

## **Finance Act, 1957**

**20 of 1957**

**[18 July 1957]**

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**SCHEDULE 1 :- SCHEDULE I**

**Finance Act, 1957**

**20 of 1957**

**[18 July 1957]**

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 1957-58 :-**

(1) Income tax shall be charged for the year beginning on the 6th day of April, 1957, at the rate of seven shillings and sixpence in the pound.

(2) Sur-tax for the year beginning on the 6th day of April, 1957, 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, 1956.

(3) The several statutory and other provisions which were in force on the 5th day of April, 1957, in relation to income tax and sur-tax shall, subject to the provisions of this Act, have effect in relation to

the income tax and sur-tax to be charged as aforesaid for the year beginning on the 6th day of April, 1957.

## **2. Amendment Of Rule 6 Of Rules Applicable To Cases I And Ii Of Schedule D Of Income Tax Act, 1918 :-**

(1) The amount of any deduction under Rule 6 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, shall, in the case of any year of assessment beginning on or after the 6th day of April, 1958, be computed as if paragraph (1) of the said Rule 6 had provided, in relation to any such year, for a deduction equal to five-fourths of the amount considered by the authority having jurisdiction in the matter to be just and reasonable as representing the diminished value by reason of wear and tear during the year of the machinery or plant.

(2) References to the said Rule 6 which are contained in section 3 of the Finance Act, 1949 (No. 13 of 1949), and in subsection (1) of section 24 of the Finance Act, 1956 (No. 22 of 1956), shall be construed as including references to the said Rule 6 as amended by this section.

(3) Paragraph (4) of the said Rule 6 shall have effect as if from "as" to the end of the paragraph were deleted and "as is due" were substituted therefor.

(4) Paragraph (5) of the said Rule 6 shall have effect as if the amount therein referred to were an amount equivalent to the amount which would be allowable under paragraph (1) of the said Rule 6 if the machinery or plant were, during the period of the letting, in use for the purposes of a trade carried on by the lessor.

(5) The provisions of this section shall not apply to any deduction allowable-

(a) under the said Rule 6 as representing the diminished value by reason of wear and tear of any vehicle suitable for the conveyance by road of persons or goods or the haulage by road of other vehicles, or

(b) by virtue of an election under the proviso which was added to paragraph (1) of the said Rule 6 by section 3 of the Finance (Miscellaneous Provisions) Act, 1956 (No. 47 of 1956).

## **3. Amendment Of Section 20 (1) (B) Of Finance Act, 1922 :-**

Paragraph (b) of subsection (1) of section 20 of the Finance Act, 1922 (being the paragraph inserted by section 3 of the Finance Act, 1940 (No. 14 of 1940)) is hereby amended by the insertion therein

after subparagraph (i) of the following subparagraph:

"(ia) being payable to any university or college, being a university or college in the State, for the purpose of enabling such university or college to carry on research, is so payable for a period which is or may be three years or longer, or".

#### **4. Amendment Of Section 7 Of Finance Act, 1932 :-**

(1) In relation to stocks, shares and securities of a company whose trade or business consists wholly or mainly of the production for sale of manufactured goods-

(a) the following subsection shall, with effect as from the commencement of section 7 of the Finance Act, 1932 (No. 20 of 1932), be substituted for subsection (2) of that section:

"(2) This section shall apply to all stocks, shares, and securities issued after the passing of this Act in respect of which the Revenue Commissioners certify that they are satisfied that all the following conditions are complied with in relation to such stock, share or security, that is to say:

(a) such stock, share or security is or was issued by a company which complies with the following provisions, that is to say, such company-

(i) is incorporated by or under the laws of the State, and

(ii) is a company limited by shares within the meaning of the Companies (Consolidation) Act, 1908, and

(iii) is managed and controlled in the State, and

(iv) carries on or (in the case of a company which has not commenced to carry on business) intends to carry on its business wholly or mainly in the State; and

(b) the stocks, shares or securities-

(i) have been issued for public subscription, or

(ii) belong to a class of the company's stocks, shares or securities that is quoted on a Stock Exchange in the State, and the number of individuals as described in subsection (1) of this section who are beneficial owners of stocks, shares or securities of that class is not less than fifty; and

(c) such issue of stock, shares or security is so described and designated that it is readily distinguishable from all other (if any) issues of such company."; and

(b) the following subsection shall, with effect as from the commencement of section 7 of the Finance Act, 1932, be substituted for subsections (4) and (5) of that section:

"(4) Any stock, share or security to which this section applies shall cease to be a stock, share or security (as the case may be) to which this section applies if and when the Revenue Commissioners certify in relation to such stock, share or security that they are satisfied that the company's trade or business has ceased to consist wholly or mainly of the production for sale of manufactured goods or that, as respects the company, all or any of the conditions set forth in paragraph (a) of subsection (2) of this section or, as respects such stock, share or security, all or any of the conditions set forth in paragraphs (b) and (c) of subsection (2) of this section, or in subsection (3) of this section, have ceased to be complied with."

