total of which from all sources exceeds one thousand five hundred pounds and shall be so charged at the same rates as those at which it is charged for the year beginning on the 6th day of April, 1945.

(3) Where the total income, within the meaning of section 5 of the Finance Act, 1941 (No. 14 of 1941), of any individual for the year beginning on the 6th day of April, 1946, exceeds one thousand five hundred pounds and includes any such profits as are mentioned in the said section 5, an additional duty of sur-tax (in this section referred to as excess sur-tax) shall be charged for the said year beginning on the 6th day of April, 1946, at the rate of seven shillings and sixpence in the pound in respect of so much of the said income as is made chargeable therewith by subsection (1) of the said section 5 as modified and applied by the subsequent provisions of this section.

(4) The several statutory and other provisions which were in force on the 5th day of April, 1946, in relation to income tax and sur-tax (including excess sur-tax) shall, subject to the provisions of this Act, have effect in relation to the income tax and sur-tax (including excess sur-tax) to be charged as aforesaid for the year beginning on the 6th day of April, 1946.

(5) In the application (by virtue of the next preceding subsection of this section) of Part II of the Finance Act, 1941 (No. 14 of 1941), to the excess sur-tax to be charged as aforesaid for the year beginning on the 6th day of April, 1946, the said Part II shall have effect with and subject to the following modifications, that is to say:-

(a) the expression "the 6th day of April, 1946," shall be substituted for the expression "the 6th day of April, 1941," wherever that expression occurs in the said Part II;

(b) in paragraph (b) of subsection (3) of section 7 of the said Act, the expression "the 5th day of April, 1947," shall be substituted for the expression "the 5th day of April, 1942," and the word "ten" shall be substituted for the word "five" and the expression "the 5th day of April, 1946," shall be substituted for the expression "the 5th day of April, 1941".

2. Repeal Of Rule 8 Of Rules Applicable To Schedule E Of

The Income Tax Act, 1918 :-

Rule 8 of the Rules applicable to Schedule E of the Income Tax Act, 1918, is hereby repealed.

3. Amendment Of Section 3 Of The Finance Act, 1925 :-

Section 3 (which relates to exemption of certain military pensions and gratuities) of the Finance Act, 1925 (No. 28 of 1925), is hereby amended by the insertion therein of the following subsection in lieu of subsection (2) now (by virtue of section 6 of the Finance Act, 1944 (No. 18 of 1944)) contained in the said section 3 , that is to say-

"(2) The wounds and disabilities pensions to which section 16 of the Finance Act, 1919, applies shall include and be deemed always to have included all wound and disability pensions granted under the Army Pensions Acts, 1923 to 1946, and all gratuities in respect of wounds or disabilities similarly granted, and the said section 16 shall be construed and have effect accordingly."

4. Provisions As To Carrying Forward Of Losses Under Section 14 Of The Finance Act, 1929 :-

(1) This section applies to any case in which-

(a) section 14 of the Finance Act, 1929 (No. 32 of 1929), authorises a loss or any portion of a loss sustained by any person in any trade, profession or vocation carried on by him to be carried forward and, as far as may be, deducted from or set-off against the amount of profits or gains on which he is assessed under Schedule D of the Income Tax Act, 1918, in respect of that trade, profession or vocation for the six following years of assessment (in this section referred to as the six years period), and

(b) the six years period includes any one or more of the years of assessment in the period which began on the 6th day of April, 1939, and ended on the 5th day of April, 1946.

(2) The six years period shall, in any case to which this section applies be extended and be deemed always to have been extended by the addition thereto of such a number of years of assessment immediately following the six years period as is equal to the number of years of assessment which-

(a) fell within the period which began on the 6th day of April, 1939, and ended on the 5th day of April, 1946, and

(b) were subsequent to the year of assessment in which the loss

was sustained.

5. Allowance For Scientific Research :-

(1) In this section-

the expression "scientific research" means any activities in the fields of natural or applied science for the extension of knowledge;

the word "asset" includes a part of an asset;

the expression "expenditure on scientific research" does not include any expenditure incurred in the acquisition of rights in, or arising out of, scientific research.

(2) Where a person carrying on a trade either-

(a) incurs, on or after the 6th day of April, 1946, non-capital expenditure on scientific research relating to the trade, or

(b) pays, on or after that date, any sum to a body carrying on scientific research and approved for the purposes of this section by the Minister for Finance or to an Irish university, in order that such body or university may undertake scientific research relating to the trade, then, the expenditure so incurred or the sum so paid shall be deducted as an expense in computing the profits or gains of the trade.

(3) Where-

(a) on or after the 6th day of April, 1946, a person incurs capital expenditure on scientific research, and

(b) either-

(i) he is then carrying on a trade to which such expenditure relates, or

(ii) he subsequently sets up and commences a trade which is related to such research, and

(c) he applies to the inspector of taxes for an allowance under this subsection in respect of the said expenditure, and

(d) he so applies-

(i) in case the expenditure was incurred by him while carrying on the trade, within twelve months after the end of the year of assessment in which it was incurred, or

(ii) in case the expenditure was incurred by him before the setting up and commencement of the trade, within twelve months after the end of the year of assessment in which the trade was set up and commenced,

then, subject to the provisions of this section, there shall be allowed as a deduction in charging the profits or gains of the trade for the year of assessment mentioned in whichever of

subparagraphs (i) and (ii) of paragraph (d) of this subsection is applicable, and for each of the four following years of assessment, a sum equal to one-fifth of the amount of the expenditure.

