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COLONY AND PROTECTORATE OF KENYA

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# ORDINANCES

ENACTED DURING THE YEAR

1947

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VOL. XXVI (NEW SERIES)

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NAIROBI  
PRINTED BY THE GOVERNMENT PRINTER

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No.	TITLE	Date of Assent	Date of Commencement
I	Estate Duty (Consolidation) (Amendment) ..	21-2-47	21-2-47
II	Beer (Amendment) .. .. .	"	1-1-47
III	Income Tax (Amendment) .. .. .	"	"
IV	Personal Tax (Amendment) .. .. .	"	"
V	Traders Licensing (Amendment) .. .. .	"	"
VI	Dangerous Petroleum Tax (Amendment) ..	"	"
VII	Kenya Defence Force (Temporary Suspension)	"	25-2-47
VIII	Civil Procedure (Amendment) .. .. .	"	21-2-47
IX	War Refugees (Control and Expulsion) (Amendment) .. .. .	"	"
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XI	Excise Duties (Amendment) .. .. .	"	"
XII	Customs Management (Amendment) .. ..	"	1-1-47
XIII	Uplands Bacon Factory (Kenya) Limited, (Constitution) (Amendment) .. ..	"	1-7-46
XIV	Coffee (Marketing) (Amendment) .. ..	"	21-2-47
XV	Excess Profits Tax (Amendment) .. ..	"	"
XVI	Income Tax (Amendment No. 2) .. ..	"	"
XVII	1947 Appropriation .. .. .	"	1-1-47
XVIII	Control of Detained Persons .. .. .	6-3-47	6-3-47
XIX	Transport Licensing (Amendment) .. ..	18-4-47	18-4-47
XX	Traffic (Amendment) .. .. .	"	"
XXI	Local Government (Municipalities) (Amendment) .. .. .	"	"
XXII	Land and Agricultural Bank (Amendment)	"	"
XXIII	Tea (Amendment) .. .. .	30-7-47	30-7-47
XXIV	Sisal Industry (Amendment) .. .. .	"	"
XXV	Notaries Public (Amendment) .. .. .	"	"
XXVI	Hospital Services (European) (Amendment) ..	"	11-3-47
XXVII	Repatriation of Ex-prisoners of War .. ..	"	30-7-47
XXVIII	Customs Tariff (Amendment) .. .. .	13-11-47	6-10-47
XXIX	Liquor (Amendment) .. .. .	"	13-11-47
XXX	Native Liquor (Amendment) .. .. .	"	"
XXXI	Employment of Servants (Amendment) .. ..	26-12-47	By Notice
XXXII	Native Registration (Amendment) .. ..	"	26-12-47
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TABLE SHOWING THE EFFECT OF THE YEAR'S LEGISLATION  
FORMER ORDINANCES (IN CHRONOLOGICAL ORDER) REPEALED OR AMENDED BY ORDINANCES OF 1947

Year and No. of Ordinance	Short Title	How Affected	Ordinance of 1947
Cap. 19	Notaries Public	Section 3, repealed and replaced	XXV
54	Dangerous Petroleum Tax	Section 3, repealed and replaced	VI
100	Beer	Section 4, amended	II
127	Native Registration	Section 5, repealed and replaced; section 6, amended; sections 8 (4) and (5), 8A, repealed; section 15, repealed and replaced; Principal Registrar substituted for Chief Registrar of Natives wherever latter appears in principal ordinance	XXXII
3 of 1924	Civil Procedure	Repealed on coming into force of Registration of Persons Ordinance, 1947	XXXIII
13 of 1926	Estate Duty (Consolidation)	Sections 2, 40, 55, 65, 66, 75, 89, amended; section 99A, new	VIII
25 of 1926	Customs Management	Schedule, amended	I
19 of 1928	Local Government (Municipalities)	Section 135, amended	XII
26 of 1928	Traffic	Section 69, amended; section 88A, new	XXI
11 of 1929	Registration of Domestic Servants	Section 49, amended	XX
1 of 1930	Customs Tariff	Repealed on coming into force of Domestic Employment (Certificate of Registration) Ordinance, 1947	XXXIV
36 of 1930	Native Liquor	Repealed.	X
3 of 1931	Land and Agricultural Bank	Provision for exclusive licence to local authorities to authorize sale of wine and beer, and licences issued under section 9A to authorize sale of wine and beer; section 5, amended	XXX
46 of 1934	Tea	Section 4, amended	XXII
62 of 1934	Liquor	Section 3, amended; section 15, repealed and replaced	XXXIII
40 of 1935	Excise Duties	Providing for sale of wines, etc., to natives, constitution and powers, etc., of licensing courts for hearing applications; section 39, amended; section 41, repealed and replaced	XXIX
51 of 1936	Traders Licensing	Schedule repealed and replaced	XI
5 of 1937	Kenya Defence Force	Section 6 (1), repealed and replaced	V
		Temporarily suspended	VII

TABLE SHOWING THE EFFECT OF THE YEAR'S LEGISLATION

FORMER ORDINANCES (IN CHRONOLOGICAL ORDER) REPEALED OR AMENDED BY ORDINANCES OF 1947

Year and No. of Ordinance	Short Title	How Affected	Ordinance of 1947
40 of 1937	Transport Licensing .. .. .	Section 23, repealed and replaced; section 32, new .. .. .	XIX
2 of 1938	Employment of Servants .. .. .	Section 2, amended; sections 18A and 18B, new .. .. .	XXXI
11 of 1940	Income Tax .. .. .	Limitation of application of certain amendments; sections 7, 13, 14, amended; sections 24, 27, repealed and replaced; sections 28, 29, amended; section 31, repealed; provisions of expired ordinances to apply in certain cases; Schedule, amended by prefixing "First"; Second Schedule, new .. .. .	III XVI IV
45 of 1940	Personal Tax .. .. .	Post-war refunds of excess profits to be charged with income tax .. .. .	XV
14 of 1941	Excess Profits Tax .. .. .	Section 3, repealed and replaced .. .. .	II and X
35 of 1941	War Revenue (Customs and Excise Duties)	Sections 2, 6, 9, amended; section 13, repealed and replaced; sections 25 to 34, new .. .. .	XIII
20 of 1945	Uplands Bacon Factory (Kenya), Limited, (Constitution) .. .. .	Section 7, amended; section 10, repealed and replaced .. .. .	XXIV
21 of 1945	Sisal Industry .. .. .	Sections 18, 27, amended .. .. .	XIV
6 of 1946	Coffee (Marketing) .. .. .	Repealed .. .. .	XI
29 of 1946	Excise Duties (Amendment) .. .. .	Repealed .. .. .	X
30 of 1946	Customs Tariff (Amendment) .. .. .	Repealed .. .. .	IX
33 of 1946	War Refugees (Control and Expulsion) .. .. .	Repealed .. .. .	XXIV
40 of 1946	Sisal Industry (Amendment) .. .. .	Sections 12 and 21, amended .. .. .	XXVI
47 of 1946	Hospital Services (European) .. .. .	Repealed .. .. .	XVII
59 of 1946	1947 Appropriation .. .. .	Schedule amended .. .. .	XXXVIII
10 of 1947	Customs Tariff .. .. .	Schedule amended .. .. .	XXXV

COLONY AND PROTECTORATE OF KENYA

ORDINANCE No. I of 1947

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
Governor.

AN ORDINANCE TO AMEND THE ESTATE DUTY  
(CONSOLIDATION) ORDINANCE, 1926

21st February, 1947

Date of commencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

1. This Ordinance may be cited as the Estate Duty (Consolidation) (Amendment) Ordinance, 1947, and shall be read as one with the Estate Duty (Consolidation) Ordinance, 1926, hereinafter referred to as the principal Ordinance.

Short title.

No. 13 of 1926.

2. The Schedule to the principal Ordinance is hereby amended by deleting therefrom the following:—

Amendment of the Schedule to the principal Ordinance.

“ — ... 200 ... Exempt.  
200 ... 1,000 ... 1 per cent.”,

and substituting therefor—

“ — ... 1,000 ... Exempt.”

**ORDINANCE No. II of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE BEER ORDINANCE**

*1st January, 1947*

Date of commencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

Short title and commencement.  
Cap. 100.

**1.** This Ordinance may be cited as the Beer (Amendment) Ordinance, 1947, and shall be read as one with the Beer Ordinance, hereinafter referred to as the principal Ordinance, and shall be deemed to have come into operation on the 1st of January, 1947.

Amendment of section 4 of the principal Ordinance.

**2.** Section 4 of the principal Ordinance is hereby amended by substituting the words "one hundred and twenty" for the word "sixty", which appears in the seventh line thereof.

Repeal.  
No. 35 of 1941.

**3.** The War Revenue (Customs and Excise Duties) Ordinance, 1941, is hereby repealed.

**ORDINANCE No. III of 1947**

Assented to in His Majesty's name this twenty-first day of  
February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE INCOME TAX  
ORDINANCE, 1940**

*1st January, 1947*

Date of com-  
mencement.

ENACTED by the Governor of the Colony of Kenya,  
with the advice and consent of the Legislative Council  
thereof, as follows:—

1. This Ordinance may be cited as the Income Tax  
(Amendment) Ordinance, 1947, and shall be read as one  
with the Income Tax Ordinance, 1940, hereinafter referred to  
as the principal Ordinance, and shall be deemed to have come  
into operation on the first day of January, 1947.

Short title and  
commence-  
ment.  
No. 11 of 1940.

2. The amendments effected by—

(a) sections 3, 5 and 6 of this Ordinance shall apply to  
assessments in respect of the year of assessment  
commencing on the first day of January, 1946, and  
each subsequent year of assessment;

Limitation of  
application of  
certain amend-  
ments effected  
by this Ordin-  
ance.

(b) sections 7, 8, 9, 10 and 11 of this Ordinance shall  
apply to assessments in respect of the year of assess-  
ment commencing on the first day of January, 1947,  
and each subsequent year of assessment.

3. Section 7 of the principal Ordinance is hereby  
amended—

Amendment of  
section 7 of the  
principal Ordin-  
ance.

(a) by inserting therein, between the words "the" and  
"Schedule", which appear in the first line of sub-  
section (6) thereof, the word "First"; and

(b) by inserting therein, immediately after sub-section (6)  
thereof, the following new sub-section:—

“(7) Where, under the provisions of the Second  
Schedule to this Ordinance, it is provided that a  
balancing charge shall be made or a sum shall be  
treated as a trading receipt for any year, the amount  
thereof shall be deemed to be income chargeable  
with tax under the provisions of this Ordinance.”

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## Income Tax

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Limitation of application of certain provisions of section 13 (1) of the principal Ordinance.

4. The provisions of paragraphs (c), (i), (k) and (n) of sub-section (1) of section 13 of the principal Ordinance shall not apply for the purpose of ascertaining the total income of any person for the year immediately preceding the year of assessment commencing on the first day of January, 1946, or any subsequent year of assessment.

Amendment of section 13 (1) of the principal Ordinance.

5. Sub-section (1) of section 13 of the principal Ordinance is hereby amended—

(a) by deleting the proviso to paragraph (d) thereof and substituting the following proviso therefor:—

“Provided that no deduction shall be made for the cost of renewal of any such premises;” and

(b) by re-lettering paragraph (o) thereof as paragraph (p), and by inserting immediately after paragraph (n) thereof, the following new paragraph:—

“(o) such allowances as may be due under the provisions of the Second Schedule to this Ordinance;”.

Amendment of section 14 of principal Ordinance.

6. Section 14 of the principal Ordinance is hereby amended by deleting the first two lines thereof and substituting the following therefor:—

“14. Except where otherwise expressly provided in this Ordinance, for the purposes of ascertaining the total income of any person, no deductions shall be allowed in respect of—”.

Repeal and replacement of section 24 of the principal Ordinance.

7. Section 24 of the principal Ordinance is hereby repealed and the following section substituted therefor:—

“Resident.

24. (1) In the case of an individual resident in the Colony in the year immediately preceding the year of assessment who proves to the satisfaction of the Commissioner that in the year immediately preceding the year of assessment—

Wife.

(a) he had a wife or wives living with or wholly maintained by him, there shall be allowed a deduction of three hundred and fifty pounds;

Children.

(b) he maintained any child who was either under the age of sixteen years or who if over the age of sixteen years at any time within that year was receiving full time instruction at any university,

college, school, or other educational establishment, or was serving under articles or indentures with a view to qualifying in a trade or profession, there shall be allowed a deduction of eighty pounds in respect of one such child, and a deduction of forty pounds in respect of each of such other children, not exceeding three in number:

Provided that—

- (i) no deduction shall be allowed in respect of any child who was entitled in his own right to an income exceeding seventy-five pounds in the year immediately preceding the year of assessment other than any sum to which the child was entitled as the holder of a scholarship, bursary or other similar educational endowment;
- (ii) the deduction in respect of any such child shall be increased by a sum not exceeding fifty pounds in respect of such expenses as may be prescribed and as may be incurred by the individual upon or in connexion with the education of any such child.

