

**Motor-vehicles—
duties and licenses.**

The new item “Motor-vehicles—duties, licenses, &c.,” includes a portion of the year’s receipts for tire-tax, license fees, and fines, together with the amount received from the tax on motor-spirits for the three months during which the tax was collectable. Prior to the passing of section 24 of the Finance Act, 1927 (No. 2), the receipts from tire-tax, license fees, and fines were credited direct to Main Highways Account. Details of the total amounts received under the several headings will be found in the accounts for the Main Highways Revenue Fund published in B.-1, Part I. Though brought into the Consolidated Fund in the first instance, the revenues collected from these items are not available for general purposes, but, less costs of collection, must be transferred to the Main Highways Account. or distributed among local bodies in accordance with the Acts of Parliament governing the same. Although applicable for a special purpose, the aforesaid revenues are, nevertheless, part of the proceeds of taxation.

Taxation receipts

The taxation receipts available for general purposes amounted to £16,484,788. a decrease of £419,899 in comparison with receipts for the previous year.

Direct taxation.

The net decrease in the yield from direct taxation was £97,724. Income-tax receipts, notwithstanding the anticipated additional revenue incidental to the adjustment in rates made last session, fell short of the previous year’s figure by £148,487, but for reasons already stated this was expected and was allowed for in the estimate.

Land-tax.

Land-tax showed a comparative decrease of £74,588. This decrease is attributable mainly to the annual shrinkage due to subdivision of holdings, to the reduced amount of arrears to be collected, and to the fall in values of country lands on revision. Due to these reasons there has been a steady fall in land-tax over the last few years.

**Stamp and death
duties.**

The decreases in land and income tax were largely offset by a comparative increase of £125,351 in the revenue from stamp and death duties.

Indirect taxation.

The greater part of the fall in the revenue from taxation was on account of indirect taxation, Customs revenue showing a comparative decrease of £309,986 and beer duty of £12,189. The decrease in the former case arises out of the falling-off of approximately £3,750,000 in imports which followed the adverse trade balance of 1926–27. An analysis of the Customs duties collected during the last two years will be found in the Appendix (Table No. 7) of this Statement.

**Revenue other than
taxation.**

In addition to the receipts from taxation, there is also included in the year’s revenue the receipts derived from interest-earnings, sundry revenues, and recoveries from different State activities, amounting to £8,270,074, and representing a net increase of £231,654 over the previous year. This result arose mainly out of an increase in the following items: Post and Telegraph receipts, £96,702; interest earned on investment of public moneys, £96,837; interest on railway capital liability, £87,434: which increases were, however, partly offset by decreases in other items.

EXPENDITURE.**Expenditure.**

The net expenditure of the Ordinary Revenue Account for the year amounted in the aggregate to £24,944,904, as against £24,355,965 for the previous year. The year’s total, however, included £357,773 for the petrol-tax, tire-tax, licenses, &c., which was offset by the new revenue item referred to above. The true comparative net increase was thus £231,166, made up of an increase of £256,660 under permanent appropriations, and a decrease of £25,494 under annual appropriations. The principal items of expenditure will be found set out in Table No. 8 attached to this Statement.

PERMANENT APPROPRIATIONS.**Permanent
appropriations.**

The expenditure under this heading, which covers debt charges and payments made in pursuance of various Acts of Parliament, amounted last year to £14,879,378. This total includes £9,757,602 for debt charges, as follows:—

Debt charges.

						£
Interest	..	..	..	..	..	8,397,074
Debt repayment	..	..	..	..	..	1,360,528
Total	..	..	..	..	..	<u>£9,757,602</u>