(4) Where an asset, representing capital expenditure on scientific research, ceases at any time from any cause whatever to be used for such research, relating to the trade carried on by the person who incurred the expenditure, then-

(a) no allowance under this section in respect of that expenditure shall be made for any year of assessment after that in which the cessation takes place;

(b) if the total of the following, namely, the allowances already made under this section in respect of that expenditure and the value of the asset immediately before the cessation, is less than the said expenditure, there shall be allowed as a deduction in charging the profits or gains of the trade for the year of assessment in which the cessation takes place an additional allowance equal to the amount of the deficiency;

(c) if the said total exceeds the said expenditure, the amount of the excess or the total of the allowances so made, whichever is the less, shall be treated as a trading receipt of the trade accruing immediately before the cessation;

(d) in the application of Rule 6 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, to a claim in respect of the asset for any year of assessment after that in which the cessation takes place, the actual cost of the asset shall be treated as being reduced by the total of the allowances granted in respect of the asset under this section; and

(e) in the application of Rule 7 of the said Rules to any such claim, the cost of the asset shall be treated as being reduced by the said total.

(5) Where an allowance under this section is granted to a person for any year of assessment in respect of expenditure represented wholly or partly by assets, then, for that year of assessment-

(a) no deduction in respect of those assets shall be allowed to that person under Rule 6 or Rule 7 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, or under section 18 of the Finance Act, 1919, or under section 3 of the Finance Act, 1942 (No. 14 of 1942), or under section 8 of the Finance Act, 1944 (No. 18 of 1944), and

(b) paragraph (2) of Rule 5 of the said Rules shall have effect as regards those assets as if the proviso to the said paragraph were omitted therefrom.

(6) Paragraph (3) of Rule 6 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, and section 4 of the Finance Act, 1937 (No. 18 of 1937), shall apply in relation to an allowance under subsection (3) of this section as they apply in relation to deductions in respect of wear and tear of plant and machinery.

(7) For the purposes of this section expenditure shall not be regarded as incurred by a person in so far as it is, or is to be, met directly or indirectly out of moneys provided by the Oireachtas or by any person other than the first-mentioned person.

(8) The same expenditure shall not be taken into account for any of the purposes of this section in relation to more than one trade.

6. Allowance For Mining Development :-

(1) In this section-

the word "mine" means an underground excavation made for the purpose of getting minerals;

references to capital expenditure incurred in connection with a mine shall be construed as references to capital expenditure incurred-

(a) in the development of the mine on searching for or on discovering and testing mineral deposits or winning access thereto, or

(b) on the construction of any works which are of such a nature that when the mine has ceased to be operated they are likely to have so diminished in value that their value will be little or nothing, but as excluding references to-

(c) any expenditure on the acquisition of the site of the mine or of the site of any such works or of rights in or over any such site, or

(d) any expenditure on the acquisition of, or of rights over, the deposits, or

(e) any expenditure on works constructed wholly or mainly for subjecting the raw product of the mine to any process except a process designed for preparing the raw product for use as such; references to assets representing capital expenditure incurred in connection with a mine shall-

(a) be construed as including, in relation to expenditure on searching for, discovering and testing deposits, references to any information or other results obtained from any search, exploration or enquiry upon which the expenditure was incurred, and

(b) be construed as also including references to any part of such assets, and

(c) be construed as also including, in the case of any such assets destroyed or damaged, references to any insurance moneys or other compensation moneys in respect of such destruction or damage.

(2) Expenditure shall not, for the purposes of this section, be regarded as having been incurred by a person carrying on the trade of working a mine in so far as it has been or is to be met directly or indirectly out of moneys provided by the Oireachtas or by any other person (not being a person who has carried on the trade of working that mine).

(3) Any person, who carries on the trade of working a mine and who has, on or after the 6th day of April, 1946, incurred any capital expenditure in connection with the said mine, may apply for the grant of an allowance (in this section referred to as a mine development allowance) in respect of such capital expenditure.

(4) Application for a mine development allowance for any year of assessment may be made to the inspector of taxes not later than twelve months after the end of such year.

(5) The following provisions shall have effect in relation to the amount of a mine development allowance for any year of assessment in respect of any capital expenditure incurred in connection with a mine-

(a) the inspector of taxes shall estimate to the best of his judgment the life (in this subsection referred to as the estimated life) of the deposits, but shall not estimate such life at more than twenty years,

(b) the inspector of taxes shall then estimate the amount of the difference (in this subsection referred to as the estimated difference) between the said capital expenditure and the amount which, in his opinion, the assets representing the said capital expenditure are likely to be worth at the end of the estimated life,

(c) the said inspector shall, subject to the provisions of this section, allow, as the mine development allowance for the said year of assessment, an amount equal to a sum which bears to the estimated difference the same proportion as the length of the said year of assessment bears to the length of the estimated life,

(d) if the said capital expenditure was incurred during the said year of assessment, then the said year of assessment shall, for the purposes of paragraph (c) of this subsection, be taken to comprise so much only of the said year of assessment as is subsequent to the date on which the said capital expenditure was incurred.

(6) A mine development allowance to any person carrying on the

trade of working a mine shall be made as a deduction in charging the profits or gains of that trade and paragraph (3) of Rule 6 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, and section 4 of the Finance Act, 1937 (No. 18 of 1937), shall apply in relation to the allowance as they apply in relation to deductions for wear and tear of plant and machinery.

(7) A mine development allowance shall not be granted in respect of any capital expenditure incurred in connection with a mine in any case where the asset representing such capital expenditure is an asset in respect of which a deduction could be claimed under Rule 6 or Rule 7 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918; or is allowable under section 3 of the Finance Act, 1942 (No. 14 of 1942), or under section 8 of the Finance Act, 1944 (No. 18 of 1944).