In this paragraph the expression "child" includes a step-child or an adopted child who was during the year immediately preceding the year of assessment wholly maintained by the individual;

- (c) he at his own expense maintained or contributed Dependants. to the maintenance of a person being a relative of the individual or of the individual's spouse who was either incapacitated by old age or infirmity from maintaining himself or is the widowed mother (whether so incapacitated or not) of the individual or of the individual's spouse or, where the individual is a widower and has resident with him and maintained by him a female relative of his or his deceased wife in the capacity of housekeeper, other than a female relative in respect of whom another individual is entitled to a deduction under the provisions of this Ordinance, there shall be allowed

a deduction of a sum not exceeding sixty pounds expended as such maintenance:

Provided that the income of the person maintained did not in the year immediately preceding the year of assessment exceed one hundred and fifty pounds:

Provided further that, where two or more persons, whether liable to tax under this Ordinance or not, or whether resident in the Colony or not, jointly maintained any such person as aforesaid, the deduction to be allowed under this paragraph shall be such an amount as bears the same proportion to sixty pounds as the amount or value contributed by the individual claiming the deduction bears to the total amount or value contributed to the maintenance of that person;

Life insurance,  
superannua-  
tion, and pro-  
vident funds.

- (d) (i) he has paid a premium for an insurance made by him on his life or the life of his wife with any insurance company;
- (ii) he has made a contribution to a pension, saving, provident or other society or fund which may be approved by the Commissioner upon such conditions as may be prescribed,

there shall be allowed as a deduction the amount of the premium paid by him for such insurance and the amount of the contribution as aforesaid:

Provided that no such deduction shall—

- (i) be made in such amounts beyond one-sixth of his total income for that year;
- (ii) as regards an insurance, be made except in respect of a premium payable on an insurance for securing a capital sum on death (whether in conjunction with any other benefit or not) or shall, in respect of such a premium, exceed an amount equal to seven per centum of the actual capital sum assured, and in calculating any such capital sum no account shall be taken of any sum payable on the happening of any other contingency, or of the value of any premiums agreed to be

returned, or of any benefit by way of bonus, or otherwise, which is to be or may be received either before or after death, either by the person paying the premium, or by any other person, and which is not the sum actually assured;

(iii) where the amount of premiums and contributions otherwise allowable does not exceed two hundred pounds, reduce the amount of tax payable on the individual's income by more than twenty-five per centum of such premiums and contributions, and, where the amount of such premiums and contributions exceeds two hundred pounds, by more than fifty pounds in respect of the first two hundred pounds thereof or by more than twelve and a half per centum of the excess of such premiums and contributions over two hundred pounds in respect of such excess.

(2) In the case of an individual resident in the Colony in the year immediately preceding the year of assessment, other than an individual to whom paragraph (a) of sub-section (1) of this section applies, there shall be allowed a deduction of two hundred pounds:

Provided that, where the total income of such individual, other than an individual to whom paragraph (b) of sub-section (1) of this section applies, exceeds two hundred pounds, the amount of such deduction shall be reduced by one-half of the amount by which the total income exceeds two hundred pounds."

8. Section 27 of the principal Ordinance is hereby repealed and the following section substituted therefor:—

"27. (1) The tax upon the income of any individual resident in the Colony shall be charged as follows:—

(a) where the chargeable income does not exceed £250: at the rate of two shillings for every pound of the chargeable income;

(b) where the chargeable income exceeds £250: at the rate of two shillings with the addition of one-eighth of a cent for every pound of the

Repeal and replacement of section 27 of the principal Ordinance.

Rates of tax.

chargeable income in excess of £250 up to a maximum rate of five shillings for every pound of the chargeable income; and

(c) where the total income exceeds three thousand pounds: an additional tax (to be called 'surtax') at the rate of four shillings with the addition of one-twentieth of a cent for every pound of the total income in excess of three thousand pounds up to a maximum rate of seven shillings and fifty cents for every pound in excess of three thousand pounds of the total income.

(2) The tax upon the chargeable income of a person, other than an individual resident in the Colony, shall be charged at the rate of four shillings on every pound of the chargeable income thereof:

Provided that, where any such person proves to the satisfaction of the Commissioner that any dividends have been paid out of such chargeable income, an amount equal to such dividends may be charged at a lower rate or not charged with any tax, as the Commissioner shall determine.

(3) The tax upon the income of any person who is not resident in the Colony shall, in the case of a person, other than an individual, be charged at the rates specified in sub-section (2) of this section and shall, in the case of an individual, be charged as follows:—

(a) where the chargeable income does not exceed £750: at the rate of two shillings for every pound of the chargeable income;

(b) where the chargeable income exceeds £750: at the rate of two shillings with the addition of one-eighth of a cent for every pound of the chargeable income in excess of £750 up to a maximum rate of five shillings for every pound of the chargeable income;

(c) where the total income exceeds three thousand pounds: an additional tax (to be called 'surtax') at the rate of four shillings with the addition of one-twentieth of a cent for every pound of the total income in excess of three thousand pounds up to a maximum rate of seven shillings and fifty cents for every pound in excess of three thousand pounds of the total income:

Provided that, where any such person has other income accruing in, derived from or received in another East African territory, the amount of tax to be charged upon his income shall be the amount resulting from the last of the following calculations:—

There shall be calculated—

- (a) the amount of such person's whole income accruing in, derived from or received in the Colony and another East African territory;
- (b) the amount of tax which would be charged if such whole income were chargeable with tax under this Ordinance;
- (c) the aggregate of the amount of such person's total income in the Colony, the Tanganyika Territory, the Uganda Protectorate and the Zanzibar Protectorate, but excluding any amount which, upon the calculation of the total income in any such territory, results in a loss;
- (d) the amount which results by multiplying the amount of tax arrived at under paragraph (b) of this sub-section by such person's total income and dividing the product by the amount arrived at under paragraph (c) of this sub-section:

Provided that the amount of any loss which has been deducted in arriving at the amount of such person's whole income under the provisions of this sub-section shall be deemed to have been allowed against his total income for the purpose of the provisions of paragraph (m) of sub-section (1) of section 13 of this Ordinance."

9. Sub-section (3) of section 28 of the principal Ordinance is hereby amended—

- (a) by deleting the word "three", which appears in the third line thereof, and substituting therefor the word "four"; and
- (b) by deleting the word "company", which appears in the fourth line thereof, and substituting therefor the words and commas "person, other than an individual,".

Amendment of section 28 (3) of the principal Ordinance.

Amendment of section 29 (1) of the principal Ordinance.

**10.** Sub-section (1) of section 29 of the principal Ordinance is hereby amended—

(a) by deleting the word “three”, which appears in the fifth line thereof, and substituting therefor the word “four”; and

(b) by deleting the word “company”, which appears in the sixth line thereof, and substituting therefor the words and commas “person, other than an individual,”.

Repeal of section 31 of the principal Ordinance.

**11.** Section 31 of the principal Ordinance is hereby repealed.

Provisions of expired Ordinances to apply in certain cases. No. 26 of 1940. No. 36 of 1941.

**12.** Notwithstanding the provisions of section 7 of the War Taxation (Income Tax) Ordinance, 1940, and of section 6 of the War Taxation (Income Tax) (Amendment) Ordinance, 1941, the provisions of those Ordinances shall apply in respect of assessments for years of assessment commencing on or before the first day of January, 1946.

Amendment of the Schedule to the principal Ordinance.

**13.** The Schedule to the principal Ordinance is hereby amended by inserting the word “FIRST” immediately before the word “SCHEDULE”, which appears at the head thereof.

Insertion of Second Schedule to the principal Ordinance.

**14.** The principal Ordinance is hereby amended by adding the following Schedule thereto:—

#### “SECOND SCHEDULE

##### PART I

#### ALLOWANCES IN RESPECT OF EXPENDITURE ON CERTAIN BUILDINGS AND STRUCTURES

Initial allowances.

1. (1) Subject to the provisions of this Schedule, where, on or after the first day of January, 1945, a person incurs capital expenditure on the construction of a building or structure which is to be an industrial building or structure occupied for the purpose of a trade carried on either by him or by such a lessee as is hereinafter mentioned; there shall be deducted in computing the total income of the person who incurred the expenditure an allowance (in this Part of this Schedule referred to as “an initial allowance”) equal to one-tenth thereof.

The said lessees are lessees occupying the building or structure on the construction of which the expenditure was

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Income Tax

No. III

incurred under a lease to which the relevant interest, as defined for the purposes of this Part of this Schedule, is reversionary.

(2) The allowance shall be deducted in computing the total income of the year in which the expenditure was incurred:

Provided that, where the first use to which the building or structure is put is a use by a person occupying it by virtue of a tenancy to which the relevant interest is reversionary, and the tenancy begins after the incurring of the expenditure, the deduction shall be made for the year in which the tenancy begins.

(3) Notwithstanding anything in this paragraph contained, no initial allowance shall be made in respect of any expenditure if, when the building or structure comes to be used, it is not an industrial building or structure, and where an initial allowance has been deducted otherwise than in accordance with the provisions of this paragraph, all such additional assessments shall be made as are necessary to secure that effect is given to those provisions.

2. (1) Subject to the provisions of this Schedule, where, <sup>Annual allowances.</sup> for any period during any year commencing on or after the first day of January, 1945,

- (a) any person is entitled to an interest in a building or structure; and
- (b) the building or structure is an industrial building or structure; and
- (c) such interest is the relevant interest in relation to the capital expenditure incurred on the construction of that building or structure,

an allowance (in this Part of this Schedule referred to as "an annual allowance") equal to one-fiftieth of that expenditure shall, where the said period is the whole year, be deducted in computing his total income for that year, and where the said period is less than a year the annual allowance shall be proportionately reduced.

(2) Where, at any time on or after the first day of January, 1945, the interest in a building or structure which is the relevant interest in relation to any expenditure is sold

while the building or structure is an industrial building or structure, the annual allowance in respect of that expenditure shall thereafter—

- (a) be computed by reference to the residue (as defined in the provisions of this Part of this Schedule relating to the writing off of expenditure) of that expenditure immediately after the sale; and
- (b) for each period of one year shall be the fraction of the said residue the numerator of which is one and the denominator of which is the number of years comprised in the period which begins at the time of the sale and ends at the fiftieth year after the building or structure was first used, and so on for any subsequent sales.

(3) Notwithstanding anything in the preceding provisions of this paragraph contained, in no case shall the amount of an annual allowance deducted in computing the total income of any person for any year in respect of any expenditure exceed what, apart from the writing off falling to be made by reason of the making of that allowance, would be the residue of that expenditure at the end of such year.

Allowances, may  
be increased.

3. Notwithstanding anything in the last two preceding paragraphs contained, where the Commissioner is satisfied that, having regard to the type of construction or to the use to which any building or structure is put, its life is likely to be substantially less than fifty years, he may, upon the application of the person who incurred the capital expenditure thereon, increase the amount of the initial allowance or of the annual allowance or of both of those allowances to such an amount as he may consider just and reasonable, and all the provisions of this Part of this Schedule shall apply accordingly.

Balancing  
allowances and  
balancing  
charges.

4. (1) Where any capital expenditure has been incurred on the construction of a building or structure and, on or after the first day of January, 1945, any of the following events occur while the building or structure is an industrial building or structure, that is to say—

- (a) the relevant interest in the building or structure is sold; or
- (b) such interest, being an interest depending on the duration of a concession, comes to an end on the coming to an end of that concession; or

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## Income Tax

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- (c) such interest, being a leasehold interest, comes to an end otherwise than on the person entitled thereto acquiring the interest which is reversionary thereon; or
- (d) the building or structure is demolished or destroyed, or without being demolished or destroyed, ceases altogether to be used,

an allowance or charge (in this Part of this Schedule referred to as "a balancing allowance" or "a balancing charge") shall, in the circumstances mentioned in this paragraph, be made in computing the total income of the person entitled to the relevant interest immediately before that event occurs for the year in which that event occurs: Provided that no balancing allowance or balancing charge shall be made by reason of any event occurring after the fiftieth year since the building or structure was first used.

(2) Where there are no sale, insurance, salvage or compensation moneys, or where the residue of the expenditure immediately before the event exceeds those moneys, a balancing allowance shall be made, and the amount thereof shall be the amount of the residue, or, as the case may be, of the excess thereof over the said moneys.

(3) If the sale, insurance, salvage or compensation moneys exceed the residue, if any, of the expenditure immediately before the event, a balancing charge shall be made and the amount on which it shall be made shall be an amount equal to the excess, or, where the residue is nil, to the said moneys.

(4) If, for any of the relevant years (as defined in this sub-paragraph), neither an annual allowance nor a scientific research allowance has been made, the last preceding sub-paragraph shall have effect subject to the modification that the amount on which the balancing charge is to be made shall be reduced by applying thereto the fraction, the numerator of which is the number of relevant years for which an annual allowance or scientific research allowance has been made in respect of the expenditure and the denominator of which is the total number of the relevant years.

In this sub-paragraph the expression "relevant years" means all years or fractions of years after that in which the building or structure was first used for any purpose up to and including that in which the event takes place which gives rise to the balancing charge:

Provided that, where, before the said event but on or after the first day of January, 1945, the building or structure has been sold while an industrial building or structure, the said expression means all years or fractions of years between the sale and the event, or, where there has been more than one such sale, between the last such sale and the event.

(5) Where an industrial building or structure, in the case of which any one of the events mentioned in sub-paragraph (1) of this paragraph has occurred, is replaced by the owner thereof and a balancing charge falls to be made on him by reason of that event, or, but for the provisions of this sub-paragraph, would have fallen to be made on him by reason thereof, then, if by notice in writing to the Commissioner he so elects, the following provisions shall have effect, that is to say—

- (a) if the amount on which the charge would have been made is greater than the capital expenditure on the construction of the industrial building or structure—
  - (i) the charge shall be made only on an amount equal to the difference; and
  - (ii) no initial allowance, no balancing allowance or annual allowance shall be made or allowed in respect of the expenditure on the new industrial building or structure; and
  - (iii) in considering whether any, and, if so, what, balancing charge falls to be made in respect of the expenditure on the new industrial building or structure, there shall be deemed to have been made in respect of that expenditure an initial allowance equal to the full amount of that expenditure;
- (b) if the capital expenditure on the construction of the new industrial building or structure is equal to or greater than the amount on which the charge would have been made—
  - (i) the charge shall not be made; and
  - (ii) the amount of any initial allowance or annual allowance in respect of the said expenditure shall be calculated as if the expenditure had been reduced by the amount on which the charge would have been made; and
  - (iii) in considering whether any, and, if so, what, balancing allowance or balancing charge falls

to be made in respect of the new industrial building or structure, the initial allowance granted in respect thereof shall be deemed to have been increased by an amount equal to the amount on which the charge would have been made.