(2) In relation to stocks, shares and securities of a company whose trade or business consists wholly or mainly of the production for sale of manufactured goods, section 7 of the Finance Act, 1935 (No. 28 of 1935), is hereby repealed with effect as from the commencement of that section.

(3) Where a certificate is given by virtue of this section in respect of any stocks, shares or securities, relief or repayment under subsection (1) of section 7 of the Finance Act, 1932, shall, nevertheless, not be granted in respect of any dividend or interest on the stocks, shares or securities which is payable prior to the 6th day of April, 1958.

(4) Nothing in this section shall-

(a) affect the validity of any certificate under subsection (2) of section 7 of the Finance Act, 1932, issued before the passing of this Act, or

(b) in a case in which such a certificate has been so issued, prevent the issue of a certificate under subsection (4) (as originally enacted) of section 7 of the Finance Act, 1932, (5) Where-

(a) a company (in this subsection referred to as the holding company) holds beneficially more than ninety per cent. (in nominal value) of the issued stocks, shares and securities of any other company or companies,

(b) all of such stocks, shares or securities are such as would qualify for a certificate of the Revenue Commissioners under subsection (2) of section 7 of the Finance Act, 1932, as amended by subsection (1) of this section, but for paragraph (b) of that subsection as so amended, and

(c) such holding is the sole or main business of the holding company,

subsections (1), (2) and (3) of this section shall, so long as the foregoing conditions subsist, have effect in relation to stocks,

shares and securities issued by the holding company as if the holding company were a company whose trade or business consisted wholly or mainly of the production for sale of manufactured goods.

#### **5. Amendment Of Section 12 Of Finance (Miscellaneous Provisions) Act, 1956 :-**

Section 12 of the Finance (Miscellaneous Provisions) Act, 1956 (No. 47 of 1956), is hereby amended by the addition thereto of the following subsections:

"(5) (a) For any year of claim, other than the year of assessment commencing on the 6th day of April, 1957, subsection (1) of this section shall have effect as if, for shall be reduced by fifty per cent. where occurring at the end of the subsection, there were substituted shall be reduced to nil.

(b) For any year of claim, other than the year of assessment commencing on the 6th day of April, 1957, subsection (3) of this section shall have effect as if, for shall be reduced by fifty per cent. where occurring at the end of the subsection, there were substituted shall be reduced to nil.

(6) (a) Income tax payable by a company for a year of claim other than the year of assessment commencing on the 6th day of April, 1957, so far as such income tax is referable to profit on the sale of goods exported out of the State may, notwithstanding anything contained in this section, be reduced by twenty-five per cent., but such reduction shall be in substitution for and not in addition to any other reduction of income tax, under the provisions of this section, for the year of claim.

(b) For the purposes of this subsection profit on the sale of goods exported out of the State shall be taken to be such sum as bears to the amount of the companys profits for the year of claim, computed in accordance with the Income Tax Acts, which is attributable to the sale of goods (whether exported or not), the same proportion as the amount receivable in the basis period from the sale of goods exported bears to the total amount receivable by the company from the sale of goods (whether exported or not) in the basis period."

#### **6. Payment Of Interest On Bord Na Móna Securities :-**

(1) Any stock or other forms of security issued after the passing of this Act by Bord na Móna shall be deemed to be securities issued under the authority of the Minister for Finance within the meaning

of section 2 of the Finance Act, 1924 (No. 27 of 1924), and that section shall apply accordingly.

(2) Notwithstanding anything contained in the Income Tax Acts, Bord na Móna shall be entitled to have the amount of income tax which, but for this section, it would be liable ultimately to bear for any year of assessment reduced by a sum representing income tax on the amount of the interest on stock or other forms of security which, by direction of the Minister for Finance given under section 2 of the Finance Act, 1924 , as applied by this section, is paid by Bord na Móna without deduction of tax in that year of assessment.

(3) There shall be added to Rule 1 of Case III of Schedule D of the Income Tax Act, 1918, the following clause, that is to say:

"(k) interest on stock or other forms of security issued by Bord na Móna in cases where such interest is paid without deduction of tax."

## **PART 2** Customs and Excise

### **7. Tobacco** :-

(1) In this section-

"the Act of 1932" means the Finance Act, 1932 (No. 20 of 1932);  
"the Act of 1934" means the Finance Act, 1934 (No. 31 of 1934);  
"the Act of 1956" means the Finance Act, 1956 (No. 22 of 1956).