(8) Where a mine development allowance for any year of assessment has been granted in respect of capital expenditure incurred in connection with a mine, then, for that year of assessment-

(a) paragraph (2) of Rule 5 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, shall have effect as regards any asset which represents the said capital expenditure as if the proviso to the said paragraph (2) were omitted therefrom, and

(b) section 18 of the Finance Act, 1919, shall not apply as respects any such asset.

(9) Any capital expenditure incurred, on or after the 6th day of April, 1946, in connection with a mine by a person about to carry on the trade of working the said mine but before commencing such trade shall, for the purposes of this section, be treated as if it had been incurred on the first day of the commencement of such trade.

(10) Where mine development allowances in respect of capital expenditure incurred in connection with a mine have been granted and the mine has finally ceased to be operated-

(a) the inspector of taxes shall review the said mine development allowances,

(b) if, on such review, it appears that the amount of the difference (in this subsection referred to as the said difference) between the said capital expenditure and the amount which the assets, representing the said capital expenditure at such cessation, were worth at such cessation exceeds the total of the said mine development allowances, then further mine development allowances totalling in amount the excess may be granted for any

year of assessment (being the year in which the said mine has finally ceased to be operated or any previous year) so however that the total of such further mine development allowances shall not amount to more than the said excess, and if necessary effect may be given to this paragraph by way of repayment,

(c) if, on such review, it appears that the said difference is less than the total of the said mine development allowances, then, the deficiency or the total of the said mine development allowances, whichever is the less, shall be treated as a trading receipt of the trade of working the said mine accruing immediately before such cessation.

(11) Where the person (in this subsection referred to as the vendor) carrying on the trade of working a mine sells to any other person (not being a person who succeeds the vendor in the said trade) any asset representing capital expenditure incurred in connection with the said mine and by reference to which mine development allowances have been granted, the following provisions shall have effect-

(a) if the total of the said mine development allowances when added to the sum realised on the sale of the said asset is less than the said capital expenditure, by any amount (in this subsection referred to as the unexhausted allowance), then, further mine development allowances may be granted to the vendor in respect of any year of assessment (being the year of such sale or any previous year), so however that the total of such further mine development allowances shall not exceed the unexhausted allowance,

(b) if the total of the said mine development allowances when added to the sum realised on the sale of the said asset exceeds the said capital expenditure, then, the amount of such excess or the said total of the mine development allowances, whichever is the less, shall be treated as a trade receipt of the said trade accruing immediately before the said sale.

(12) Where-

(a) mine development allowances in respect of capital expenditure incurred in connection with a mine have been granted to a person (in this subsection referred to as the original trader) carrying on the trade of working the mine, and

(b) another person (in this subsection referred to as the successor) succeeds to the said trade, mine development allowances may continue to be granted in respect of the said capital expenditure to the successor, but in no

case shall the amount of such allowances exceed the amount to which the original trader would have been entitled if he had continued to carry on the said trade.

(13) Where-

(a) deductions for wear and tear have been allowed under Rule 6 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, in respect of any plant or machinery used for the purposes of a mine in relation to which mine development allowances have been granted, and

(b) the mine has finally ceased to be operated,

the provision of subsection (10) of this section shall apply as if such plant and machinery were assets representing capital expenditure incurred in connection with the mine and as if any allowance or deduction made under the Income Tax Acts in respect of such plant or machinery were a mine development allowance.

(14) An appeal to the Special Commissioners shall lie on any question arising under this section in like manner as an appeal would lie against an assessment and the provisions of the Income Tax Acts relating to appeals shall apply and have effect.

PART 2 Customs and Excise

7. Alteration Of Rates Of Duties On Spirits :-

(1) The Finance Act, 1920, as amended by section 7 of the Finance (No. 2) Act, 1939 (No. 33 of 1939), shall, as on and from the 9th day of May, 1946, be amended by the substitution in Part I of the First Schedule to the said Finance Act, 1920, of the matter set out in the First Schedule to this Act for the matter inserted therein by the said section 7, and subsection (1) of section 3 of the said Finance Act, 1920, shall have effect accordingly.

(2) The duty of excise imposed by subsection (2) of section 3 of the Finance Act, 1920, shall, as on and from the 9th day of May, 1946, be charged, levied and paid at the rate of four pounds and fifteen shillings the gallon (computed at proof) in lieu of the rate chargeable by virtue of subsection (2) of section 7 of the Finance (No. 2) Act, 1939 .

(3) Nothing in this section shall operate to relieve from or to prejudice or affect the additional customs duties or the additional excise duty in respect of immature spirits imposed by section 9 of the Finance Act, 1926 (No. 35 of 1926).

8. Alteration Of Rates Of Customs Duties On Wine :-

(1) In lieu of the customs duties in respect of wine imposed by section 6 of the Finance Act, 1930 (No. 20 of 1930), there shall (subject to the provisions of this section) be charged, levied and paid as on and from the 9th day of May, 1946, the following customs duties on all wine imported into the State, that is to say:-

(2) The provisions of section 8 of the Finance Act, 1919, shall apply to the duties imposed by this section with the substitution of the expression "the area of application of the Acts of the Oireachtas" for the expression "Great Britain and Ireland".

(3) For the purposes of this section wine rendered sparkling or effervescent and bottled in a bonded warehouse shall be deemed to be sparkling wine imported in bottle, and upon delivery for home consumption shall be charged with the duty imposed on sparkling wine by this section.

(4) Section 24 of the Finance Act, 1933 (No. 15 of 1933), shall not apply or have effect in relation to the customs duties imposed by this section.

(5) In this section the word "wine" includes the lees of wine.

