The claims made for refunds of duty on motor-spirits again showed an increase compared with the previous year. The average number of applications dealt with each quarter during the year 1934 being 13,179, as compared with 12,316 for the preceding year. The number of claims made and the total amount refunded in terms of the Motor-spirits Taxation Act, 1927, were as follows :—

Year.	Number of Claims.	Amount refunded.
		£
1928	11,101	34,299
1929	19,814	60,834
1930	25,797	83,741
1931	37,116	132,150
1932	45,986	137,387
1933	49,265	138,194
1934	52,718	155,714

The particulars of the claims paid during each of the quarterly periods in 1934 are as follows :—

Quarter.	Number of Claims.	Amount refunded.
		£ s. d.
March	14,295	43,660 16 7
June	13,983	43,001 4 8
September	12,012	33,923 17 4
December	12,428	35,127 14 10

During the calendar year 1934, 1,451 claims were lodged during the second month following the close of the respective quarterly periods, and these were reduced by 10 per cent. in accordance with the provisions of section 7 of the Finance Act, 1933 (No. 2).

With the exceptions mentioned in the following paragraph, refunds are payable at the rate of 6d. per gallon on all motor-spirits consumed for purposes other than as fuel for licensed motor-vehicles in respect of claims lodged during the month following the close of the respective quarterly periods.

Refunds at the rate of 8d. per gallon are made in terms of section 4 of the Customs Acts Amendment Act, 1932–33, on motor-spirits consumed in aircraft and in vessels used exclusively in the fishing industry for commercial purposes. A deduction of 10 per cent. is also made on spirits consumed for the purposes outlined herein if application is made during the second month following the close of the quarter.

5. SPECIAL MILEAGE TAXATION.

Motor-vehicles Amendment Act, 1934–35, Section 4.

Owners of all road vehicles not propelled exclusively by means of motor-spirits, with the exception, *inter alia*, of tractors used solely for agricultural purposes and traction engines, are required to pay a mileage-tax graduated according to the classification of their vehicles under the Heavy Motor-vehicle Regulations. The tax is payable monthly.

The following figures show the number of vehicles in respect of which mileage-tax was payable as at 31st March, 1934 and 1935, and the revenue derived from mileage-tax during the years ended 31st March, 1934 and 1935 :—

Year ended 31st March,	Number of Vehicles.	Revenue.
		£
1934	269	2,016
1935	96	1,594

The heavy decline in 1934–35 is mainly due to the exemption from the payment of the tax of tractors used solely for agricultural purposes.

The rate of the special mileage-taxation varies according to the petrol-tax, and the revenue is distributed on the same proportionate basis as the revenue from that tax.

Provision exists for granting variations in or exemption from this tax by Order in Council. The following total and partial exemptions are at present in force :—

(a) Total Exemption.

(1) Traction engines.
(2) Farm tractors.
(3) Vehicles fitted with " E " plates.

(b) Partial Exemption.

(1) Electrically-driven vehicles (75 per cent.).
(2) Heavy-oil compression-ignition engines (40 per cent.).
(3) Vehicles driven by certain producer gas plants (70 per cent.).