(6) Notwithstanding anything in the preceding provisions of this paragraph contained, in no case shall the amount on which a balancing charge is made on a person in respect of any expenditure on the construction of a building or structure exceed the amount of the initial allowance, if any, made to him in respect of that expenditure, together with the amount of any annual allowances or scientific research allowances in respect of that expenditure and any factory allowances in respect of that building or structure, made in computing the total income of that person for years which end on or before the date of the event which gives rise to the charge.

5. (1) Any expenditure incurred on the construction of any building or structure shall be deemed for the purposes of this Part of this Schedule to be written off to the extent and as at the times hereinafter specified in this paragraph and references in this Part of this Schedule to the residue of such expenditure shall be construed accordingly.

Writing off of expenditure and meaning of "residue of expenditure".

(2) If an initial allowance is made in respect of the expenditure the amount of the allowance shall be written off as at the time when the building or structure is first used.

(3) If, by reason of a building or structure being at any time an industrial building or structure, an annual allowance is made for any period in respect of the expenditure, the amount of the allowance shall be written off as at the end of the period in respect of which the allowance is made:

Provided that, where at the end of the said period an event occurs which gives rise or may give rise to a balancing allowance or charge, the amount directed to be written off by this sub-paragraph as at the end of the said period shall, for the purpose of determining whether any, and if so, what balancing allowance or charge is to be made, be taken into account in computing the residue of the said expenditure immediately before that event.

(4) If, for any period after the building or structure was first used, no annual allowance falls to be deducted in computing the total income of any person in respect of the expenditure, then the amount, which would have been deducted as an annual allowance had the building or structure been an industrial building or structure and this Ordinance had always been in force, shall be written off as at the end of such period.

(5) If, on the occasion of a sale, a balancing allowance is made in respect of the expenditure, there shall be written off as at the time of the sale the amount by which the residue of the expenditure before the sale exceeds the net proceeds of the sale.

(6) If, on the occasion of a sale, a balancing charge is made in respect of the expenditure, the residue of the expenditure shall be deemed for the purposes of this Part of this Schedule to be increased as at the time of the sale by the amount on which the charge is made.

(7) Where the Crown is at any time entitled to the relevant interest in a building or structure, the preceding provisions of this paragraph shall have effect as if all such annual allowances, balancing allowances and balancing charges had been made as could have been made if—

(a) a person other than the Crown had been entitled to the relevant interest; and

(b) all things which, while the Crown is entitled to the relevant interest, have been done in relation to the building or structure by or to the Crown or by or to any person using the building or structure under the authority of the Crown, had been done by or to that other person, for the purposes of and in the course of a trade carried on by him; and

(c) any sale or other disposition by or on behalf of the Crown of the relevant interest in the building or structure had been made in connexion with the termination of that trade.

Building and  
structures  
bought unused.

6. (1) Where expenditure is incurred on the construction of a building or structure and, before that building or structure is used, the relevant interest therein is sold—

(a) the expenditure actually incurred on the construction thereof shall be left out of account for the purposes

of the preceding provisions of this Part of this Schedule; but

- (b) the person who buys that interest shall be deemed for these purposes to have incurred, on the date when the purchase price becomes payable, expenditure on the construction thereof equal to the said expenditure or to the net price paid by him for the said interest, whichever is the less:

Provided that, where the relevant interest in the building or structure is sold more than once before the building or structure is used, the provisions of item (b) of this paragraph shall have effect only in relation to the last of those sales.

(2) Where the expenditure incurred on the construction of a building or structure was incurred by a person carrying on a trade which consists, as to the whole or any part thereof, in the construction of buildings or structures with a view to their sale, and, before the building or structure is used, he sells the relevant interest therein in the course of that trade, or, as the case may be, of that part of that trade, item (b) of the preceding sub-paragraph shall have effect subject to the following modifications—

- (a) if that sale is the only sale of the relevant interest before the building or structure is used, the said item (b) shall have effect as if the words "the said expenditure or to" and the words "whichever is the less" were omitted; and
- (b) in any other case, the said item (b) shall have effect as if the reference to the expenditure actually incurred on the construction of the building or structure were a reference to the price paid on the said sale.

7. (1) Subject to the provisions of this paragraph, in this Part of this Schedule the expression "industrial building or structure" means a building or structure in use—

Definition of "industrial building or structure".

- (a) for the purposes of a trade carried on in a mill, factory or other similar premises; or
- (b) for the purposes of a transport, dock, inland navigation, water, electricity or hydraulic power undertaking; or
- (c) for the purposes of a trade which consists in the manufacture of goods or materials or the subjection of goods or materials to any process; or

- (d) for the purposes of a trade which consists in the storage—
- (i) of goods or materials which are to be used in the manufacture of other goods or materials; or
  - (ii) of goods or materials which are to be subjected, in the course of a trade, to any process; or
  - (iii) of goods or materials which, having been manufactured or produced or subjected, in the course of a trade, to any process, have not yet been delivered to any purchaser; or
  - (iv) of goods or materials on their arrival by sea or air into any part of the Colony or another East African territory; or
- (e) for the purposes of a trade which is the occupation of land wholly or mainly for the purposes of husbandry; or
- (f) for the purposes of a trade consisting in all or any of the following activities, that is to say, ploughing or cultivating agricultural land (other than land in the occupation of the person carrying on the trade) or doing any other operation on such land, or threshing the crops of another person,

and, in particular, the said expression includes any building or structure provided by the person carrying on such a trade or undertaking for the welfare of workers employed in that trade or undertaking and in use for that purpose.

(2) The provisions of sub-paragraph (1) of this paragraph shall apply in relation to a part of a trade or undertaking as they apply in relation to a trade or undertaking:

Provided that, where part only of a trade or undertaking complies with the conditions set out in the said provisions, a building or structure shall not, by virtue of this sub-paragraph, be an industrial building or structure unless it is in use for the purposes of that part of that trade or undertaking.

(3) Notwithstanding anything in sub-paragraph (1) or sub-paragraph (2) of this paragraph contained, but subject to the provisions of sub-paragraph (4) of this paragraph, the expression "industrial building or structure" does not include any building or structure in use as, or as part of, a dwelling-house, retail shop, showroom, hotel or office or for any

purpose ancillary to the purposes of a dwelling-house, retail shop, showroom, hotel or office:

Provided that—

(a) this sub-paragraph shall not apply to, or to part of, a building or structure which was constructed for the occupation by, or for the welfare of, persons employed in a trade specified in sub-paragraph (1) of this paragraph, if the building or structure is likely to have little or no value to the person carrying on the trade when the trade is no longer carried on, or will cease to belong to such person on the coming to an end of a concession under which the trade is carried on;

(b) in the case of a farm house, a part represented by one-third of the expenditure thereon shall be treated as an industrial building or structure, or, if the accommodation and amenities of the farm house are out of due relation to the nature and extent of the farm, such proportion thereof as may be just.

(4) Where part of the whole of a building or structure is, and part thereof is not, an industrial building or structure, and the capital expenditure which has been incurred on the construction of the second mentioned part is not more than one-tenth of the total capital expenditure which has been incurred on the construction of the whole building or structure, the whole building or structure and every part thereof shall be treated as an industrial building or structure.

(5) In this paragraph, the following expressions have the meanings hereby respectively assigned to them—

“retail shop” includes any premises of a similar character where retail trade or business (including repair work) is carried on;

“dock” includes any harbour, wharf, pier or jetty or other works in or at which vessels can ship or unship merchandise or passengers, not being a pier or jetty primarily used for recreation, and “dock undertaking” shall be construed accordingly;

“water undertaking” means an undertaking for the supply of water for public consumption;

“electricity undertaking” means an undertaking for the generation, transformation, conversion, transmission or distribution of electrical energy;

“hydraulic power undertaking” means an undertaking for the supply of hydraulic power;

“undertaking” does not include an undertaking not carried on by way of trade;

“agricultural land” means land occupied wholly or mainly for the purposes of a trade of husbandry;

“crops” includes any form of vegetable produce.

Meaning of “the relevant interest”.

8. (1) Subject to the provisions of this paragraph in this Part of this Schedule, the expression “the relevant interest” means, in relation to any expenditure incurred on the construction of a building or structure, the interest in that building or structure to which the person who incurred the expenditure was entitled when he incurred it.

(2) Where, when he incurs expenditure on the construction of a building or structure, a person is entitled to two or more interests in the building or structure, and one of those interests is an interest which is reversionary on all the others, that interest shall be the relevant interest for the purposes of this Part of this Schedule.

(3) An interest shall not cease to be the relevant interest for the purposes of this Part of this Schedule by reason of the creation of any lease or other interest to which that interest is subject, and, where the relevant interest is a leasehold interest and is extinguished by reason of the surrender thereof, or on the person entitled thereto acquiring the interest which is reversionary thereon, the interest into which that leasehold interest merges shall thereupon become the relevant interest.

(4) Where the relevant interest is a leasehold interest which came to an end before the first day of January, 1945, and the last preceding sub-paragraph does not apply, the interest which is immediately reversionary thereon shall be deemed, for the purposes of the provisions of this Part of this Schedule in so far as they relate to annual allowances, balancing allowances and balancing charges, to have thereupon become the relevant interest.

Temporary disuse of industrial buildings or structures.

9. For the purposes of this Part of this Schedule, a building or structure shall not be deemed to cease altogether to be used by reason that it falls temporarily out of use on or after the first day of January, 1945, and where, immediately before any period of temporary disuse beginning on or after that day, a building or structure is an industrial building or

structure, it shall be deemed to continue to be an industrial building or structure during the period of temporary disuse.

10. (1) Where, with the consent of the lessor, a lessee of any building or structure remains in possession thereof after the termination of the lease without a new lease being granted to him, that lease shall be deemed for the purposes of this Part of this Schedule to continue so long as he remains in possession as aforesaid.

Holding over of leased land, and other special cases.

(2) Where, on the termination of a lease, a new lease is granted to the lessee in pursuance of an option available to him under the terms of the first lease, the provisions of this Part of this Schedule shall have effect as if the second lease were a continuation of the first lease.

(3) Where, on the termination of a lease, the lessor pays any sum to the lessee in respect of a building or structure comprised in the lease, the provisions of this Part of this Schedule shall have effect as if the lease had come to an end by reason of the surrender thereof in consideration of the payment.

(4) Where, on the termination of a lease, another lease is granted to a different lessee and, in connexion with the transaction, that person pays a sum of money to the person who was the lessee under the first lease, the provisions of this Part of this Schedule shall have effect as if both leases were the same lease and there had been an assignment thereof by the lessee under the first lease to the lessee under the second lease in consideration of the payment.

11. (1) Any reference in this Part of this Schedule to the incurring of expenditure on the construction of a building or structure does not include expenditure on the provision of machinery or plant or on any asset which has been treated for any year as machinery or plant.

Interpretation of Part I.

(2) References in this Part of this Schedule to expenditure incurred on the construction of a building or structure do not include—

(a) any expenditure incurred on the acquisition of, or of rights in or over, any land; or

(b) any expenditure incurred on preparing, cutting, tunnelling or levelling any land:

Provided that item (b) of this sub-paragraph shall not apply to expenditure on work done on the land to be covered by a building or structure for the purposes of preparing the land to receive the foundations of the building or structure, being work which may be expected to be valueless when the building or structure is demolished and not being work which consists of cutting or tunnelling.

(3) A person who has incurred expenditure on the construction of a building or structure shall be deemed, for the purposes of any provision of this Part of this Schedule referring to his interest therein at the time when the expenditure was incurred, to have had the same interest therein as he would have had if the construction thereof had been completed at that time.

(4) Without prejudice to any of the other provisions of this Schedule relating to the apportionment of sale, insurance, salvage or compensation moneys, the sum paid on the sale of the relevant interest in a building or structure, or any other sale, insurance, salvage or compensation moneys payable in respect of any building or structure, shall, for the purposes of this Part of this Schedule, be deemed to be reduced by an amount equal to so much thereof as, on a just apportionment, is attributable to assets representing expenditure other than expenditure in respect of which an allowance can be made under this Part of this Schedule.

(5) In this Part of this Schedule the expression "factory allowance" means any deduction made under the provisions of paragraph (k) of sub-section (1) of section 13 of this Ordinance in respect of premises, being mills, factories, or other similar premises.

## PART II

### ALLOWANCES IN RESPECT OF EXPENDITURE ON MACHINERY OR PLANT

Initial  
allowances.

12. (1) Where, on or after the first day of January, 1945, a person carrying on a trade incurs capital expenditure on the provision of machinery or plant for the purposes of a trade, there shall be deducted in computing his total income for the year in which the expenditure is incurred, an allowance (in this Part of this Schedule referred to as "an initial allowance") equal to one-fifth of the expenditure.

(2) Any expenditure incurred, on or after the first day of January, 1945, for the purposes of a trade by a person about to carry it on shall be treated for the purposes of this paragraph as if it had been incurred by that person on the first day upon which he does carry it on.