9. Abolition Of Duties On Sugar And Molasses And Reimposition Of Existing Duties On Glucose And Saccharin

:-

(1) The customs duties chargeable in respect of sugar, molasses, glucose and saccharin under section 2 of the Finance (No. 2) Act, 1939 (No. 33 of 1939), shall cease to be chargeable or leviable as on and from the 1st day of June, 1946.

(2) The excise duties chargeable in respect of sugar, molasses, glucose and saccharin under section 2 of the Finance (No. 2) Act, 1939, shall cease to be chargeable or leviable as on and from the 1st day of June, 1946.

(3) There shall, as on and from the 1st day of June, 1946, be charged, levied and paid on all glucose and saccharin imported into the State the customs duties specified in the second column of Part I of the Second Schedule to this Act and there shall be paid in respect of all glucose and saccharin so imported, the drawbacks set out in Part II of the said Schedule.

(4) There shall, as on and from the 1st day of June, 1946, be charged, levied and paid on all glucose and saccharin made within the State the excise duties specified in the third column of Part I of the Second Schedule to this Act and there shall be paid, in respect

of all glucose and saccharin so made, the drawbacks set out in Part II of the said Schedule.

(5) Section 40 of the Finance Act, 1932 (No. 20 of 1932), shall apply in relation to the customs duties imposed by this section in like manner as the said section applies in relation to the duties mentioned therein.

(6) The provisions contained in Part III of the First Schedule to the Finance Act, 1925 (No. 28 of 1925), shall apply in relation to the duties and drawbacks imposed or allowed by this section in like manner as those provisions apply in relation to the duties and drawbacks mentioned in the said First Schedule, but with and subject to the following modifications, that is to say:-

(a) clause 2 shall be deleted;

(b) in clause 5, the 1st day of June, 1946, shall be substituted for the 6th day of May, 1925;

(c) in clause 7, the reference to sections 26 and 27 of the said Finance Act, 1925, shall be construed as a reference to this section.

(7) Section 24 of the Finance Act, 1933 (No. 15 of 1933), shall not apply or have effect in relation to the customs duties imposed by this section.

(8) Where it is shown to the satisfaction of the Revenue Commissioners that Cómhlucht Siúicre Eireann, Teoranta, had in their ownership in the State at midnight on the 31st day of May, 1946, sugar on which the excise duty imposed by section 2 of the Finance (No. 2) Act, 1939, was paid by the said Company, the said Company shall be entitled to receive a refund of the amount of such duty.

10. Reduction Of Duties On Mineral Hydrocarbon Light Oil :-

(1) The duty of customs imposed by section 1 of the Finance (Customs Duties) (No. 4) Act, 1931 (No. 43 of 1931), as amended by subsequent enactments, shall, in respect of mineral hydrocarbon light oil chargeable with that duty, be charged, levied and paid as on and from the 1st day of June, 1946, at the rate of nine pence the gallon in lieu of the rate now chargeable by virtue of subsection (1) of section 14 of the Finance Act, 1941 (No. 14 of 1941).

(2) The duty of excise imposed by section 1 of the Finance (Miscellaneous Provisions) Act, 1935 (No. 7 of 1935), as amended by subsequent enactments, shall, in respect of mineral hydrocarbon light oil chargeable with that duty which is sent out, on or for sale

or otherwise, from the premises of the manufacturer thereof on or after the 1st day of June, 1946, or is used by such manufacturer on or after that date for any purpose other than the manufacture or production of mineral hydrocarbon oil, be charged, levied and paid at the rate of seven pence the gallon in lieu of the rate now chargeable by virtue of subsection (2) of section 14 of the Finance Act, 1941 .

11. Reduction Of Duties On Hydrocarbon Oil :-

(1) The duty of customs imposed by section 21 of the Finance Act, 1935 (No. 28 of 1935), shall, in respect of hydrocarbon oil chargeable with that duty, be charged, levied, and paid, as on and from the 1st day of June, 1946, at the rate of nine pence the gallon in lieu of the rate now chargeable by virtue of subsection (1) of section 13 of the Finance Act, 1941 (No. 14 of 1941).

(2) The rebate allowable under subsection (2) of the said section 21 of the Finance Act, 1935 , shall, in respect of hydrocarbon oil on which such rebate is allowable, be allowed, as on and from the 1st day of June, 1946, at the rate of nine pence the gallon in lieu of the rate now allowable by virtue of subsection (2) of section 13 of the Finance Act, 1941 .

(3) The duty of excise imposed by the said section 21 of the Finance Act, 1935 , shall, in respect of hydrocarbon oil chargeable with that duty, which is sent out, on or for sale or otherwise, from the premises of the manufacturer thereof on or after the 1st day of June, 1946, or is used by such manufacturer on or after that date for any purpose other than the manufacture or production of hydrocarbon oil, be charged, levied, and paid at the rate of seven pence the gallon in lieu of the rate now chargeable by virtue of subsection (3) of section 13 of the Finance Act, 1941 .

(4) The rebate allowable under subsection (4) of the said section 21 of the Finance Act, 1935 , shall, in respect of hydrocarbon oil on which such rebate is allowable and on which the excise duty mentioned in the next preceding subsection of this section was paid at the rate of seven pence the gallon, be allowed at the rate of seven pence the gallon in lieu of the rate now allowable by virtue of subsection (4) of the said section 13 of the Finance Act, 1941 .