(2) The duty of customs on tobacco imposed by section 20 of the Act of 1932 shall, as on and from the 9th day of May, 1957, be charged, levied and paid at the several rates specified in Part I of the Schedule to this Act in lieu of the several rates at which the said duty is now chargeable by virtue of section 8 of the Act of 1956.

(3) The duty of excise on tobacco imposed by section 19 of the Act of 1934 shall, as on and from the 9th day of May, 1957, be charged, levied and paid at the several rates specified in Part II of the Schedule to this Act in lieu of the several rates at which the said duty is now chargeable by virtue of section 8 of the Act of 1956.

(4) Subsections (3) and (4) of the said section 19 of the Act of 1934, and subsection (5) thereof subject to subsection (5) of this section, shall apply to tobacco which is chargeable with the duty of excise imposed by subsection (1) of the said section 19 at a rate specified in Part II of the Schedule to this Act, and for the purpose of such application references in the said subsections (3), (4) and (5) of the said section 19 to Part I of the Sixth Schedule to the said

Act of 1934 shall be construed and have effect as references to Part II of the Schedule to this Act. (5) The rebate on unmanufactured tobacco mentioned in subsection (3) of section 20 of the Act of 1932, as amended by section 18 of the Act of 1934, and in subsection (5) of section 19 of the Act of 1934, shall, on and from the 9th day of May, 1957, be at the rate of five pence per pound.

(6) The rebate on hard pressed tobacco mentioned in subsection (2) of section 17 of the Finance Act, 1940 (No. 14 of 1940), shall, in respect of any such tobacco sold and sent out for use within the State by any licensed manufacturer on or after the 9th day of May, 1957, be at the rate of twelve shillings and ten pence per pound.

(7) As respects unmanufactured tobacco which, apart from this subsection, would be entitled by virtue of section 5 of the Finance Act, 1950 (No. 18 of 1950), to the preferential rates of customs duties specified in the Second Schedule to the Finance Act, 1949 (No. 13 of 1949), the duty of customs chargeable thereon on delivery from bonded warehouse shall, as on and from the 9th day of May, 1957, be charged, levied and paid at the rates for unmanufactured tobacco specified in Part III of the Schedule to this Act.

#### **8. Tobacco (Excise Duty On Certain Stocks) :-**

(1) Subject to the provisions of subsection (2) of this section, there shall be charged, levied and paid on all stocks of tobacco of every description which at five o'clock in the afternoon of the 8th day of May, 1957, are in the ownership or possession of a licensed manufacturer of tobacco and in any place in the State other than a bonded warehouse, a duty of excise, payable by the manufacturer, at the following rate, that is to say:

(a) so far as the stocks consist of unmanufactured tobacco, three shillings and two pence for every pound weight of the stocks, and

(b) so far as the stocks consist of tobacco (including snuff) other than unmanufactured tobacco, three shillings and two pence for every pound weight of unmanufactured tobacco from which, in the opinion of the Revenue Commissioners, the stocks were derived.

(2) The duty imposed by subsection (1) of this section shall not be chargeable on any manufactured tobacco (including cigarettes, cigars and snuff other than offal snuff) as to which it is shown to the satisfaction of the Revenue Commissioners that it was at five o'clock in the afternoon of the 8th day of May, 1957, fully prepared for sale by retail and that either-

- (i) it was not the product of any operation carried out by any manufacturer in whose ownership or possession it was at that time; or
- (ii) it was at that time held as retail stock in premises used for selling tobacco by retail; or
- (iii) it was at that time in transit from seller to buyer under a contract of sale:

Provided that no tobacco shall be deemed for the purposes of this subsection to have been fully prepared for sale by retail if, according to the ordinary course of business of the person in whose ownership or possession it was or to whom it was in transit, it had still to be subjected to some further process (other than packing) before being sold by him.

(3) Every licensed manufacturer of tobacco shall not later than the 15th day of May, 1957, make a return to the Revenue Commissioners in a form approved by them giving such information as they may thereby require and, in particular, showing the quantities by weight of tobacco of every description in his ownership or possession at five o'clock in the afternoon of the 8th day of May, 1957, in any place in the State other than a bonded warehouse.

(4) Every licensed manufacturer of tobacco shall-

- (a) produce, if so required, to any officer of Customs and Excise the trade books and all accounts and documents belonging to or in the possession of such manufacturer which are necessary for verifying the return made in pursuance of subsection (3) of this section, and
- (b) render all reasonable assistance to such officer in the taking of an account of the tobacco which was in the ownership or possession of such manufacturer at five o'clock in the afternoon of the 8th day of May, 1957.