13. (1) Where, during any year commencing on or after the first day of January, 1945, any machinery or plant owned by a person is used for the purpose of a trade carried on by him, there shall be deducted in computing his total income for that year an allowance (in this Part of this Schedule referred to as "a wear and tear allowance") equal to five fourths of the amount considered by the Commissioner to be just and reasonable as representing the diminished value of the machinery or plant by reason of wear and tear during that year:

Wear and tear allowances.

Provided that—

(a) the amount of the allowance to be deducted for any year shall not exceed what, apart from any allowance which falls to be made for that year, would be the amount still unallowed of the expenditure incurred on the provision of the machinery or plant at the end of that year; and

(b) in considering what allowance, if any, shall be made, there shall be left out of account a proportion of the machinery or plant equal to the proportion of the expenditure on the provision thereof which is or is to be met directly or indirectly by the Crown or any Government or public or local authority, or by any person, whether in the Colony or elsewhere, other than the person providing the machinery or plant.

(2) Where machinery or plant is let to the person carrying on the trade upon such terms that the burden of the wear and tear falls directly on him, the machinery or plant shall, during the period of the letting, be deemed to have been owned by that person for the purposes of this paragraph.

(3) Where, in considering whether any, and, if so, what, wear and tear allowance is to be made in respect of any machinery or plant, account falls to be taken of allowances previously deducted, any initial allowance granted in respect of the machinery or plant shall be taken into account as if it were a wear and tear allowance deducted under the provisions of this paragraph.

Application to lessors.

14. Where machinery or plant is let upon such terms that the burden of the wear and tear thereof falls directly upon the lessor, the provisions of this Part of this Schedule shall apply in relation to him as if the machinery or plant were, during the period of letting, in use for the purposes of a trade carried on by him.

Balancing allowances and balancing charges.

15. (1) Subject to the provisions of this paragraph, where, on or after the first day of January, 1945, any of the following events occurs in the case of any machinery or plant in respect of which an initial allowance or a wear and tear allowance has been deducted in computing the total income for any year of a person carrying on a trade, that is to say, either—

- (a) the machinery or plant is sold whether in use or not; or
- (b) the machinery or plant, whether still in use or not, ceases to belong to the person carrying on the trade by reason of the coming to an end of a concession; or
- (c) the machinery or plant is destroyed; or
- (d) the machinery or plant is put out of use as being worn out or obsolete or otherwise useless or no longer required,

an allowance or charge (in this Part of this Schedule referred to as "a balancing allowance" or "a balancing charge") shall, in the circumstances mentioned in this paragraph, be made to, or, as the case may be, on, that person in computing his total income for the year in which that event occurs.

(2) Where there are no sale, insurance, salvage or compensation moneys or where the amount of the capital expenditure of the person in question on the provision of the plant or machinery still unallowed as at the time of the event exceeds those moneys, a balancing allowance shall be made, and the amount thereof shall be the amount of the expenditure still unallowed as aforesaid, or, as the case may be, of the excess thereof over the said moneys.

(3) If the sale, insurance, salvage or compensation moneys exceed the amount, if any, of the said expenditure still unallowed as at the time of the event, a balancing charge shall be made, and the amount on which it is made shall be an amount equal to the excess or, where the said amount still unallowed is nil, to the said moneys.

(4) Notwithstanding anything in the last preceding sub-paragraph, in no case shall the amount on which a balancing charge is made on a person exceed the aggregate of the following amounts which have been deducted in computing his total income for any year, that is to say—

- (a) the amount of the initial allowance, if any, and any scientific research allowances deducted in respect of the expenditure in question;
- (b) the amount of any allowances under the provisions of paragraph (k) of sub-section (1) of section 13 of this Ordinance and any wear and tear allowances deducted in respect of the machinery or plant on the provision of which the expenditure was incurred;
- (c) the amount of any balancing allowance previously made in respect of the expenditure;
- (d) the amount of any allowance made under the provisions of section 12 of the Income Tax Ordinance, 1937.

No. 12 of 1937.

16. Where machinery or plant, in the case of which any of the events mentioned in sub-paragraph (1) of the last preceding paragraph has occurred, is replaced by the owner thereof and a balancing charge falls to be made on him by reason of that event, or, but for the provisions of this paragraph, would have fallen to be made on him by reason thereof, then, if by notice in writing to the Commissioner he so elects, the following provisions shall have effect, that is to say—

Replacement of machinery or plant.

- (a) if the amount on which the charge would have been made is greater than the capital expenditure on providing the new machinery or plant—
  - (i) the charge shall be made only on an amount equal to the difference; and
  - (ii) no initial allowance, no balancing allowance or wear and tear allowance shall be made or allowed in respect of the new machinery or plant or the expenditure on the provision thereof; and
  - (iii) in considering whether any, and, if so, what, balancing charge falls to be made in respect of the expenditure on the new machinery or plant, there shall be deemed to have been made

in respect of that expenditure an initial allowance equal to the full amount of that expenditure;

(b) if the capital expenditure on providing the new machinery or plant is equal to or greater than the amount on which the charge would have been made—

(i) the charge shall not be made; and

(ii) the amount of any initial allowance in respect of the said expenditure shall be calculated as if the expenditure had been reduced by the amount on which the charge would have been made; and

(iii) in considering what wear and tear allowance is to be made in respect of the new machinery or plant there shall be left out of account a proportion of the machinery or plant equal to the proportion which the amount on which the charge would have been made bears to the amount of the said expenditure; and

(iv) in considering whether any, and, if so, what, balancing allowance or balancing charge falls to be made in respect of the new machinery or plant, the initial allowance granted in respect thereof shall be deemed to have been increased by an amount equal to the amount on which the charge would have been made.

Meaning of  
"expenditure  
unallowed".

17. References in this Part of this Schedule to the amount still unallowed of any expenditure as at any time shall be construed as references to the amount of that expenditure less—

(a) the initial allowance, if any, deducted in respect thereof, in computing the total income of the person who incurred it;

(b) any deductions made in computing the total income of that person for any year in respect of the machinery or plant on the provision of which he incurred the expenditure under the provisions of paragraph (k) of sub-section (1) of section 13 of this Ordinance together with any such deductions which would have been so made for any other year if this Ordinance had always been in force;

- (c) any wear and tear allowances deducted in computing the total income of that person in respect of the machinery or plant on the provision of which he incurred the expenditure for any period which ended before the time in question; and
- (d) any balancing allowance deducted in respect of the expenditure in computing his total income.

18. Where a person carrying on a trade incurs capital expenditure on alterations to an existing building incidental to the installation of machinery or plant for the purposes of the trade, the provisions of this Schedule shall have effect as if the said expenditure were expenditure on the provision of that machinery or plant and as if the works representing that expenditure formed part of that machinery or plant.

Expenditure on alteration to buildings in connexion with installation of machinery or plant.

19. The provisions of this Part of this Schedule shall, with any necessary adaptations, apply in relation to professions, employments and vocations as they apply in relation to trades.

Application to businesses, etc

### PART III

#### DEDUCTIONS IN RESPECT OF MINING OPERATIONS

20. (1) In this Part of this Schedule, except where the context otherwise requires—

Expenditure to which Part III applies.

“expenditure” means capital expenditure incurred by any person carrying on a trade of mining—

- (a) on searching for or on discovering and testing deposits of minerals, or winning access thereto; or
- (b) on the provision of machinery, plant or equipment including any premium or consideration in the nature of a premium paid for the use of such machinery, plant or equipment;
- (c) on the construction of any buildings, structures or works;
- (d) on development, general administration and management prior to the commencement of production or during any period of non-production:

Provided that the said expression shall not include—

- (i) any expenditure on the acquisition of the site of the source, or of the site of any such works as aforesaid, or of rights in or over any such site;

- (ii) any expenditure on the acquisition of, or of rights in or over, the deposits;
- (iii) any expenditure on works constructed wholly or mainly for subjecting the raw product of the source to any process, except a process designed for preparing the raw product for use as such.

“minerals” means all minerals and mineral substances, and may be precious metals, precious stones or non-precious minerals, but (if obtainable without any underground mining operations) shall not include common clay (excluding kaolin and bentonite), murrum, sand, limestone, sandstone and any sodium compound, or any other common mineral substance, always provided these do not contain any precious metal or precious stones in economically workable quantities;

“mining” includes every method or process by which any mineral is won from the soil or from any substance, or constituent thereof;

(2) Any references in this Part of this Schedule to assets representing any expenditure includes, in relation to expenditure on searching for, discovering and testing deposits, any results obtained from any search, exploration or inquiry upon which the expenditure was incurred.

Initial  
allowances.

21. Where, on or after the first day of January, 1945, a person carrying on a trade of mining incurs expenditure for the purposes of the trade, there shall be deducted in computing his total income for the year in which the expenditure is incurred an allowance (in this Part of this Schedule referred to as “an initial allowance”) equal to—

- (a) one-fifth of any such expenditure incurred on the provision of machinery or plant;
- (b) one-tenth of any other such expenditure.

Annual  
allowances and  
adjustments.

22. (1) Subject to the provisions of this Schedule, where a person carrying on a trade of mining incurs expenditure before the end of any year, an allowance (in this Part of this Schedule referred to as “an annual allowance”) shall be deducted in computing his total income for that year.

- (2) The amount of the said allowance shall be—
  - (a) for the first year in respect of which an annual allowance is to be deducted under this Part of this Schedule—the quotient resulting from the residue of the expenditure on the mine, incurred by him imme-

diately before the end of that year, divided by the number of years of life of the mine as determined under the provisions of paragraph 23 of this Part of this Schedule;

(b) for any other year—the quotient resulting from the sum of the residue of the expenditure, incurred by him immediately before the end of that year, divided by the estimated number of the remaining years of life of the mine.

(3) If, at the end of any year, the aggregate of the amounts to be written off, under the provisions of sub-paragraphs (2), (3), (4) and (5) of paragraph 24 of this Schedule against any expenditure exceeds the amount of the expenditure, the excess shall be treated as a trading receipt of the trade accruing during that year, or, if the excess arises after the trade is permanently discontinued, as accruing immediately before the discontinuance.

23. (1) The person carrying on the trade shall furnish annually to the Commissioner at the end of each year an estimate of the number of years during which productive mining may be expected to continue and such estimate shall be based on the certified estimates of ore reserves, and shall be supported by calculations showing how the estimate is arrived at. Such estimate shall be determined by the Commissioner, and the number of years so determined by him shall for the purpose of this Ordinance be the remaining years of life of the mine. The sum of such number of years together with the number of years which have elapsed since the mine commenced regular production shall be the life of the mine. Where, however, the remaining years of life of the mine exceed twenty, then, so long as they exceed that number, the remaining years of life of the mine shall be taken to be twenty.

Estimate of the  
life of a mine.

Subject to the provisions of the next sub-paragraph such annual revision shall not affect any assessment determined or any annual allowance deducted or presumed to have been deducted under this Part of this Schedule.

(2) Where the mine ceases to be worked or, in the case of a mine worked under a concession, the concession comes to an end, the person carrying on the mine may elect that the annual allowance, if any, for the year in which that event occurs and for each of the five previous years shall be computed as if the reference in the last preceding sub-paragraph

to the estimated remaining years of life were a reference to the actual remaining life of the mine between the end of the year and the happening of the said event, and the said allowances shall be computed accordingly, and, notwithstanding anything in this Ordinance contained limiting the time for making of assessments or the allowance of claims for repayment, all such repayments and additional assessments shall be made as are necessary to enable effect to be given to this sub-paragraph.

Meaning of  
"residue of any  
expenditure".

24. (1) Expenditure shall be deemed for the purposes of this Part of this Schedule to be written off to the extent and as at the times hereafter specified in this paragraph and references to the residue of such expenditure shall be construed accordingly.

(2) If an initial allowance is made in respect of the expenditure it shall be written-off as at the time when the expenditure is incurred.

(3) If an annual allowance is made in respect of the expenditure the amount of the allowance shall be written-off as at the end of the period in respect of which the allowance is made.

(4) Subject to the provisions of the next succeeding paragraph, if any asset representing the expenditure is sold or demolished or destroyed, the sale, insurance, salvage or compensation moneys shall be written-off as at the time of the sale or as at the time the asset is destroyed or demolished, as the case may be.

(5) If an annual allowance is made for the year which commenced on the first day of January, 1939, there shall be written-off as at the first day of January, 1940, an amount being the sum of the said allowance multiplied by the number of years comprised in the period which begins at the time when the mine commenced regular production under the same ownership and ends on the thirty-first day of December, 1938.

Sale of source  
or part of  
source as going  
concern.

25. (1) The provisions of this paragraph shall have effect where—

(a) a person who is carrying on a trade of mining sells assets representing expenditure to which this Part of this Schedule applies; and

(b) the buyer of those assets buys them for the purpose of a trade carried on or to be carried on by him, being

a trade which consists of or includes the working of the whole or any part of the mine in connexion with which the assets were provided.

(2) If the net proceeds of the sale are less than the residue of the expenditure on the assets immediately before the sale, an allowance (in this Part of this Schedule referred to as "a balancing allowance") equal to the difference shall be made to the seller for the year in which the sale took place.

(3) If the net proceeds of the sale exceed the residue of the expenditure on the assets immediately before the sale, a charge (in this Part of this Schedule referred to as "a balancing charge") on the amount of the excess shall be made on the seller for the year in which the sale took place.