12. Reduction Of Cinematograph Film Duty On Copies Of Certain Films :-

(1) Where-

(a) it is shown to the satisfaction of the Revenue Commissioners that a film chargeable with cinematograph film duty is identical with another film chargeable with the said duty at the rate of three pence per linear foot of the width of 1½ inches or a preferential rate of two thirds of the said rate of three pence per linear foot of the width of 1½ inches, and

(b) the first-mentioned film is delivered for home use at the same time as such other film is so delivered or within three months after the payment of duty on such other film, the following provisions shall have effect-

(i) duty shall be charged, levied and paid on the first-mentioned film at the rate of one penny and one halfpenny per linear foot of the width of 1½ inches and not at the rate of three pence per linear foot of the width of 1½ inches,

(ii) for the purpose of the application (where appropriate) in relation to the first-mentioned film of subsection (2) of section 17 of the Finance Act, 1932 (No. 20 of 1932), the rate of one penny and one halfpenny per linear foot of the width of 1½ inches shall be regarded as the full rate, and

(iii) no drawback in respect of such other film shall be allowed under subsection (4) of section 17 of the Finance Act, 1932, but the Revenue Commissioners may waive or modify this provision in any particular case, subject to such conditions as they may think fit to impose.

(2) The reduction in the rates of duty provided for by subsection (1) of this section shall not apply in relation to more than one of a number of films identical with one another.

(3) In this section-

the expression "cinematograph film duty" means the duty imposed by section 17 of the Finance Act, 1932 (No. 20 of 1932), as amended by section 8 of the Finance (Customs Duties) (No. 4) Act, 1932 (No. 34 of 1932), and section 12 of the Finance Act, 1939 (No. 18 of 1939), the word "delivered" means, in relation to a film, delivered from a bonded warehouse or delivered on the landing of such film from the importing ship or other conveyance.

13. Abolition Of Entertainments Duty On Admission To Balls And Dances :-

(1) On and after the 1st day of August, 1946, the excise duty referred to as entertainments duty in and chargeable under section 1 of the Finance (New Duties) Act, 1916, as amended by

subsequent enactments shall not be charged or levied on payments for admission to any ball or dance.

(2) Subsection (2) of section 25 of the Finance Act, 1932 (No. 20 of 1932), and subsection (6) of section 10 of the Finance Act, 1943 (No. 16 of 1943), are hereby repealed as on and from the 1st day of August, 1946.

14. Exemption From Customs Duties Of Goods Brought From Abroad To Customs-Free Airports. :-

(1) In this section the expression "Customs-free airport" means an airport established in the State as a Customs-free airport by or under statute.

(2) No duty of customs shall be charged, levied or paid on any goods brought from outside the State into a Customsfree airport, but this shall not operate to prevent the charge, levy and payment of a duty of customs on goods brought from that airport to any other part of the State.

15. Exemption Or Gifts Of Food From Minimum Charge Of Customs Duty :-

Section 25 of the Finance Act, 1924 (No. 27 of 1924), as amended by section 8 of the Finance Act, 1937 (No. 18 of 1937), and section 9 of the Finance (Agreement with the United Kingdom) Act, 1938 (No. 12 of 1938), shall not apply to articles which, in the opinion of the Revenue Commissioners, are food, where it is shown to the satisfaction of the Revenue Commissioners that the articles are being imported as a gift to a person in the State.

16. Exemption Of Certain Packages From Customs Duty On Packages :-

The duty imposed by section 22 of the Finance Act, 1932 (No. 20 of 1932), as amended by subsequent enactments, shall not be charged or levied on-

(a) any package which is shown to the satisfaction of the Revenue Commissioners to contain only goods which are imported as a gift to a person in the State, or

(b) any package which is shown to the satisfaction of the Revenue Commissioners to contain only goods for the personal use of the importer and to be brought in by such importer or his servant or a member of his family.

17. Exemption From Customs Duty Of Goods Supplied As Gifts Or On Loan To The Irish Red Cross Society By Foreign Red Cross Organisations :-

(1) Where any article is shown, to the satisfaction of the Revenue Commissioners, to have been imported by the Irish Red Cross Society as a gift or a loan from a Red Cross organisation in any other country and solely for the purposes of the Irish Red Cross Society, the Revenue Commissioners may, subject to compliance with such conditions as they may think fit to impose, allow such article to be imported without payment of the duty of customs (if any) chargeable thereon or repay any such duty paid thereon on importation.

(2) Nothing in this section shall operate to authorise the importation of any article the importation of which is for the time being prohibited by law or to relieve from any restriction or from compliance with any condition (other than the payment of a duty of customs) which is for the time being attached by law to the importation of any article.

18. Exemptions From Duty For Certain Air Services :-

Subject to compliance with such conditions as they may think fit to impose, the Revenue Commissioners may, whenever the Minister for Finance so thinks proper,-

(a) permit the importation or delivery without payment of any duty of customs or of excise of any article required for or in connection with any of the following things, that is to say-

(i) the establishment or maintenance of an international air service using or involving the use of an airport in the State,

(ii) the establishment or maintenance of radio or meteorological services or other aids to air navigation ancillary to any such international air service,

(iii) experimental purposes in connection with the establishment or maintenance of any such international air service, or

(b) repay any duty of customs or of excise paid on any such article on importation or delivery.

19. Exemption From Payment Of Customs Duty Of Articles Required For Rescue, Salvage And Repair Of Damaged Aircraft Registered In Another State :-

Whenever the Revenue Commissioners are satisfied that an article

is required for or in connection with the rescue, salvage or repair of damaged civil aircraft registered in another State, they may, subject to compliance with such conditions as they may think fit to impose, permit the temporary importation of that article without payment of any duty of customs.

20. Amendment Of Sections 93, 102 And 104 Of The Spirits Act, 1880, And Of Part B Of The First Schedule To The Finance (1909-10) Act, 1910 :-

(1) The second prohibition contained in subsection (1) of section 93 of the Spirits Act, 1880, is hereby amended, in its application to the sending out of the compounds or spirits therein mentioned to a person who is the holder of a licence authorising him to sell such compounds or spirits by retail, by the substitution of the words "a half-gallon" for the words "two gallons".