(5) Every licensed manufacturer of tobacco shall, immediately upon making the return required by subsection (3) of this section or on the 15th day of May, 1957, whichever is the earlier, pay to the Revenue Commissioners the full amount of the duty mentioned in this section on any tobacco which was in his ownership or possession at five o'clock in the afternoon of the 8th day of May, 1957, and was chargeable with the said duty, and the Revenue Commissioners may, if they think fit, defer the payment of the duty to a date not later than the 1st day of January, 1958, upon the manufacturer giving security by bond or otherwise to their satisfaction that such duty will be paid.

(6) Every manufacturer required by subsection (3) of this section to

make such return as is mentioned in that subsection who either fails to make such return or makes a return which is incomplete, false or misleading in any material respect or fails or refuses to do anything which he is required by subsection (4) of this section to do shall be guilty of an offence under the statutes relating to duties of excise and shall for every such offence incur an excise penalty of fifty pounds, and all tobacco in relation to which such offence was committed shall be forfeited.

(7) Where drawback is payable in respect of tobacco on which the excise duty imposed by subsection (1) of this section has been paid, such drawback shall, to the extent of the duty paid in pursuance of the said subsection (1) as determined by the Revenue Commissioners, be a drawback of excise.

## **9. Beer :-**

(1) In this section "the Act of 1952" means the Finance Act, 1952 (No. 14 of 1952), and "the Act of 1954" means the Finance Act, 1954 (No. 22 of 1954).

(2) In lieu of the duty of excise imposed by section 10 of the Act of 1952, as amended by section 14 of the Act of 1954, there shall be charged, levied and paid on all beer brewed within the State on or after the 9th day of May, 1957, a duty of excise at the rate of ten pounds, five shillings and six pence for every thirty-six gallons of worts of a specific gravity of one thousand and fifty-five degrees.

(3) In lieu of the duty of customs imposed by subsection (1) of section 9 of the Act of 1952, as amended by section 13 of the Act of 1954, there shall, as on and from the 9th day of May, 1957, be charged, levied and paid, on mum, spruce or black beer, Berlin white beer, and other preparations (whether fermented or not fermented) of a similar character imported into the State, a duty of customs at the following rates, that is to say:

(a) for every thirty-six gallons of beer of which the worts are, or were before fermentation, of a specific gravity not exceeding one thousand two hundred and fifteen degrees-forty-one pounds, four shillings;

(b) for every thirty-six gallons of beer of which the worts are, or were before fermentation, of a specific gravity exceeding one thousand two hundred and fifteen degrees-forty-eight pounds, six shillings.

(4) In lieu of the duty of customs imposed by subsection (2) of section 9 of the Act of 1952, as amended by section 13 of the Act

of 1954, there shall, as on and from the 9th day of May, 1957, be charged, levied and paid on all beer of any description (other than beer chargeable with the duty imposed by subsection (3) of this section) imported into the State, a duty of customs at the rate of ten pounds, six shillings for every thirty-six gallons of beer of which the worts were before fermentation of a specific gravity of one thousand and fifty-five degrees.

(5) There shall be allowed and paid on the exportation as merchandise or the shipment for use as stores of beer on which it is shown, to the satisfaction of the Revenue Commissioners, that the duty imposed by subsection (2), subsection (3) or subsection (4) of this section has been paid, a drawback, calculated according to the original specific gravity of such beer, at the rate of ten pounds, five shillings and nine pence on every thirty-six gallons of beer of which the original specific gravity was one thousand and fifty-five degrees.

(6) Where, in the case of beer which is chargeable with the duty imposed by subsection (2) or subsection (4) of this section or in the case of beer on which drawback under subsection (5) of this section is payable, the specific gravity of such beer is not one thousand and fifty-five degrees, the said duty or the said drawback (as the case may be) shall be varied proportionately.

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

## **10. Hydrocarbon Oils :-**

(1) In this section-

"the Act of 1935" means the Finance Act, 1935 (No. 28 of 1935);

"the Act of 1952" means the Finance Act, 1952 (No. 14 of 1952);

"the Act of 1956" means the Finance Act, 1956 (No. 22 of 1956).

(2) 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 9th day of May, 1957, at the rate of two shillings and nine pence farthing the gallon in lieu of the rate specified in subsection (2) of section 10 of the Act of 1956.

(3) 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 9th day of May, 1957, 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 two shillings and seven pence farthing the gallon in lieu of the rate specified in subsection (3) of section 10 of the Act of 1956.