(4) In no case shall the amount on which a balancing charge is made upon a person in respect of any assets exceed the difference between—

- (a) the expenditure to which this Part of this Schedule applies which he incurred upon the assets; and
- (b) the residue of that expenditure immediately before the sale.

(5) Whether a balancing allowance or balancing charge is made upon the seller or not, the deduction to be made in the case of the seller in respect of the assets under subparagraph (4) of the last preceding paragraph shall, instead of being the sale, insurance, salvage or compensation moneys, be the residue of the expenditure attributable to the assets immediately before the sale.

(6) The buyer shall, for the purposes of the provisions of this Part of this Schedule relating to annual allowances, balancing allowances and balancing charges, be deemed to have incurred on the assets, at the time of the sale, expenditure to which this Part of this Schedule applies equal to whichever is the less of the following amounts, that is to say—

- (a) so much of the price as is attributable to the assets; and
- (b) the expenditure to which this Part of this Schedule applies which the seller incurred on the assets.

26. Where separate and distinct mining operations are carried on in mines that are not contiguous, the amount of any annual allowances shall be computed separately according to the estimated life of each mine as determined under paragraph 23 of this Part of this Schedule.

Application to expenditure incurred by persons not engaged in the trade of mining.

27. (1) Any expenditure incurred for the purpose of a trade of mining by a person about to carry it on shall be treated for the purposes of this Part of this Schedule as if it had been incurred by that person on the first day on which he does carry it on:

Provided that nothing in this sub-paragraph contained shall authorize the making of an initial allowance in respect of any expenditure incurred before the first day of January, 1945.

(2) Where a person incurs expenditure to which this Part of this Schedule applies on searching for, discovering and testing any mineral deposits and winning access to those deposits, and, without having carried on any trade of mining, he sells any assets representing that expenditure, then, if the person who acquires the assets carries on such a trade as aforesaid, that person shall, for the purposes of this Part of this Schedule, be deemed to have incurred, for the purposes of the trade, expenditure to which this Part of this Schedule applies equal to the amount of the expenditure to which this Part of this Schedule applies which is represented by the assets or the price paid by him for the assets, whichever is the smaller.

Commencement.

28. The provisions of this Part of this Schedule shall apply in computing the total income of any person for any year commencing on or after the first day of January, 1945, and shall be so applied as if they had been in force since the first day of January, 1939.

#### PART IV

##### ALLOWANCES IN RESPECT OF CAPITAL EXPENDITURE ON AGRICULTURAL LAND

Expenditure on clearing land and planting permanent crops.

29. (1) Subject to the provisions of this Schedule, where, on or after the first day of January, 1945—

(a) a person incurs capital expenditure on the clearing of agricultural land, the expenditure so incurred shall be deducted in computing his total income for the year in which the expenditure was incurred; or

(b) a person incurs capital expenditure on the clearing of agricultural land and the planting of that land with permanent or semi-permanent crops, the amount of the expenditure shall be deducted in computing his

total income for the year in which the expenditure was incurred unless he elects that the provisions of the next following paragraph shall apply.

(2) An election for the purposes of this paragraph shall be made in writing by the person, who incurred the expenditure, when rendering his first return of income after the first day of January, 1946, unless he has already made an election under the provisions of paragraph (i) of sub-section (1) of section 13 of this Ordinance when that election shall be deemed to be an election for the purposes of this paragraph, and any such election shall be binding on him for all subsequent returns of income until for good and sufficient reasons the Commission permits such election to be revoked.

(3) In this paragraph "agricultural land" means any land occupied wholly or mainly for the purposes of a trade of husbandry.

30. (1) Subject to the provisions of this Schedule, where, during any year commencing on or after the first day of January, 1945, any land is used wholly or mainly for the purposes of permanent cultivation by a person who has incurred capital expenditure on clearing and planting that land, there shall, if that person so elects, be deducted in computing his total income for that year, an allowance (in this Part of this Schedule referred to as an "annual allowance") equal to the amount considered by the Commissioner to be just and reasonable as representing the diminished value during that year of the asset represented by the expenditure by reason of the age and condition of the permanent or semi-permanent crops planted on that land: Annual allowances.

Provided that the amount of any allowance to be deducted for any year shall not exceed what, apart from any allowance which falls to be made for that year, would be the residue of the expenditure at the end of that year.

(2) For the purposes of estimating the value of the asset represented by any capital expenditure there shall be taken into account any expenditure incurred in maintaining the land and the permanent or semi-permanent crops planted thereon.

(3) Where a person has incurred expenditure to which this paragraph applies on land which is occupied by another person for the purposes of permanent cultivation and the burden of any loss arising out of the diminished value of the asset represented by the expenditure falls directly upon the

first-mentioned person, the provisions of this Part of this Schedule shall apply in relation to him as if he were occupying the land for the purposes of permanent cultivation.

Balancing  
allowances  
and charges.

31. (1) Where any capital expenditure to which this Part of this Schedule applies has been incurred on any land and any of the following events happen—

- (a) the relevant interest in the asset upon which the expenditure was incurred is sold; or
- (b) such interest, being an interest depending on the duration of a concession, comes to an end on the coming to an end of a concession; or
- (c) such interest, being a leasehold interest, comes to an end otherwise than on the person entitled thereto acquiring the interest which is reversionary; or
- (d) the permanent or semi-permanent crops are destroyed or cease permanently to be productive,

an allowance or charge (in this Part of this Schedule referred to as “a balancing allowance” or “a balancing charge”) shall, in the circumstances mentioned in this paragraph, be made to, or as the case may be, on, the person entitled to the relevant interest immediately before that event occurs in computing his total income for the year in which that event occurs:

Provided that, if the person so elects by notice in writing to the Commissioner, an amount equal to one-sixth of the allowance or charge shall be taken into account in computing his total income for the year in which the event occurs and in each of the five previous years, and notwithstanding anything in this Ordinance contained limiting the time for making assessments or the allowance of claims for repayment, all such additional assessments and repayments, as are necessary to enable effect to be given to the provisions of this sub-paragraph, shall be made.

(2) Where there are no sale, insurance, salvage or compensation moneys, or where the residue of the expenditure as at the time of the event exceeds those moneys, a balancing allowance shall be made and the amount thereof shall be the amount of the residue or, as the case may be, the excess thereof over the said moneys.

(3) If the sale, insurance, salvage or compensation moneys exceed the residue, if any, of the expenditure as at the time

of the event, a balancing charge shall be made and the amount on which it is made shall be an amount equal to the excess, or, where the residue is nil, to the said moneys.

(4) Notwithstanding anything in the preceding provisions of this paragraph contained, in no case shall the amount on which a balancing charge is made on a person in respect of any expenditure to which this Part of this Schedule applies exceed the aggregate of the following amounts allowed in respect of that expenditure, that is to say—

- (a) any deductions allowed under the provisions of paragraph (i) of sub-section (1) of section 13 of this Ordinance in computing the total income of that person for any year; and
- (b) any deductions allowed under the provisions of this Part of this Schedule in computing the total income of that person for any year; and
- (c) any deductions allowed under the provisions of sub-section (2) of section 37 of the Income Tax Ordinance, 1937, in computing the chargeable income of that person for any year.

(5) The provisions of this Schedule defining, for the purposes of Part I thereof, the expression "the relevant interest" shall, with the necessary modifications, apply in relation to any expenditure to which this Part of this Schedule applies, as they apply in relation to expenditure incurred on the construction of a building or structure.

32. For the purposes of this Part of this Schedule the residue of the expenditure shall—

Meaning of  
"residue of  
expenditure".

- (a) where the expenditure is deducted in computing the total income of the person who incurred it for the year in which it was incurred, be nil; and
- (b) where the person who incurred the expenditure elects that the provisions of paragraph 30 of this Schedule shall apply, be construed as the amount of that expenditure less—
  - (i) any deductions, made in respect of that expenditure in computing the total income of that person for any year under the provisions of paragraph (i) of sub-section (1) of section 13 of this Ordinance, together with any such deduc-

tions which would have been made for any other year if this Ordinance had always been in force; and

- (ii) any annual allowances deducted in respect of the expenditure in computing the total income of that person for any year; and
- (iii) any balancing allowance deducted in respect of the expenditure in computing the total income of that person for any year:

Provided that, if a balancing charge is made in respect of the expenditure, the residue of the expenditure shall be deemed to have been increased by the amount on which the charge is made.

Sales of assets.

33. Where a person sells any asset representing expenditure to which this Part of this Schedule applies and the buyer of that asset buys it for the purposes of permanent cultivation, the buyer shall be deemed to have incurred on the asset at the time of the sale expenditure to which this Part of this Schedule applies equal to the price paid for the asset or the expenditure to which this Part of this Schedule applies which the seller incurred on that asset, whichever is the less.

## PART V

### ALLOWANCES IN RESPECT OF SCIENTIFIC RESEARCH EXPENDITURE

Allowances for expenditure on scientific research not of a capital nature and on payments to research associations, universities, etc.

34. Notwithstanding anything in this Ordinance contained, where, on or after the first day of January, 1945, a person carrying on a trade—

- (a) incurs expenditure not of a capital nature on scientific research related to that trade and directly undertaken by him or on his behalf; or
- (b) pays any sum to any scientific research association for the time being approved for the purposes of this paragraph by the Commissioner, being an association which has as its object the undertaking of scientific research related to the class of trade to which the trade he is carrying on belongs; or
- (c) pays any sum to be used for such scientific research as is mentioned in item (b) of this paragraph to any such university, college, research institute or other

similar institution as is for the time being approved for the purposes of this paragraph by the Commissioner,

the expenditure incurred or sum paid, as the case may be, may be deducted as an expense in computing his total income for the year in which the expenditure was incurred.

35. Subject to the provisions of the next succeeding paragraph, where a person—

Allowances for capital expenditure on scientific research.

(a) while carrying on a trade, incurs expenditure of a capital nature on scientific research related to that trade and directly undertaken by him or on his behalf; or

(b) incurs expenditure of a capital nature on scientific research directly undertaken by him or on his behalf and thereafter sets up and commences a trade connected with that research,

an allowance equal to one-fifth of the expenditure shall be deducted in computing his total income of the year in which the expenditure was incurred or in which the said trade was set up and commenced, whichever is the later, and of each of the four succeeding years.

36. (1) Where an asset representing scientific research expenditure of a capital nature incurred by the person carrying on a trade ceases to be used by that person for scientific research related to that trade—

Provisions as to assets representing capital expenditure.

(a) no allowance shall be made under the last preceding paragraph for any year after that in which the cessation takes place; and

(b) if the amounts, if any, allowed under the last preceding paragraph in respect of the expenditure, added to the value of the asset immediately before the cessation, are less than the said expenditure, there shall be deducted, in computing the total income of that person for the year in which the cessation takes place, an additional allowance equal to the difference; and

(c) if at any time after the cessation the person is, or would but for the provisions of this sub-paragraph be entitled to an allowance in respect of the asset in computing his total income under any of the provisions of this Ordinance, and the amount of that

allowance is dependent upon the expenditure incurred thereon, then the expenditure so incurred shall, for the purpose of ascertaining whether any, and, if so what, allowance is admissible, be treated as reduced by the amount of any allowances deducted in respect of the asset under this or the last preceding paragraph.

(2) Where an asset representing scientific research expenditure of a capital nature in respect of which an allowance or allowances has or have been deducted under this or the last preceding paragraph in computing the total income of the person carrying on the trade, ceases to be used for scientific research related to that trade and is then or thereafter sold by him without having been used in the meantime for other purposes, then—

(a) if an additional allowance, or a greater additional allowance, would have been made under the last preceding sub-paragraph for the year in which the cessation occurred if the proceeds of sale of the asset had been taken to be the value of the asset, an amount equal to the additional allowance which would have been made or, as the case may be, an amount equal to the difference between the additional allowance which would have been made and the additional allowance which was made for that year shall be deducted in computing the total income of the person carrying on the trade for the year in which the sale occurs or, if the sale occurs on or after the date on which the trade is permanently discontinued, for the last year in which the trade is carried on before the discontinuance;

(b) in any other case, if the proceeds of sale plus the total amount of the allowances made under this and the last preceding paragraph in respect of the expenditure exceed the amount of the expenditure, the excess or the amount of the allowances so made, whichever is the less, shall be treated as a trading receipt of the trade accruing at the time of the sale, or, if the sale occurs on or after the date on which the trade is permanently discontinued, accruing immediately before the discontinuance.

(3) Where an asset is destroyed it shall, for the purposes of the last preceding paragraph, be treated as if it had been

sold immediately before the destruction thereof and any insurance moneys or other compensation of any description received by the person carrying on the trade in respect of the destruction and any moneys received by him for the remains of the asset shall be treated as if they were proceeds of that sale.

37. (1) In this Part of this Schedule, unless the context otherwise requires— Supplementary provisions.

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

“scientific research expenditure” means expenditure incurred on scientific research;

References to expenditure incurred on scientific research do not include any expenditure incurred in the acquisition of rights in, or arising out of, scientific research, but, save as aforesaid, include all expenditure incurred for the prosecution of, or the provision of facilities for the prosecution of, scientific research.

References to scientific research related to a trade or a class of trade include—

(a) any scientific research which may lead to or facilitate an extension of that trade or, as the case may be, of trades of that class;

(b) any scientific research of a medical nature which has a special relation to the welfare of workers employed in that trade or, as the case may be, trades of that class.

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

(3) In this Schedule the expression “scientific research allowance” means any allowance made under the provisions of the last two preceding paragraphs.