(2) Subsection (1) of section 102 of the Spirits Act, 1880, as amended by section 27 of the Finance Act, 1929 (No. 32 of 1929), is hereby amended, in its application to the sale, sending out, or delivery of spirits to a person who is the holder of a licence authorising him to sell such spirits by retail, by the substitution of the words "a half -gallon" for the words "two gallons".

(3) Section 104 of the Spirits Act, 1880, is hereby amended, in its application to the sale of spirits to a person who is the holder of a licence authorising him to sell such spirits by retail, by the substitution of the words "a half-gallon" for the words "two gallons or less than one dozen reputed quart bottles".

(4) Provision 1 of the Provisions applicable to Wholesale Dealers Licences contained in Part B of the First Schedule to the Finance (1909-10) Act, 1910, is hereby amended as follows:-

(i) in the application of the said Provision to the sale of spirits or wine to a person who is the holder of a licence authorising him to sell such spirits or wine by retail, the words "a half-gallon" shall be substituted in paragraph (a) for the words "two gallons, or not less than one dozen reputed quart bottles";

(ii) in the application of the said Provision to the sale of beer to a person who is the holder of a licence authorising him to sell such beer by retail, the words "two-and-a-quarter gallons" shall be substituted in paragraph (b) for the words "four-and-a-half gallons, or not less than two dozen reputed quart bottles".

21. Amendment Of Section 2 Of The Refreshment Houses (Ireland) Act, 1860 :-

(1) In section 2 of the Refreshment Houses (Ireland) Act, 1860, the reference to the valuation of any such house or premises on which the last preceding rate for the relief of the poor had been made shall be construed as a reference to the valuation of any such house or premises under the Valuation Acts.

(2) Subsection (1) of this section shall be deemed to have come into force on and to have had effect as on and from the 1st day of April, 1931.

22. Amendment Of Section 26 Of The Finance Act, 1932 :-

(1) Section 26 of the Finance Act, 1932 (No. 20 of 1932), is hereby amended by the substitution of the words "the valuation under the Valuation Acts" for the words "the poor law valuation" where the latter words occur.

(2) Subsection (1) of this section shall be deemed to have come into force on and to have had effect as on and from the 6th day of July, 1932.

23. Fraudulent Removal, Etc., Of Goods With Intent To Evade Excise Duties :-

Where-

(a) any goods in respect whereof any duty of excise is for the time being payable, or

(b) any articles manufactured wholly or partly from such goods, or

(c) any materials, utensils or vessels proper or intended to be made use of for or in the making of such goods or articles are removed or are deposited or concealed in any place, with intent to defraud the Minister for Finance of such duty or any part thereof, then-

(i) all such goods and articles and all such materials, utensils and vessels respectively shall be forfeited,

(ii) every person who removes, deposits, or conceals or is concerned in removing, depositing, or concealing, any such goods or articles, with intent to defraud the Minister for Finance of such duty or any part thereof, shall forfeit either treble the value of all such goods or articles or the sum of one hundred pounds, at the election of the Revenue Commissioners.

PART 3 Corporation Profits Tax

24. Assessment Of Corporation Profits Tax In Respect Of Accounting Periods Ending On Or After 1st January 1941 :-

(1) The following provisions shall apply and have effect in respect of every accounting period ending on or after the 1st day of January, 1941, that is to say, an assessment to corporation profits tax may be made by the Revenue Commissioners at any time after the end of the accounting period or part of an accounting period in respect of the profits of which the assessment is made, and in the absence of a satisfactory return or other information on which to make an assessment the Revenue Commissioners may make an assessment according to the best of their judgment.

(2) Subsection (4) of section 56 of the Finance Act, 1920, as amended by subsection (2) of section 35 of the Finance Act, 1941 (No. 14 of 1941), shall cease to have effect in respect of an accounting period ending on or after the 1st day of January, 1941.

(3) In this section, reference to corporation profits tax shall be construed as including reference to excess corporation profits tax and reference to an assessment shall be construed as including reference to an additional assessment.

25. Amendment Of Section 37 Of The Finance Act, 1941, And Section 14 Of The Finance Act, 1942 :-

(1) Section 37 of the Finance Act, 1941 (No. 14 of 1941), is hereby amended in the following respects-

(a) by the insertion, in paragraph (a) of subsection (2), of the words and figures "and ending on or before the 31st day of December, 1946," after the figures "1941";

(b) by the insertion, in subsection (2), of the following new paragraph-

"(c) so much of the profits (being profits to which Part V of the Finance Act, 1920, as amended by subsequent enactments, applies) which arise or have arisen in the part prior to the 1st day of January, 1947, of any accounting period beginning before and ending on or after the 1st day of January, 1947, as exceeds the standard profits as defined as aforesaid.";

(c) by the insertion, in subsection (3), of the following new paragraph-

"(c) the profits arising in any accounting period beginning before and ending on or after the 1st day of January, 1947, shall be apportioned between the part of that accounting period which is prior to the 1st day of January, 1947, and the part thereof which is subsequent to the 31st day of December, 1946, in proportion to

the respective lengths of those parts."

(2) Subsection (1) of section 14 of the Finance Act, 1942 (No. 14 of 1942), is hereby amended in the following respects-

(a) by the insertion of the words and figures "and ending on or before the 31st day of December, 1946" after the figures "1941", where those figures first occur; and

(b) by the insertion of the words and figures "and also the portion prior to the 1st day of January, 1947, of an accounting period beginning before and ending on or after the 1st day of January, 1947" after the figures "1941" where those figures secondly occur.