(4) The duty of customs imposed by section 21 of the Act of 1935 shall, in respect of hydrocarbon oil chargeable with that duty, be charged, levied and paid, as on and from the 9th day of May, 1957, at the rate of two shillings and two pence the gallon, in lieu of the rate now chargeable by virtue of subsection (1) of section 7 of the Act of 1952.

(5) As on and from the 9th day of May, 1957, the rate of any rebate allowed under subsection (2) of section 21 of the Act of 1935 shall be-

(a) as respects the oil commonly known as tractor vaporising oil, two shillings and two pence the gallon; and

(b) as respects any other hydrocarbon oil, two shillings and one penny the gallon.

(6) The duty of excise imposed by section 21 of the Act of 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 9th day of May, 1957, 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 two shillings the gallon in lieu of the rate now chargeable by virtue of subsection (3) of section 7 of the Act of 1952.

(7) As on and from the 9th day of May, 1957, the rate of any rebate allowed under subsection (4) of section 21 of the Act of 1935 shall be-

(a) as respects the oil commonly known as tractor vaporising oil, two shillings the gallon; and

(b) as respects any other hydrocarbon oil, one shilling and eleven pence the gallon.

(8) Where the licensee under a passenger licence granted under section 11 of the Road Transport Act, 1932 (No. 2 of 1932), shows to the satisfaction of the Revenue Commissioners that hydrocarbon oil on which the duty of customs imposed by section 21 of the Act of 1935 as amended by subsection (4) of this section or the duty of

excise imposed by the said section 21 as amended by subsection (6) of this section has been paid has been used by him for combustion in the engine of a mechanically propelled vehicle used in a passenger road service in respect of which the licence was granted, the Revenue Commissioners may, subject to such conditions as they may think fit to impose, repay to the licensee duty at the rate of six pence the gallon on hydrocarbon oil so used on receipt of a claim therefor made by him in such form as the Revenue Commissioners may direct, subject to the proviso that no repayment may be made unless the claim is made within four months from the date on which the oil was used.

### **11. Repayment Of Duty On Hydrocarbon Oil Used In Manufacture :-**

Whenever the Revenue Commissioners are satisfied that any hydrocarbon oil on which the customs or excise duty imposed by section 21 of the Finance Act, 1935 (No. 28 of 1935), as amended by subsequent enactments, has been paid has been received unused by a manufacturer of hydrocarbon oil and used by him in a process of manufacture or incorporated by him with other substances as an ingredient of a manufactured product, the Revenue Commissioners may, subject to such conditions as they may think necessary, repay to such manufacturer any such duty paid on the oil, less any rebate thereof allowed under the said section 21 as amended by subsequent enactments.

### **12. Entertainments Duty-Rates In The Case Of Cinematographic Exhibitions :-**

On and after the 1st day of August, 1957, section 10 of the Finance Act, 1948 (No. 12 of 1948), shall have effect as if, for the rates specified in subsection (3) thereof by virtue of section 4 of the Finance Act, 1953 (No. 21 of 1953), there were substituted the following rates, that is to say:

Rate of Duty

Where the payment for admission, excluding duty, exceeds 5d. but does not exceed 5 1/2d. 1/2d.

" 5 1/2d. " " " 6d. 1d.

" 6d. " " " 7 1/2d. 1 1/2d.

" 7 1/2d. " " " 8d. 2d.

" 8d. " " " 8 1/2d. 2 1/2d.

" 8 1/2d. " " " 10d. 3d.

" 10d. " " " 11 1/2d. 4 1/2d.

" 11 1/2d. " " " 1s. 1d. 6d.

" 1s. 1d. " " " 1s. 2d. 7d.

" 1s. 2d. " " " 1s. 4d. 9d.

" 1s. 4d. " " " 1s. 5¼d. 10d.

" 1s. 5¼d. " " " 1s. 5 1/2d. 10 1/2d.

" 1s. 5 1/2d. " " " 1s. 7d. 1s. 0d.

" 1s. 7d. " " " 1s. 8d. 1s. 1d.

" 1s. 8d. " " " 1s. 9d. 1s. 3d.

" 1s. 9d. 1s. 3d. for the first 1s. 9d. and 1/2d. for every additional 1/2d. or part of 1/2d.

### **13. Amendment Of Section 17 Of Finance Act, 1936 :-**

Section 17 of the Finance Act, 1936 (No. 31 of 1936), is hereby amended by the insertion in paragraph (a) after "within six months", in both places where those words occur, of "(or such longer period as the Revenue Commissioners in their discretion may allow in any particular case in relation to remission under this section)".