## PART VI

### MISCELLANEOUS PROVISIONS

38. In computing the profits or gains of any trade, there shall be allowed to be deducted as expenses any fees paid or expenses incurred in obtaining, for the purposes of the trade, the registration of a design or a trade mark or the extension of the period of copyright in a design or the renewal of registration of a trade mark. Trade marks and designs.

Apportionment  
of consideration  
and exchanges  
and surrenders  
of leasehold  
interest.

39. (1) Any reference in this Schedule to the sale of any property includes a reference to the sale of that property together with any other property and, where property is sold together with other property, so much of the net proceeds of the sale of the whole property as, on a just apportionment, is properly attributable to the first-mentioned property shall, for the purposes of this Schedule, be deemed to be the net proceeds of the sale of the first-mentioned property, and references to expenditure incurred on the provision or the purchase of property shall be construed accordingly.

For the purposes of this paragraph, all the property which is sold in pursuance of one bargain shall be deemed to be sold together, notwithstanding that separate prices are or purport to be agreed for separate items of that property or that there are or purport to be separate sales of separate items of that property.

(2) The provisions of the last preceding sub-paragraph shall, with the necessary adaptations, apply in relation to other sale, insurance, salvage or compensation moneys as they apply in relation to the net proceeds of sales.

(3) This Schedule shall have effect as if any reference therein (including any reference in the preceding provisions of this paragraph) to the sale of any property included a reference to the exchange of any property and, in the case of a leasehold interest, also included a reference to the surrender thereof for valuable consideration; and any provisions of this Schedule referring to sales shall have effect accordingly with the necessary adaptations and, in particular, with the adaptations that references to the net proceeds of sale and to the price shall be taken to include references to the consideration for the exchange or surrender and references to capital sums included in the price shall be taken to include references to so much of the consideration as would have been a capital sum if it had taken the form of a money payment.

Special provisions as to  
certain sales.

40. (1) The provisions of this paragraph shall have effect in relation to sales of any property where either—

- (a) the buyer is a body of persons over whom the seller has control or the seller is a body of persons over whom the buyer has control, or both the seller and the buyer are bodies of persons and some other person has control over both of them; or
- (b) it appears with respect to the sale or with respect to transactions of which the sale is one, that the sole

or main benefit which, apart from the provisions of this paragraph, might have been expected to accrue to the parties or any of them was the obtaining of an allowance or deduction under any of the provisions of this Schedule.

References in this sub-paragraph to a body of persons include references to a partnership.

(2) Where the property is sold at a price other than that which it would have fetched if sold in the open market, then, subject to the succeeding provisions of this paragraph, the like consequences shall ensue for the purposes of this Schedule, in their application to the tax of all persons concerned, as would have ensued if the property had been sold for the price which it would have fetched if sold in the open market.

(3) Where the sale is a sale of machinery or plant—

(a) no initial allowance shall be made to the buyer unless—

- (i) the sale is one to which item (a) of sub-paragraph (1) of this paragraph applies and item (b) of that sub-paragraph does not apply; and
- (ii) an initial allowance fell to be made to the seller of the machinery or plant in respect of the capital expenditure which he incurred on the provision thereof; and
- (iii) a balancing charge is made on the seller by reason of the sale; and
- (iv) the price which the machinery or plant would have fetched if sold in the open market at the time of the sale exceeds four-fifths of the expenditure incurred by the seller on the provision thereof—

in which case the initial allowance to the buyer shall not exceed whichever of the following three amounts is the lowest, that is to say—

- (i) the excess of the said price over four-fifths of the expenditure incurred by the seller on the provision of the said machinery or plant;
- (ii) the initial allowance which fell to be made to the seller as aforesaid;
- (iii) the amount on which a balancing charge is made on the seller as aforesaid; and

(b) subject to the provisions of the next succeeding sub-paragraph, if the price which the property would have fetched if sold in the open market is greater than the expenditure incurred by the seller on the provision thereof, the last preceding sub-paragraph shall have effect as if for the reference to the price which the property would have fetched if sold in the open market there were substituted a reference to the said expenditure:

Provided that this sub-paragraph shall not apply in relation to a sale of machinery or plant which has never been used if the business or part of the business of the seller was the manufacture or supply of machinery or plant of that class and the sale was effected in the ordinary course of the seller's business.

(4) Where the sale is one to which item (a) of sub-paragraph (1) of this paragraph applies and item (b) of that sub-paragraph does not apply, and the parties to the sale by notice in writing to the Commissioner so elect, the following provisions shall have effect:—

(a) sub-paragraph (2) of this paragraph shall have effect as if for the reference to the price which the property would have fetched if sold in the open market there were substituted a reference to that price or to the sum hereinafter mentioned, whichever is the lower;

(b) item (b) of sub-paragraph (3) shall not apply; and

(c) notwithstanding anything in the preceding provisions of this paragraph contained, such balancing charge, if any, shall be made on the buyer on any event occurring after the date of the sale as would have fallen to be made on the seller if the seller had continued to own the property, and had done all such things and had been allowed all such allowances or deductions in connexion therewith as were done by or allowed to the buyer.

The said sum is—

(i) in the case of an industrial building or structure, the residue of the expenditure on the construction of that building or structure immediately before the sale, computed in accordance with the provisions of paragraph 5 of Part I of this Schedule;

- (ii) in the case of machinery or plant, the amount of the expenditure on the provision thereof still unallowed immediately before the sale, computed in accordance with the provisions of paragraph 17 of Part II of this Schedule;
- (iii) in the case of assets representing the expenditure to which Part III of this Schedule applies, the residue of the expenditure attributable to those assets immediately before the sale, computed in accordance with the provisions of paragraph 24 of Part III of this Schedule;
- (iv) in the case of an asset representing expenditure to which Part IV of this Schedule applies, the residue of the expenditure attributable to that asset immediately before the sale, computed in accordance with the provisions of paragraph 32 of Part IV of this Schedule.

41. Where a person succeeds to any trade, business, profession or vocation which until that time was carried on by another person, any property which, immediately before the succession takes place, was in use for the purpose of the trade, business, profession or vocation and without being sold, is, immediately after the succession takes place, in use for the purposes of the new trade, business, profession or vocation shall, for the purposes of this Schedule, be treated as if it had been sold to the successor when the succession takes place, and as if the net proceeds of that sale had been the price which that property would have fetched if sold in the open market:

Effect in certain cases of successions to trades, etc.

Provided that no initial allowance shall be made under any of the provisions of this Schedule by virtue of the provisions of this paragraph.

42. (1) Where under any provisions of this Schedule, any sum falls to be apportioned and, at the time of the apportionment, it appears that it is material as respects the liability for tax (for whatever year of assessment) of two or more persons, any appeal from the decision of the Commissioner under the provisions of section 61 or of section 62 of this Ordinance as to the manner in which the sum is to be apportioned shall be determined for the purposes of the tax of all those persons—

Procedure on apportionments, etc.

- (a) in a case where the same Local Committee has jurisdiction with respect to all those persons, by that

Committee, unless all those persons agree that it shall be determined by a Judge;

- (b) in a case where different Local Committees have jurisdiction with respect to those persons, by such of those bodies as the Commissioner may direct, unless all those persons agree that it shall be determined by a Judge,

and any such Local Committee or Judge shall determine the question in like manner as if it were an appeal against an assessment to tax, and the provisions of this Ordinance relating to such an appeal shall apply accordingly with any necessary modifications:

Provided that all the said persons shall be entitled to appear and be heard by the Local Committee which, or the Judge who, is to make the determination, or to make representations to them in writing.

(2) This paragraph applies in relation to any determination, under either of the two last preceding paragraphs, of the price which property would have fetched if sold in the open market as it applies in relation to apportionments.

Interpretation  
of certain  
references to  
expenditure, etc.

43. (1) References in this Schedule to capital expenditure and capital sums—

- (a) in relation to the person incurring the expenditure or paying the sums, do not include any expenditure or sum which is allowed to be deducted for the purposes of computing his total income; and
- (b) in relation to the person receiving the amounts expended or the sums in question, do not include references to any amounts or sums which fall to be taken into account as receipts in computing the profits or gains of any trade, profession, office, employment or vocation carried on or held by him.

(2) Any reference in this Schedule to the date on which expenditure is incurred shall be construed as a reference to the date when the sums in question become payable.

Subsidies, etc.

44. (1) Expenditure shall not be regarded for any of the purposes of this Schedule as having been incurred by any person in so far as it has been or is to be met directly or indirectly by the Crown or by any Government or public or local authority, or by any person, whether in the Colony or elsewhere, other than the first-mentioned person:

Provided that, in considering whether any, and, if so, what, balancing charge is to be made on a person under Part II of this Schedule in respect of any machinery or plant provided before the first day of January, 1945, this paragraph shall not apply.

(2) In considering, for the purposes of sub-paragraph (1) of this paragraph, and of any other provision of this Schedule referring to expenditure met or to be met directly or indirectly by the Crown or by any Government or public or local authority or person other than the person incurring the expenditure, how far any expenditure has been or is to be so met, there shall be left out of account—

(a) any insurance moneys or other compensation moneys payable in respect of any asset which has been demolished, destroyed or put out of use; and

(b) any expenditure met or to be met by any person other than the Crown or a government or public or local authority, being expenditure in respect of which, apart from the provisions of this item, no allowance could be made under the provisions of the next succeeding sub-paragraph.

(3) Where, a person, for the purposes of a trade carried on or to be carried on by him or by a tenant of land in which he has an interest, contributes a capital sum to expenditure on the provision of an asset, being expenditure which, apart from the provisions of sub-paragraph (1) of this paragraph, would have been regarded as wholly incurred by another person and in respect of which, apart from the said provisions, an allowance would have been made under the provisions of this Schedule, then, subject to the provisions of this paragraph, such initial, annual and wear and tear allowances, if any, shall be made to the contributor as would have been made to him if his contribution had been expenditure on the provision, for the purposes of that trade, of a similar asset.

(4) Subject to the provisions of this Schedule, the amount of the allowances and the manner in which they are to be made shall be determined on the following basis—

(a) the asset shall be deemed to continue at all material times to be in use for the purposes of the trade;

(b) where the asset is machinery or plant and, when the contribution was made, the trade was carried on or to be carried on by a tenant of land in which the contributor has an interest, the contributor shall be

deemed to have let the machinery or plant to the said tenant on such terms that the burden of the wear and tear thereof falls directly on the contributor.

(5) Where, when the contribution was made, the trade for the purposes of which it was made was carried on or to be carried on by the contributor, the following provisions shall have effect on any transfer of the trade or any part of the trade—

(a) where the transfer is of the whole trade, the allowances thereafter shall be made to the transferee;

(b) where the transfer is of part only of the trade, the provisions of the preceding item (a) shall have effect with respect to so much of the allowance as is properly referable to the part of the trade transferred.

(6) (a) Where, when the contribution was made, the trade was carried on or to be carried on by a tenant of land in which the contributor had an interest, the annual allowance for any year shall be made to the person who is entitled to the contributor's interest in the land, and the provisions of this Schedule defining, for the purposes of Part I thereof, the expression "the relevant interest" shall, with the necessary modifications, apply in relation to a contribution made for the purposes of a trade carried on or to be carried on by a tenant of land as they apply in relation to expenditure incurred on the construction of a building or structure.

(b) Sub-paragraph (2) of paragraph 2 of this Schedule (which relates to the effect of sales on the amount of annual allowances) shall not apply in relation to annual allowances to be made in respect of contributions.

Prevention of double allowances.

45. If an allowance is deducted under any of the provisions of any Part of this Schedule in respect of any property, or in respect of expenditure on any such property in computing the total income of any person for any year, no allowance shall be deducted under any other Part of this Schedule or any other provisions of this Ordinance in respect of, or in respect of expenditure on, that property in computing the total income of that person for the same or any previous or subsequent year.

Other provisions as to interpretations.

46. (1) In this Schedule, except where the context otherwise requires—

"control", in relation to a body corporate, means the power of a person to secure, by means of the holding of

shares or the possession of voting power in or in relation to that or any other body corporate, or by virtue of any powers conferred by the articles of association or other document regulating that or any other body corporate, that the affairs of the first-mentioned body corporate are conducted in accordance with the wishes of that person, and, in relation to a partnership, means the right to a share of more than one-half of the assets, or of more than one-half of the income, of the partnership;

“concession” means a right or privilege granted by the government of, or any municipality or other authority in, Kenya, Tanganyika, Uganda or Zanzibar;

“income” includes any amount on which a charge to tax is authorized to be made under any of the provisions of this Ordinance;

“lease” includes an agreement for a lease where the term to be covered by the lease has begun, and any tenancy, but does not include a mortgage, and “lessee”, “lessor” and “leasehold interest” shall be construed accordingly;

“sale, insurance, salvage or compensation moneys” means, in relation to an event which gives rise or might give rise to a balancing allowance or a balancing charge to or on any person, or, where material in determining whether any, and, if so, what, annual allowance is to be made to a person under Part III or Part IV of this Schedule—

- (a) where the event is a sale of any property, the net proceeds to that person of the sale;
- (b) where the event is the coming to an end of an interest in property on or by reason of the coming to an end of a concession, any compensation payable to that person in respect of that property;
- (c) where the event is the demolition or destruction of any property, or is the cessation of any permanent or semi-permanent crops permanently to be productive, the net amount received by him for the remains of the property, together with any insurance moneys received by him in respect of the demolition or destruction and any other compensation of any description received by him in respect thereof, in so far as that compensation consists of capital sums; and

(d) where the event is that a building or structure ceases altogether to be used or that machinery or plant is put out of use, any compensation of any description received by him in respect of that event, in so far as that compensation consists of capital sums.