26. Construction Of Part Iii :-

This Part of this Act shall be read and construed together with Part V of the Finance Act, 1920, as amended or extended by subsequent enactments, and, in particular, shall be read and construed together with Part V of the Finance Act, 1941 (No. 14 of 1941), Part IV of the Finance Act, 1942 (No. 14 of 1942), Part III of the Finance Act, 1943 (No. 16 of 1943), and Part II of the Finance Act, 1944 (No. 18 of 1944).

PART 4 Miscellaneous and General

27. Form Of Execution Order In Certain Revenue Cases :-

(1) This section applies to any proceedings instituted in the High Court or the Circuit Court for the recovery of any tax or duty under the care and management of the Revenue Commissioners or any fine, penalty or forfeiture incurred in connection with any such tax or duty, wherein an execution order (the form whereof is set out at No. 37 in Appendix N to the Rules of the Supreme Court (Ireland) 1905 and is therein described as a form of writ of *Levari Facias*), or an order similar in requirements thereto could hitherto have been issued if such proceedings had been instituted in the High Court.

(2) Notwithstanding anything to the contrary provided by or under any enactment or by any rule of court, where judgment against the defendant for any amount is given by the High Court in proceedings to which this section applies, the form of execution order to be issued for that amount shall, if the plaintiff or informant so requires, be in the form set out in the Third Schedule to this Act, and where such judgment is given in the Circuit Court, the form of execution order to be so issued shall, if the plaintiff or informant so requires, be in the said form with the appropriate modifications.

28. Interest On Deposits In Post Office Savings Bank :-

(1) The Minister may from time to time by order do all or any of the following things-

(a) fix the rate of interest (in this subsection referred to as the ordinary rate) to be payable in respect of deposits,

(b) provide that, where the amount of a deposit exceeds a specified sum-

(i) interest on so much thereof as does not exceed the said specified sum shall be payable at the ordinary rate, and

(ii) interest on the remainder thereof shall be payable at such rate or at such different rates in respect of different parts thereof as may be specified in the order,

(c) fix the minimum period for which any interest on a deposit is to be calculated,

(d) fix the minimum amount of a deposit in respect of which or any multiple of which interest is to be calculated,

(e) provide for the manner in which a part of any interest, consisting of a fraction of a penny, on a deposit is to be treated,

(f) provide for such other matters, in relation to the calculation of any interest on deposits, as he thinks proper.

(2) The Minister may by order amend or revoke any order made under subsection (1) of this section.

(3) Before any order is made by the Minister under this section a draft thereof shall be laid before Dáil Eireann, and, if a resolution disapproving of the making of the order in the terms of the draft is passed by Dáil Eireann within the next subsequent twelve days on which Dáil Eireann has sat after the draft has been so laid before it, no further proceedings shall be taken thereon, but without prejudice to the making of any new draft order.

(4) As on and from the date on which the first order made by the Minister under subsection (1) of this section comes into operation-

(a) section 7 of the Post Office Savings Bank Act, 1861, shall stand repealed,

(b) the interest payable on deposits shall be at such rate or rates as may be specified in an order made under this section and for the time being in force.

(5) In this section-

the expression "the Minister" means the Minister for Finance; the word "deposit" means the total amount for the time being standing to the credit of a depositor's account in the Post Office Savings Bank, but does not include moneys standing to the credit of a

trustee savings bank in the name of the Minister in the Post Office Savings Bank.

29. Interest On Deposits In Trustee Savings Banks :-

(1) Notwithstanding anything contained in section 5 of the National Debt (Supplemental) Act, 1888, the interest payable on a deposit in a trustee savings bank shall not exceed the rate for the time being payable on a deposit of a similar amount in the Post Office Savings Bank.

(2) In this section the expression "trustee savings bank" means a bank certified under the Trustee Savings Banks Act, 1863.

30. Transition Development Fund :-

(1) There is hereby established a fund (in this section referred to as the Fund) which shall be known as the Transition Development Fund and shall be under the control and management of the Minister.

(2) There shall be paid into the Fund, out of moneys provided by the Oireachtas, in the financial year which commenced on the 1st day of April, 1946, a sum not exceeding five million pounds.

(3) The Minister may apply the Fund for any purpose for or towards the cost of which public moneys are provided and which is conducive to the development or improvement of capital resources.

(4) The Fund shall be wound-up not later than the 31st day of December, 1948, and the balance then remaining in the Fund shall be paid into or disposed of for the benefit of the Exchequer in such manner as the Minister may direct.

(5) The Minister shall, as respects every financial year, during which or part of which the Fund is maintained, prepare an account of payments into and out of the Fund, and such account shall be submitted to the Comptroller and Auditor General for examination and report.

(6) The Minister shall lay before each House of the Oireachtas a copy of every account prepared under subsection (5) of this section and of every report of the Comptroller and Auditor General thereon.

(7) In this section-

the expression "the Minister" means the Minister for Finance; the expression "public moneys" means moneys charged on or issued out of the Central Fund or provided by the Oireachtas.

31. Repeals :-

The enactments specified in the second column of the Fourth Schedule to this Act are hereby repealed to the extent specified in the third column of the said Schedule.

32. Care And Management Of Taxes And Duties :-

All taxes and duties imposed by this Act are hereby placed under the care and management of the Revenue Commissioners.

33. Short Title, Construction And Commence-Ment :-

(1) This Act may be cited as the Finance Act, 1946.

(2) Part I of this Act shall be construed together with the Income Tax Acts.

(3) Part II of this Act, so far as it relates to duties of customs shall be construed together with the Customs Acts and, so far as it relates to duties of excise, shall be construed together with the statutes which relate to the duties of excise and the management of those duties.