### **14. Confirmation Of Orders :-**

The Emergency Imposition of Duties (No. 394) (Special Import Levies and Motor Car Duty) Order, 1957 (S.I. No. 70 of 1957), the Emergency Imposition of Duties (No. 397) (Unprinted Paper Duty) Order, 1957 (S.I. No. 77 of 1957), and the Emergency Imposition of Duties (No. 398) (Special Import Levies)(Amendment) Order, 1957 (S.I. No. 78 of 1957), are hereby confirmed.

### **PART 3 Death Duties**

### **15. Amendment Of Section 21 Of Finance Act, 1956 :-**

Where a certificate is given by virtue of section 4 of this Act in respect of any stocks, shares or securities, relief from estate duty under section 21 of the Finance Act, 1956 (No. 22 of 1956), shall not be granted in relation to those stocks, shares or securities save as respects the death of a person dying on or after the 6th day of April, 1958.

### **PART 4 Corporation Profits Tax**

### **16. Amendment Of Section 13 Of Finance (Miscellaneous Provisions) Act, 1956 :-**

Section 13 of the Finance (Miscellaneous Provisions) Act, 1956 (No. 47 of 1956), is hereby amended by the addition thereto of the following subsections:

"(9) (a) For any accounting period, being an accounting period or part of an accounting period subsequent to the 5th day of April, 1958, subsection (1) of this section shall have effect as if, for shall be reduced by fifty per cent. where occurring at the end of the subsection, there were substituted shall be reduced to nil.

(b) For any accounting period, being an accounting period or part of an accounting period subsequent to the 5th day of April, 1958, subsection (3) of this section shall have effect as if, for shall be reduced by fifty per cent. where occurring at the end of the subsection, there were substituted shall be reduced to nil.

(10) (a) For any accounting period to which subsection (9) of this section applies, corporation profits tax payable by a company, so far as it is referable to profit on the sale of goods exported out of the State, may, notwithstanding anything contained in this section, be reduced by twenty-five per cent., but such reduction shall be in substitution for and not in addition to any other reduction of corporation profits tax under the provisions of this section for the accounting period.

(b) The Revenue Commissioners may make such apportionments as they consider necessary for the purposes of this subsection.

(c) For the purposes of this subsection profit on the sale of goods exported out of the State shall be taken to be such sum as bears to the amount of the companys profits for the accounting period, computed for the purposes of corporation profits tax, which is attributable to the sale of goods (whether exported or not), the same proportion as the amount receivable in the accounting period from the sale of goods exported bears to the total amount receivable by the company from the sale of goods (whether exported or not) in the accounting period."

**PART 5** Shipping Investment Allowances: Income Tax, Sur-tax and Corporation Profits Tax

### **17. Shipping Investment Allowances :-**

(1) Where, on or after the 6th day of April, 1957, a person carrying on a trade incurs capital expenditure on the purchase of a new ship for the purposes of the trade, there shall be made to him, for the year of assessment in the basis period for which the expenditure is

incurred, an allowance (in this Part of this Act referred to as a shipping investment allowance) equal to two-fifths of the expenditure, and such allowance shall be made as a deduction in charging the profits or gains of the trade and shall be in substitution for and not in addition to an initial allowance under Part V of the Finance Act, 1956 (No. 22 of 1956). (2) For the purposes of this Part of this Act, the day on which any expenditure is incurred shall be taken to be the day when the sum in question becomes payable.

(3) Any claim by a person for an allowance under this section in charging the profits or gains of his trade shall be included in the annual statement required to be delivered under the Income Tax Acts of the profits or gains thereof and shall be accompanied by a certificate signed by the claimant, which shall be deemed to form part of the claim, stating that the expenditure was incurred on the purchase of a new ship and giving such particulars as show that the allowance falls to be made.

(4) In this section and the subsequent sections of this Part of this Act "new" means unused and not secondhand.

### **18. Provisions Relating To Rules 6 (1) (6) And 7 Of Rules Applicable To Cases I And Ii Of Schedule D :-**

(1) For the purposes of ascertaining the amount of any deduction to be allowed to any person under paragraph (1) of Rule 6 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, as amended by section 24 of the Finance Act, 1956 (No. 22 of 1956), as representing the diminished value by reason of wear and tear during the year of assessment of any ship, no account shall be taken of a shipping investment allowance in determining the value of the ship at the commencement of the year.

(2) In paragraph (6) of Rule 6 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, the expression "the deductions allowed on that account for any previous years to the person by whom the trade is carried on", and the expression "the deductions" where that expression occurs before the word "exceed", shall each be construed as not including a reference to any shipping investment allowance made to the person by whom the trade is carried on.