(2) Any reference in this Schedule to any building, structure, machinery, plant, works, asset or farm house shall be construed as including a reference to a part of any building, structure, machinery, plant, works, asset or farm house:

Provided that, where the reference is expressed to be the whole of a building or structure, this sub-section shall not apply.

(3) Any reference in this Schedule to the time of any sale shall be construed as a reference to the time of completion or the time when possession is given, whichever is the earlier.

(4) The provisions of this Schedule shall apply for the purpose of computing the total income of any person for the year commencing on the first day of January, 1945, and any succeeding year, but shall not apply for the purpose of computing any loss incurred in a trade, business, profession or vocation for any year ended on or before the thirty-first day of December, 1944, and which is to be deducted under the provisions of paragraph (m) of sub-section (1) of section 13 of this Ordinance.

(5) Any reference in this Schedule to an allowance made or a deduction allowed includes a reference to an allowance or deduction which would be made or allowed but for an insufficiency of income against which to make it."

**ORDNANCE No. IV of 1947**

Assented to in His Majesty's name this twenty-first day of  
February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE PERSONAL TAX  
ORDINANCE, 1940**

*1st January, 1947*

Date of  
commencement.

ENACTED by the Governor of the Colony of Kenya,  
with the advice and consent of the Legislative Council  
thereof, as follows:—

1. This Ordinance may be cited as the Personal Tax  
(Amendment) Ordinance, 1947, and shall be read as one with  
the Personal Tax Ordinance, 1940, hereinafter referred to as  
the principal Ordinance, and shall be deemed to have come  
into operation on the first day of January, 1947.

Short title  
and commence-  
ment.  
No. 45 of 1940.

2. Section 3 of the principal Ordinance is hereby re-  
pealed and the following section substituted therefor:—

Repeal and  
replacement of  
section 3 of  
the principal  
Ordinance.

“3. Subject to the provisions of this Ordinance, there  
shall be paid in every year by every individual in the  
Colony a tax, to be known as a Personal Tax (hereinafter  
referred to as the “tax”), at the following rates:—

Amount of tax.

- (a) Where the individual's total income does not  
exceed £60 per annum: Sh. 20.
- (b) Where the individual's total income exceeds £60  
but does not exceed £120 per annum: Sh. 40.
- (c) Where the individual's total income exceeds £120  
per annum: Sh. 60.”

**ORDINANCE No. V of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE TRADERS LICENSING ORDINANCE, 1936**

Date of commencement.

*1st January, 1947*

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

Short title and commencement.  
No. 51 of 1936.

**1.** This Ordinance may be cited as the Traders Licensing (Amendment) Ordinance, 1947, and shall be read as one with the Traders Licensing Ordinance, 1936, hereinafter referred to as the principal Ordinance, and shall be deemed to have come into operation on the first day of January, 1947.

Repeal and replacement of section 6 (1) of the principal Ordinance.  
\*Licence fees.

**2.** Sub-section (1) of section 6 of the principal Ordinance is hereby repealed and the following sub-section substituted therefor:—

6. (1) The fees payable for licences issued under the provisions of this Ordinance shall be as follows:—

(a) For a trading licence for each store with liberty to store in and deliver out of public and other godowns and warehouses: £18-15 per annum:

Provided that for each store when the value of the goods on hand during the year for which the licence is required exceeds £100 but does not exceed £300 at any one time during the period of the validity of the licence the fee shall be: £5-12-50 per annum:

Provided further that for each store when the value of the goods on hand during the year for which the licence is required does not exceed at each store £100 at any one time during the

period of the validity of the licence the following fee shall be payable—

- (i) in municipalities, townships and trading centres: £2-5 per annum;
- (ii) elsewhere: Sh. 15 per annum.

(b) For a commercial traveller's licence—

- (i) for three months: £18-15;
- (ii) for more than three months but not exceeding twelve months: £30.

(c) For a licence to carry on the business of a commission agent and/or manufacturer's representative: £18-15 per annum.

(d) For a hawker's licence: £2-5 for three months.

For the purposes of this sub-section the expression "goods on hand" shall exclude domestic produce not for sale direct to the consumer."

**ORDINANCE No. VI of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE DANGEROUS  
PETROLEUM TAX ORDINANCE**

*1st January, 1947*

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

1. This Ordinance may be cited as the Dangerous Petroleum Tax (Amendment) Ordinance, 1947, and shall be read as one with the Dangerous Petroleum Tax Ordinance, hereinafter referred to as the principal Ordinance, and shall be deemed to have come into operation on the first day of January, 1947.

2. Section 3 of the principal Ordinance is hereby repealed and the following section substituted therefor:—

3. There shall be charged, levied and paid to the general revenue of the Colony by any person importing dangerous petroleum a tax at the rate of thirty-two cents a gallon on all such dangerous petroleum when it is delivered from Customs control for consumption in the Colony:

Provided that nothing in this Ordinance shall apply to dangerous petroleum delivered from Customs control for the use of the Government of the Colony, the Armed Forces of the Crown or the Kenya and Uganda Railways and Harbours Services.”

Date of commencement.

Short title and commencement.  
Cap. 54.

Repeal and replacement of section 3 of the principal Ordinance.

“Tax to be paid on imported dangerous petroleum.

**ORDINANCE No. VII of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TEMPORARILY TO SUSPEND THE  
OPERATION OF THE KENYA DEFENCE  
FORCE ORDINANCE, 1937**

*25th February, 1947*

Date of com-  
mencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

1. This Ordinance shall be cited as the Kenya Defence Force (Temporary Suspension) Ordinance, 1947, and shall come into operation on the twenty-fifth day of February, 1947.

Short title and  
commencement.

2. During the continuance in force of this Ordinance the operation of the Kenya Defence Force Ordinance, 1937, shall be suspended.

Temporary  
suspension of  
the Kenya  
Defence Force  
Ordinance, 1937.  
No. 5 of 1937.

3. This Ordinance shall remain in force until such date as the Governor terminates it, by Proclamation published in the Gazette, and shall then expire.

Expiry.

**ORDINANCE No. VIII of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE CIVIL PROCEDURE ORDINANCE, 1924**

*21st February, 1947*

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

Date of commencement.

Short title.

No. 3 of 1924.

Amendment of section 2 of the principal Ordinance.

Amendment of section 40 of the principal Ordinance.

Amendment of section 55 of the principal Ordinance.

Amendment of section 65 of the principal Ordinance.

Amendment of section 66 of the principal Ordinance.

**1.** This Ordinance may be cited as the Civil Procedure (Amendment) Ordinance, 1947, and shall be read as one with the Civil Procedure Ordinance, 1924, hereinafter referred to as the principal Ordinance.

**2.** Section 2 of the principal Ordinance is hereby amended by deleting paragraph (10) thereof.

**3.** Section 40 of the principal Ordinance is hereby amended—

- (a) by deleting the words "an insolvent", which appear in sub-sections (3) and (4) thereof, and substituting therefor the words "a bankrupt"; and
- (b) by deleting the word "insolvency", which appears in sub-section (3) thereof.

**4.** Section 55 of the principal Ordinance is hereby amended by deleting the word "prescribed", which appears in the last line thereof, and substituting therefor the words "authorized by the Supreme Court".

**5.** Sub-section (1) of section 65 of the principal Ordinance is hereby amended by inserting, immediately after the word "Ordinance", which appears in the second line thereof, the words and commas ", and subject to such provision as to the furnishing of security as may be prescribed,".

**6.** Section 66 of the principal Ordinance is hereby amended by inserting, immediately after the word "Ordinance", which appears in the first line thereof, the words and commas ", and subject to such provision as to the furnishing of security as may be prescribed,".

1947

*Civil Procedure*

No. VIII

7. Section 75 of the principal Ordinance is hereby amended by deleting the first three lines thereof and substituting therefor the following:—

Amendment of section 75 of the principal Ordinance.

“75. (1) An appeal shall lie as of right from the following orders, and shall also lie from any other order with the leave of the Court making such order or of the Court to which an appeal would lie if leave were granted:—”.

8. Section 89 of the principal Ordinance is hereby amended—

Amendment of section 89 of the principal Ordinance.

(a) by deleting the words and comma “if it thinks fit, and shall upon the request of either party to a”, which appear in sub-section (1) thereof, and substituting therefor the words “in any”; and

(b) by deleting the commas and words “, if it thinks fit, and shall upon the request of either party to such cause,”, which appear in sub-section (2) thereof.

9. The principal Ordinance is hereby amended by inserting, between sections 99 and 100 thereof, the following new section:—

Insertion of new section 99A in the principal Ordinance.

“99A. Where any person neglects or refuses to comply with a decree or order directing him to execute any conveyance, contract or other document, or to endorse any negotiable instrument, the Court may, on such terms and conditions, if any, as it may determine, order that the conveyance, contract or other document shall be executed or that the negotiable instrument shall be endorsed by such person as the Court may nominate for that purpose, and a conveyance, contract, document or instrument so executed or endorsed shall operate and be for all purposes available as if it had been executed or endorsed by the person originally directed to execute or endorse it.”.

Execution of instruments by order of Court.

**ORDINANCE No. IX of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE WAR REFUGEES  
(CONTROL AND EXPULSION) ORDINANCE, 1946**

Date of commencement.

*21st February, 1947*

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

Short title.

**1.** This Ordinance may be cited as the War Refugees (Control and Expulsion) (Amendment) Ordinance, 1947, and shall be read as one with the War Refugees (Control and Expulsion) Ordinance, 1946, hereinafter referred to as the principal Ordinance.

No. 33 of 1946.

Amendment of section 2 of the principal Ordinance.

**2.** Section 2 of the principal Ordinance is hereby amended by inserting therein, between the word and comma "Territory," and the word "Northern", which appear in the second line of the definition "East Africa", the words and comma "Southern Rhodesia,".

**ORDINANCE No. X of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO CONSOLIDATE AND AMEND  
THE LAW RELATING TO CUSTOMS TARIFFS**

*23rd October, 1946*

Date of commencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

1. This Ordinance may be cited as the Customs Tariff Ordinance, 1947, and shall be deemed to have come into operation on the 23rd day of October, 1946.

Short title and commencement.

2. Subject to the exemptions and to any suspensions, rebates and conditions permitted or provided for by or under the authority of this Ordinance and subject also to the provisions of any law relating to the management of customs, there shall be charged, levied, collected and paid for the benefit of the general revenue of the Colony, customs duties in respect of goods imported into the Colony at the rates set forth in the Schedule hereto:

Customs duties leviable.

Provided that the Governor in Council may exempt any permanent member of the Consular Service of any foreign country, employed as such in the Colony, from the payment of customs duties in respect of any goods imported into the Colony.

3. The Governor may, with the approval of the Legislative Council, by Proclamation published in the Gazette, impose any duty (either in part or in full) referred to in the Schedule to this Ordinance as a "suspended duty".

Suspended duties.

4. (1) For the purpose of any enactment for the time being in force whereunder a duty of customs is chargeable on

Value of goods for duty.

goods by reference to their value, the value of any imported goods shall be taken to be the price which they would fetch on a sale in the open market in the Colony at the time of importation.

(2) For the purpose of computing the price of any goods, under the provisions of sub-section (1) of this section, it shall be assumed—

(a) that the goods to be valued are to be delivered to the buyer at the port or place of importation, freight, insurance, commission and all other costs, charges and expenses incidental to the making of the contract of sale and the delivery of the goods at such port or place (except any duties of customs payable in the Colony and buying commission not exceeding five per centum of the total value which is shown to the satisfaction of the Commissioner of Customs to have been paid to an agent) having been paid by the seller :

Provided that in the case of goods imported by air the Commissioner of Customs shall be empowered to assume that the freight charges paid by the seller are not less than one-fourth of the freight charges actually payable; and

(b) that in converting the selling price of any such goods from foreign currency to sterling the rate of exchange is (notwithstanding anything contained in section 155 of the Customs Management Ordinance, 1926) the selling rate for sight drafts at the principal port of the Colony first quoted on or after the date of importation; and

(c) that any portion of any charge for primage which is refundable on the performance by the buyer of any specified conditions is not paid by the buyer, whether the buyer intends to fulfil such conditions or not; and

(d) that the price is the sole consideration for the sale of any such goods; and

(e) that neither the seller nor any person associated in business with him has any interest, direct or indirect, in the subsequent re-sale or disposal of any such goods; and

(f) that there has not been and will not be any commercial relationship between the seller and the buyer, whether created by contract or otherwise, other than that created by the sale of any such goods.

(3) For the purposes of this section two persons shall be deemed to be associated in business with one another if, whether directly or indirectly, either of them has any interest in the business or property of the other, or both have a common interest in any business or property, or some third person has any interest in the business or property of both of them.

(4) The value of any exported goods for the purpose of assessing duty *ad valorem* shall be determined in accordance with regulations which the Governor in Council is hereby authorized to make in relation thereto.

5. Notwithstanding the provisions of sub-section (1) of section 4 of this Ordinance whenever goods are imported into the Colony under such unusual conditions as to make it, in the opinion of the Commissioner of Customs, inequitable for the value of any such goods to be taken to be the price which they would fetch on a sale in the open market in the Colony at the time of importation the Commissioner of Customs may determine the value of such goods for purposes of duty in accordance with the provisions of the Customs Management Ordinance, 1926.

Determination  
of value in  
special cases.

No. 25 of 1926.

6. Notwithstanding the provisions of section 4 of this Ordinance, the Commissioner of Customs may, in respect of goods conveyed by air, reduce the amount of the freight charges to be added to the value for the purposes of the assessment of duty to a figure not less than one-fourth of the freight charges actually payable on such goods.