(4) Part I of this Act shall, save as is otherwise expressly provided therein, be deemed to come into force on and shall take effect as on and from the 6th day of April, 1946.

SCHEDULE 1

FIRST SCHEDULE

Spirits (Rates of Ordinary Customs Duty).

Description of Spirits	Preferential Rates						Full Rates					
	In Cask			In Bottle			In Cask			In Bottle		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
For every gallon computed at proof of—												
Brandy or rum	4	15	4	4	16	4	4	17	10	4	18	10
Imitation rum or geneva	4	15	5	4	16	5	4	17	11	4	18	11
Unsweetened spirits other than those already enumerated	4	15	5	4	16	5	4	17	11	4	17	11
For every gallon of perfumed spirits	7	12	0	7	13	0	7	16	0	7	17	0
For every gallon of liqueurs, cordials, mixtures and other preparations in bottle entered in such manner as to indicate that the strength is not to be tested				6	9	6				6	12	10

For every gallon computed at proof of spirits of any description not heretofore mentioned, including naphtha and methylic alcohol purified so as to be potable, and mixtures and preparations containing spirit	4	15	5	4	16	5	4	17	11	4	18	11
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SCHEDULE 2

SECOND SCHEDULE

Glucose and Saccharin-Rates of Duties and Drawbacks.

PART II.

Drawbacks.

A.-Customs.

Nature of Drawback

Amount of Rate of Drawback

(1) Drawback on the deposit in a bonded warehouse for export of beer in the brewing of which duty-paid glucose has been used.

An amount equal to the duty paid in respect of the glucose.

(2) Drawback on the export, or on the shipment or deposit in a bonded warehouse for use as ships stores, of goods (other than beer) in the manufacture or preparation of which in the State any duty-paid glucose or saccharin has been used.

An amount equal to the duty chargeable in respect of that quantity of the glucose or saccharin which appears to the satisfaction of the Revenue Commissioners to have been used in the manufacture or preparation of the goods, or, in the case of residual products, to be contained in the goods.

B.-Excise.

Nature of Drawback

Amount of Rate of Drawback

(1) Drawback on the export, or on the shipment or deposit in a bonded warehouse for use as ships stores of duty-paid glucose or saccharin.

An amount equal to the duty paid.

(2) Drawback on the deposit in a bonded warehouse for export of beer in the brewing of which duty-paid glucose has been used.

An amount equal to the duty paid.

(3) Drawback on the export, or on the shipment or deposit in a bonded warehouse for use as ships stores, of goods (other than beer) in the manufacture or preparation of which in the State any duty-paid glucose or saccharin has been used

An amount equal to the duty paid in respect of that quantity of glucose or saccharin which appears to the satisfaction of the Revenue Commissioners to have been used in the manufacture or preparation of the goods.

(4) Drawback on the deposit of duty-paid glucose in a warehouse approved by the Revenue Commissioners under Section 2 of the Manufactured Tobacco Act, 1863, for the manufacture of cavendish and negrohead tobacco.

An amount equal to the drawback which would have been payable on the export of the glucose.

SCHEDULE 3

THIRD SCHEDULE

Form of Execution Order in Revenue Cases.

Section 27 .

HIGH COURT OF JUSTICE.

REVENUE.

To the several Sheriffs, Under-Sheriffs and County Registrars and to the Commissioner and Officers of the Gárda Síochána:

WHEREAS it has been adjudged by the High Court of Justice that is justly indebted to the Minister for Finance for the benefit of the Central Fund in the sum of Pounds Shillings and Pence together with the sum of Pounds Shillings and Pence costs as appears of record in the High Court of Justice. You the several Sheriffs, Under-Sheriffs and County Registrars are therefore hereby commanded to take in execution the goods and chattels of the said to satisfy the said sums for debt and costs. And in the event of the goods or chattels of the said not being sufficient to satisfy the said debt and costs, or in the event of the said having no goods or chattels which can be taken in execution to satisfy the said debt and costs as aforesaid, you, the Sheriff, Under-Sheriff or County Registrar to whom this order is handed for execution, are hereby commanded to give a certificate to that effect in one of the forms endorsed hereon and to transmit this Order with such certificate signed by you endorsed hereon to the Superintendent or other proper officer of the Gárda Síochána who shall act for the area or district within which you may levy execution. And you the Commissioner and Officers of the Gárda Síochána are hereby commanded upon the receipt of this Order by such Superintendent or other proper officer with the certificate endorsed hereon signed by the said Sheriff, Under-Sheriff or County Registrar, to take and convey the said to the nearest prison and there deliver him to the Governor of such prison there to remain and be kept by such Governor until satisfaction be made of such debt and costs, or until the expiration of the period of six months, whichever shall be the shorter.

WITNESS the Honourable

Chief Justice, the day of

This Order is issued by

The Solicitor of Revenue,

Dublin Castle.

CERTIFICATE.

To the Superintendent or other Proper Officer of the Grda Sochna for the County of I hereby certify that the goods and chattels of the within-named are not sufficient to satisfy the debt and costs in the within Order mentioned amounting to: and that the amount levied is leaving a balance of to be satisfied.

To the Superintendent or Other Proper Officer of the of the County of I hereby certify that the within-named has no goods or chattels which can be taken in execution to satisfy the debt and costs in the within Order mentioned amounting to GIVEN under my hand this day of 19

SCHEDULE 4

FOURTH SCHEDULE

Enactments Repealed.

Session and Chapter or Number and Year	Short title	Extent of Repeal
7 & 8 Geo. IV, c. 53	Excise Management Act, 1827	Section 32
No. 31 of 1936	Finance Act, 1936	Section 21
No. 14 of 1941	Finance Act, 1941	Section 20.