(3) Rule 7 of the Rules applicable to Cases I and II of Schedule D of the Income Tax Act, 1918, shall be taken as not requiring a

deduction of any shipping investment allowance from the cost of any ship for the purposes of that Rule.

**19. Application Of Rule 6 (3) Of Rules Applicable To Cases I And Ii Of Schedule D And Section 4 Of Finance Act, 1937 :-**

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 a shipping investment allowance as they apply in relation to deductions allowable in respect of wear and tear of machinery or plant.

**20. Meaning Of "Basis Period" :-**

(1) In this Part of this Act, "basis period" has the meaning assigned to it by the following provisions of this section.

(2) In the case of a person to whom an allowance falls to be made under this Part of this Act, his basis period for any year of assessment shall be the period on the profits or gains of which income tax for that year falls to be finally computed under Case I of Schedule D of the Income Tax Act, 1918, in respect of the trade in question or, where, by virtue of any Act, the profits or gains of any other period are to be taken to be the profits or gains of the said period, that other period:

Provided that, in the case of any trade-

(a) where two basis periods overlap, the period common to both shall be deemed for the purposes of this subsection to fall in the first basis period only;

(b) where there is an interval between the end of the basis period for one year of assessment and the basis period for the next year of assessment, then, unless the second-mentioned year of assessment is the year of the permanent discontinuance of the trade, the interval shall be deemed to be part of the second basis period; and

(c) where there is an interval between the end of the basis period for the year of assessment preceding that in which the trade is permanently discontinued and the basis period for the year in which it is permanently discontinued, the interval shall be deemed to form part of the first basis period.

(3) (a) Any reference in the proviso to subsection (2) of this section to the permanent discontinuance of a trade shall be construed as including a reference to the occurring of any event which, under any of the provisions of the Income Tax Acts, is to be treated as

equivalent to the permanent discontinuance of a trade.

(b) Any reference in the said proviso to the overlapping of two periods shall be construed as including a reference to the coincidence of two periods or to the inclusion of one period in another, and references to the period common to both of two periods shall be construed accordingly.

### **21. Withdrawal Of Shipping Investment Allowance :-**

Where a shipping investment allowance has been made to any person in respect of expenditure incurred on the purchase of a new ship and the ship is sold by him without the ship having been used by him for the purposes of his trade or before the expiration of the period of five years from the day on which the ship began to be so used, the shipping investment allowance shall be withdrawn, and all such additional assessments and adjustments of assessments shall be made as may be necessary for or in consequence of the withdrawal of a shipping investment allowance or the substitution therefor of an initial allowance under Part V of the Finance Act, 1956 (No. 22 of 1956).

### **22. Shipping Investment Allowances In Relation To Corporation Profits Tax :-**

Where this Part of this Act provides for a shipping investment allowance to be made to a company for the purposes of income tax, in respect of any expenditure, the amount of the allowance shall be deducted in computing the profits of that company for the purposes of corporation profits tax for the accounting period in which the expenditure is incurred.

### **23. Construction Of This Part Of This Act :-**

This Part of this Act shall, so far as it relates to income tax (including sur-tax), be read and construed together with the Income Tax Acts and shall, so far as it relates to corporation profits tax, be read and construed together with Part V of the Finance Act, 1920, as amended or extended by subsequent enactments.

## **PART 6 Stamp Duties**

### **24. Agreements As To Stamp Duty On Certain Receipts :-**

(1) The Revenue Commissioners, if they in their discretion so think

proper, may enter into an agreement with any body of persons for the composition, in accordance with the following provisions of this section, of the stamp duty chargeable under the heading "Receipt given for, or upon the payment of, money amounting to £2 or upwards" in the First Schedule to the Stamp Act, 1891, on such receipts issued by that body in the course of its business as may be specified in the agreement.

(2) Any such agreement shall be in such form and shall contain such terms and conditions as the Revenue Commissioners think proper, and in particular the agreement shall require the body of persons to deliver to the Revenue Commissioners periodical accounts and such other particulars as they may require in respect of the receipts to which the agreement relates, and shall specify the method of determining the number of receipts to be included in any such periodical account.

(3) While any such agreement remains in force, any receipt to which it relates, and which bears such indication of the payment of stamp duty as the Revenue Commissioners may require, shall not be chargeable with stamp duty, but, in lieu thereof and by way of composition, the body of persons with which the Revenue Commissioners have entered into the agreement shall pay to the Revenue Commissioners, upon the delivery of any account under the agreement, such sums as would, but for the provisions of this section, have been chargeable by way of stamp duty on receipts to which the agreement relates issued during the period to which the account relates, it being assumed for this purpose that the number of those receipts so issued is the number determined in accordance with the method specified in that behalf by the agreement.

