

1942.
NEW ZEALAND.

LAND AND INCOME TAX DEPARTMENT.

REPORT OF THE COMMISSIONER OF TAXES UPON THE ADMINISTRATION OF PART IV OF THE
SOCIAL SECURITY ACT, 1938, FOR THE TWELVE MONTHS ENDED 31ST MARCH, 1942.

Presented to both Houses of the General Assembly pursuant to the Provisions of the Social Security Act, 1938.

REPORT.

I HAVE the honour to present herewith a report upon operations carried out by the Land and Income Tax Department during the financial year ended the 31st March, 1942, in the administration of the provisions of Part IV of the Social Security Act, 1938, relating to the assessment, collection, and recovery of the social security contribution, consisting of—

- (a) A registration fee ; and
- (b) A charge of 1s. in the pound on salaries and wages, and also on other income.

All income is subject to a further charge for national security tax, imposed by Part II of the Finance Act, 1940, but figures relating to collections under that Act are not included in this report.

The Department's activities throughout the year have been carried out under increasingly difficult conditions arising through an increased volume of work and the release of a considerable number of experienced members of the staff for service with the armed forces. During the year a machine accounting system was installed in connection with the social security charge and is operating efficiently.

The Post and Telegraph Department continued its valuable assistance as agent in the collection of the registration fee and of the social security charge, and in dealing with various other requirements incidental thereto.

The result of the Department's operations during the year is shown by statements (a), (b), and (c) hereunder.

(a) STATEMENT SHOWING NUMBER OF PERSONS REGISTERED UNDER THE SOCIAL SECURITY ACT, 1938,
AND EXEMPTIONS FROM PAYMENT OF THE REGISTRATION FEE.

(i) Registrations.

Males (twenty years of age and over)	..	..	..	530,377	
Youths (males sixteen to twenty years of age)	..	..	..	67,898	
					598,275
Females	..	..	..	..	604,754
Total number of live registrations as at 31st March, 1942					1,203,029

(ii) Exemptions from Payment of the Registration Fee granted during the Year ended 31st March, 1942, in respect of Instalments due for that Year.

On account of	Number of Persons granted Exemption.							Total Number of Instalments exempted.
	May, 1941, Instalment: Males, Females, and Youths.				Males Twenty Years and over.			
	Males, Twenty Years and over.*	Females.†	Youths.‡	Total May, 1941.	August, 1941, Instalment.	November, 1941, Instalment.	February, 1942, Instalment.	
(a) War pensioners (1914-19 war): Total disablement	2,113	3	..	2,116	1,931	1,796	1,236	7,079
(b) Beneficiaries (monetary benefits), Social Security Fund	25,967	31,166	125	57,258	23,838	20,593	14,756	116,445
(c) Unemployed, inmates of hospitals, prisons, &c.	2,140	1,295	142	3,577	1,833	1,610	883	7,903
(d) Students and members of religious bodies	1,018	6,104	4,205	11,327	883	671	350	13,231
(e) Members of His Majesty's forces	‡	‡	‡	‡	‡	‡	‡	‡
(f) Hardship	1,083	1,416	30	2,529	1,021	749	95	4,394
Totals	32,321	39,984	4,502	76,807	29,506	25,419	17,320	149,052

‡ Figures not for publication.

(iii) Exemptions from Payment of the Registration Fee granted during the Year ended 31st March, 1942 in respect of Instalments due for Years ended 31st March, 1940 and 1941.

On account of	Number of Persons granted Exemption.							Total Number of Instalments exempted.
	May, 1939, and May, 1940, Instalments : Males, Females, and Youths.				Males Twenty Years and over.			
	Males, Twenty Years and over.*	Females.†	Youths.‡	Total, May, 1939, and May, 1940, Instalments	August, 1939, and August, 1940, Instalments.	November, 1939, and November, 1940, Instalments.	February, 1940, and February, 1941, Instalments.	
(a) War pensioners (1914-19 war) : Total disablement	76	..	..	76	288	492	828	1,684
(b) Beneficiaries (monetary benefits), Social Security Fund	1,198	2,221	4	3,423	4,187	7,084	10,680	25,374
(c) Unemployed, inmates of hospitals, prisons, &c.	247	191	23	461	344	582	896	2,283
(d) Students and members of religious bodies	14	409	124	547	70	134	186	937
(e) Members of His Majesty's forces	..	..	..	..	..	..	..	..
(f) Hardship	349	276	9	634	501	640	702	2,477
Totals	1,884	3,097	166	5,141	5,390	8,932	13,292	32,755

* Males twenty years of age and over are liable for quarterly instalments of 5s. each, payable in February, May, August, and November each year.
† Females and youths are liable for 5s. annually, payable in May.

Summary: Total number of instalments exempted under (ii) and (iii) above, 181,807 at 5s. each, amount involved, £45,451 15s. (does not include exemptions granted to members of His Majesty's forces).

(b) STATEMENT OF RECEIPTS FOR THE YEAR ENDED 31ST MARCH, 1942.

	£	s.	d.	£	s.	d.
Registration fee	605,222	9	7			
Registration fee penalties	25,770	16	7			
				630,993	6	2
Social security charge on income (1s. in the pound)—						
Charge on salaries and wages paid by cash	4,210,891	1	9			
Charge on salaries and wages paid by stamps	2,277,800	7	0			
	6,488,691	8	9			
Charge on income other than salary or wages	3,943,622	10	5			
				10,432,313	19	2
Total				£11,063,307	5	4

(c) STATEMENT OF EXEMPTIONS GRANTED, ON THE GROUNDS OF HARDSHIP, FROM PAYMENT OF THE CHARGE ON INCOME.

Number of exemptions granted (in whole or in part)	1,909
Amount of social security charge remitted	£6,910 0s. 8d.

J. M. PARK, Commissioner of Taxes.

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