(4) Where a body makes default in delivering any account required by any such agreement or in paying the duty payable on the delivery of any such account, the body shall be liable to a fine not exceeding fifty pounds for every day during which the default continues and shall also be liable to pay, in addition to the duty, interest thereon, which shall be recoverable in the same manner as if it were part thereof, at the rate of five per cent. per annum from the date when the default begins.

## **PART 7 Miscellaneous and General**

### **25. Capital Services Redemption Account :-**

(1) In this section-

"the principal section" means section 22 of the Finance Act, 1950

(No. 18 of 1950);

"the 1956 amending section" means section 33 of the Finance Act, 1956 (No. 22 of 1956);

"the seventh additional annuity" means the sum charged on the Central Fund under subsection (4) of this section;

"the Minister", "the Account" and "capital services" have the same meaning respectively as they have in the principal section.

(2) Subsection (4) of the 1956 amending section shall, in relation to the twenty-nine successive financial years commencing with the financial year ending on the 31st day of March, 1958, have effect with the substitution of "£498,294" for "£667,560".

(3) Subsection (6) of the 1956 amending section shall have effect with the substitution of "£322,850" for "£464,100".

(4) A sum of £598,588 to redeem borrowings, and interest thereon, in respect of capital services shall be charged annually on the Central Fund or the growing produce thereof in the thirty successive financial years commencing with the financial year ending on the 31st day of March, 1958.

(5) The seventh additional annuity shall be paid into the Account in such manner and at such times in the relevant financial year as the Minister may determine.

(6) Any amount of the seventh additional annuity, not exceeding £416,149 in any financial year, may be applied towards defraying the interest on the public debt.

(7) The balance of the seventh additional annuity shall be applied in any one or more of the ways specified in subsection (6) of the principal section.

## **26. Amendment Of Section 7 (4) Of Land Bond Act, 1934 :-**

Subsection (4) of section 7 of the Land Bond Act, 1934 (No. 11 of 1934), is hereby amended by the substitution of "fifty years" for "thirty years".

## **27. Amendment Of Section 34 Of Finance Act, 1956 :-**

Section 34 of the Finance Act, 1956 (No. 22 of 1956), is hereby amended by the insertion at the end of subsection (1) of "or of section 6 of the Finance Act, 1957".

## **28. 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.

**29. Short Title, Construction And Commencement :-**

(1) This Act may be cited as the Finance Act, 1957.

(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 VI of this Act shall be construed together with the Stamp Act, 1891, and the enactments amending or extending that Act.

(5) 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, 1957.

**SCHEDULE 1**

SCHEDULE I

Duties on Tobacco.

Part I. Customs.

Unmanufactured:-

If Stripped or Stemmed:-

Containing 10 lbs. or more of moisture in every 100 lbs. weight thereof the lb. 2 5 11

Containing less than 10 lbs. of moisture in every 100 lbs. weight thereof the lb. 2 11

If Unstripped or Unstemmed:-

Containing 10 lbs. or more of moisture in every 100 lbs. weight thereof the lb. 2 5 11

Containing less than 10 lbs. of moisture in every 100 lbs. weight thereof the lb. 2 11

Full Preferential

Manufactured:-

Cigars the lb. 2 19 0 2 9 2

Cigarettes " 2 16 6 2 7 1

Cavendish or Negrohead " 2 18 6 2 8 9

Cavendish or Negrohead manufactured in Bond " 2 17 6 2 7 11

Other Manufactured Tobacco " 2 16 6 2 7 1

Snuff containing more than 13 lbs. of moisture in every 100 lbs. weight thereof " 2 16 0 2 6 8

Snuff not containing more than 13 lbs. of moisture in every 100 lbs. weight thereof " 2 18 6 2 8 9

Part II. Excise.

Unmanufactured:-

Containing 10 lbs. or more of moisture in every 100 lbs. weight thereof the lb. 2 4 10

Containing less than 10 lbs. of moisture in every 100 lbs. weight thereof " 2 9 10

Manufactured:-

Cavendish or Negrohead manufactured in Bond " 2 6 10

Part III.

Preferential Rates of Customs Duties on Unmanufactured Tobacco.

Unmanufactured:-

If Stripped or Stemmed:-

Containing 10 lbs. or more of moisture in every 100 lbs. weight thereof the lb. 2 4  
5

Containing less than 10 lbs. of moisture in every 100 lbs. weight thereof " 2 9 4

If Unstripped or Unstemmed:-

Containing 10 lbs. or more of moisture in every 100 lbs. weight thereof " 2 4 4 1/2

Containing less than 10 lbs. of moisture in every 100 lbs. weight thereof " 2 9 4