Commissioner  
may reduce  
freight charges  
to be added to  
the value, in  
respect of goods  
conveyed by air.

7. When any agreement has been made with the Government of any of the territories mentioned in section 263 of the Customs Management Ordinance, 1926, making

Reciprocal  
agreements.

No. 25 of 1926.

the provision described in paragraph (2) of that section, the Governor shall notify the fact in the Gazette, and thereupon the following provisions shall have effect with respect to such territory—

- (i) no duty shall be collected upon goods imported from such territory if duty shall have previously been collected upon such goods in such territory at a rate not lower than the rate prescribed as in force in the Colony at the time of the importation of such goods into such territory;
- (ii) when duty shall be collected after the date of commencement of this Ordinance upon the importation of goods into such territory at a rate lower than the rate prescribed in the Schedule to this Ordinance, together with such suspended duty as may be chargeable, in respect of the importation of such goods into the Colony, then, if such goods are subsequently removed from such territory into the Colony, duty shall be levied and collected to an amount equal to the difference between the sum payable to the Government of the Colony in respect of such goods under such agreement as aforesaid and the full duty payable under the Schedule to this Ordinance; together with such suspended duty as may be chargeable;
- (iii) (a) when duty shall have been collected under this Ordinance upon goods imported into the Colony and such goods shall have subsequently been removed into such other territory, then, if the duty, including the suspended duty, which has been collected in the Colony is greater than the amount payable upon the importation of such goods into such other territory, the Commissioner of Customs may refund to the person from whom such duty shall have been received an amount equal to the difference between the amount payable by the Government of the Colony under such agreement as aforesaid and the total duty collected in the Colony;
- (b) this sub-section shall apply only in the case of goods which either have paid a specific import duty in the

Colony, or, in the case of goods subject to an *ad valorem* duty, are removed into such other territory in packages unbroken since importation, and, in either event, are removed into such other territory within twelve months from the date upon which duty shall have been collected in the Colony.

8. Notwithstanding anything contained in the Customs Management Ordinance, 1926, the provisions contained in the immediately preceding section shall apply to goods subject to the imposition of suspended duties passing between the Colony and the Uganda Protectorate.

Transfers  
between Kenya  
and Uganda.  
No. 25 of 1926.

9. The Customs Tariff Ordinance, 1930, section 2 of, and the Schedule to, the War Revenue (Customs and Excise Duties) Ordinance, 1941, and the Customs Tariff (Amendment) Ordinance, 1946, are hereby repealed.

Repeal.  
No. 1 of 1930.  
No. 35 of 1941.  
No. 30 of 1946.

## SCHEDULE

### INTERPRETATION

The headings of the respective classes in this Schedule are used only for convenience of classification, and shall not in any way affect the interpretation of the Tariff.

“n.e.e.” means “not elsewhere enumerated”.

The term “in bulk” when it appears in the Tariff, means—

(a) goods loose without packing, or loose in barrels, casks, or any other single outside package, but not including goods imported by parcel post;

(b) when in internal packages, that the net contents of any immediate container of goods weigh not less than ten pounds or measure not less than one imperial gallon.

Goods chargeable with duty by weight shall, except where otherwise provided for, be charged with duty on the net weight, which may be arrived at either by weighing net, or deducting from the gross weight the actual tare or an average tare agreed to by the importer.

Tins, jars, bottles and other receptacles of reputed weight or content shall be deemed to be not less than such weight or content.

Twenty-four reputed half-pints, twelve reputed pints, six reputed quarts, or four reputed imperial quarts shall be deemed to be not less than one gallon.

Cement in packages of not less than 350 lb. and not more than 400 lb. shall be deemed to be 400 lb.

Oils and motor spirits in ordinary reputed two five-American-gallon or ten one-American-gallon tins shall be deemed to be not less than eight and one-third imperial gallons and two reputed four-gallon tins shall be deemed to be not less than eight imperial gallons.

"Proof" shall mean the strength of proof as ascertained by Sikes's hydrometer.

"Proof spirits" shall mean spirits which, at a temperature of 51 degrees Fahrenheit, weigh 12/13ths of an equal volume of distilled water at the same temperature.

A complete article imported in an unassembled condition, except where specially provided for, shall be liable to the rate of duty which would be applicable to that article if imported in a fully set up condition, notwithstanding that the constituent parts are packed separately and are separately provided for elsewhere in the Tariff.

Integral parts of an article which is liable to an *ad valorem* duty or is free of duty, imported for replacement purposes, or as spare parts, shall be liable to the same rate of duty as the article itself, or free of duty, as the case may be, unless they are specifically excluded, or provided for elsewhere, in the Tariff.

## CLASS I.—ANIMALS, AGRICULTURAL AND PASTORAL PRODUCTS, FOODSTUFFS

Item	Article	Duty	Sh. cts.
1	Animals, living—		
	(a) Cattle for slaughter .. .. .	Each .. .. .	22 00
	(b) Sheep and goats for slaughter .. .. .	Each .. .. .	3 30
	(c) Other, including poultry .. .. .	Free.	
2	Bacon and ham .. .. .	<i>Ad valorem</i> 30% (plus a suspended duty of 10% <i>ad valorem</i> ) ..	—
3	Biscuits .. .. .	<i>Ad valorem</i> 30% ..	—
4	(a) Bones, ivory, hoofs, horns, skins, and teeth, being parts of animals, fishes and reptiles, not being manufactured, polished, dressed or further prepared than dried or cleaned, but in their raw and unmanufactured state .. .. .	Free.	
	(b) Hog casings (sausage skins) .. .. .	Free.	
	(c) Ornamental feathers, n.e.e. .. .. .	<i>Ad valorem</i> 40% ..	—
5	Butter .. .. .	<i>Ad valorem</i> 30% (plus a suspended duty of 10% <i>ad valorem</i> ) ..	—
6	Cheese .. .. .	<i>Ad valorem</i> 40% (plus a suspended duty of 10% <i>ad valorem</i> ) ..	—
7	Corn, grain and pulse (not including infants' foods, patent or proprietary foods, or corn, grain, or pulse prepared as vegetables) :—		
	(a) Wheat—		
	(i) In the grain .. .. .	Per 100 pounds .. (plus a suspended duty of Sh. 1/50 per 100 pounds).	3 30
	(ii) Ground or otherwise prepared .. .. .	Per 100 pounds .. (plus a suspended duty of Sh. 3 per 100 pounds).	3 30
	(iii) Bran, wheaten .. .. .	<i>Ad valorem</i> 22% ..	—
	(b) Rice—		
	(i) In the grain .. .. .	Per 100 pounds .. (plus a suspended duty of Sh. 2 per 100 pounds).	8 00
	(ii) Otherwise prepared .. .. .	<i>Ad valorem</i> 40% ..	—
	(c) Maize—		
	(i) In the grain .. .. .	Free (plus a suspended duty of 20% <i>ad valorem</i> ).	
	(ii) Meal .. .. .	Free (plus a suspended duty of 20% <i>ad valorem</i> ).	
	(iii) Otherwise prepared .. .. .	<i>Ad valorem</i> 40% ..	—

## CLASS I.—ANIMALS, AGRICULTURAL AND PASTORAL PRODUCTS, FOODSTUFFS—(continued)

Item	Article	Duty	Sh. cts.
7	Corn, etc.—(contd.) (d) Other corn and grain .. .. . (e) Pulse—	<i>Ad valorem</i> 30%	—
	(i) Dhall .. .. .	Per 100 pounds ..	6 00
	(ii) Other pulse, including meal and flour .. .. .	<i>Ad valorem</i> 30%	—
8	Cotton, raw .. .. .	Free.	—
9	Extracts and essences of all kinds for food and flavouring	<i>Ad valorem</i> 30%	—
10	Fish—		
	(a) Fresh, of East Africa taking .. .. .	Free.	—
	(b) Fry and ova .. .. .	Free.	—
	(c) Salted, dried, or preserved by cold process .. .. .	Per 100 pounds ..	2 20
		(or 22% <i>ad valorem</i> , whichever is the greater).	
	(d) Other .. .. .	<i>Ad valorem</i> 30%	—
11	Foods—		
	(a) Specially prepared for infants, but not including virol, roboleine and similar tonic foods .. .. .	<i>Ad valorem</i> 11%	—
	(b) Tonic and similar foods, e.g. ovaltine, roboleine, virol, and similar preparations, not being medicines .. .. .	<i>Ad valorem</i> 22%	—
	(c) Cod liver oil and cod liver oil and malt extracts .. .. .	<i>Ad valorem</i> 11%	—
12	Fruits and vegetables—		
	(a) Fresh or green, n.e.e. .. .. .	Free.	—
	(b) Currants, dried, without sugar .. .. .	Per 100 pounds ..	1 92½
	(c) Dates, imported in bulk .. .. .	Per 100 pounds ..	4 40
	(d) Other fruits and vegetables .. .. .	<i>Ad valorem</i> 22%	—
13	Garlic .. .. .	Per 100 pounds ..	5 50
14	Ghee, and ghee substitutes .. .. .	Per pound ..	60
		(plus a suspended duty of Cts. 15 per pound).	
15	Hops, in bulk .. .. .	<i>Ad valorem</i> 11%	—
16	Malt, condensed, and worts, for the brewing of beer .. .. .	<i>Ad valorem</i> 11%	—
17	Milk—		
	(a) Condensed, desiccated, or preserved, n.e.e. .. .. .	Per 100 pounds ..	11 00
		(or 22% <i>ad valorem</i> whichever is the greater).	
	(b) Cream .. .. .	Per pound ..	1 00
18	Onions, not preserved .. .. .	Per 100 pounds ..	3 30
19	Poultry grit and spice, bone meal and bone flour, mineral mixtures for stock feeding which contain 70 per cent of one or more of the following ingredients:—		
	Calcium, phosphoric oxide, iron, iodine .. .. .	Free.	—

## CLASS I.—ANIMALS, AGRICULTURAL AND PASTORAL PRODUCTS, FOODSTUFFS—(continued)

Item	Article	Duty	Sh. cts.
20	Rennet .. .. .	Free.	
21	Salt—		
	(a) Rock or crushed rock salt, imported in bulk ..	Free.	
	(b) Common, n.e.e., imported in bulk .. .. .	Per 100 pounds ..	2 00
	(c) Curing or dairy, imported in bulk .. .. .	Free.	
	(d) Other .. .. .	<i>Ad valorem</i> 40% ..	—
22	Seeds, bulbs, plants, trees and tubers, for planting or sowing only .. .. .	Free.	
23	Sugar, refined or unrefined, including jaggery .. .. .	Per 100 pounds ..	12 00
		(plus a suspended duty of Sh. 6 per 100 pounds).	
24	Tea .. .. .	Per pound .. .. .	1 00
CLASS II.—ALES, WINES, SPIRITS AND BEVERAGES			
25	Ale, beer, cider, perry and stout, all kinds, of a strength exceeding 3 per cent of proof spirit .. .. .	Per imperial gallon ..	5 00
26	Beverages, cordials and syrups, n.e.e., not exceeding 3 per cent of proof spirit .. .. .	Per imperial gallon ..	8 00
27	Spirits—		
	(a) Perfumed .. .. .	Per imperial gallon ..	120 00
		(or 60% <i>ad valorem</i> , whichever is greater).	
	(b) Liqueurs, cordials and mixed potable spirits, exceeding 3 per cent of proof spirit .. .. .	Per imperial gallon ..	66 00
	(c) Other potable spirits exceeding 3 per cent of proof spirit, e.g., brandy, whisky, rum, gin, geneva, and rectified spirits, n.e.e. .. .. .	Per proof gallon ..	87 00
	(NOTE.—No allowance will be made for under-proof in excess of 12½ per cent.)		
	(d) Methylated and denatured spirits, not potable, and not including power alcohol .. .. .	Per imperial gallon ..	2 20
	(e) Power alcohol, not potable .. .. .	Per imperial gallon ..	60
	(f) Toilet preparations, essences and tinctures, n.e.e., containing over 3 per cent of proof spirit, but not including tooth washes and dentifrices .. .. .	<i>Ad valorem</i> 60% ..	—
	(g) Wood naphtha, pyridine and similar denaturants .. .. .	Free.	
	(h) Spirituous tooth washes and dentifrices .. .. .	<i>Ad valorem</i> 40% ..	—
	(i) Rectified spirits to be used solely in the compounding of drugs and medicines .. .. .	Free.	
28	Waters, mineral, aerated and table—		
	(a) In bottles, each not more than one reputed half-pint .. .. .	Per dozen bottles ..	1 50
	(b) In bottles, each more than one reputed half-pint and not more than one reputed pint .. .. .	Per dozen bottles ..	3 00
	(c) In bottles, each more than one reputed pint and not more than one reputed quart .. .. .	Per dozen bottles ..	6 00
	(d) In other containers or larger bottles .. .. .	Per imperial gallon ..	3 00
29	Wines—		
	(a) Vermouth .. .. .	Per imperial gallon ..	9 90

## CLASS II—ALES, WINES, SPIRITS AND BEVERAGES—(continued)

Item	Article	Duty	
29	Wines—(contd.)		Sh. cts.
	(b) Other still wines, n.e.e.—		
	(i) Imported in bottle .. .. .	Per imperial gallon .. (or 55% <i>ad valorem</i> , whichever is greater).	9 90
	(ii) Imported in casks or other containers of five gallons or over .. .. .	Per imperial gallon .. (or 55% <i>ad valorem</i> , whichever is greater).	6 60
	(c) Sparkling wines—		
	(i) Champagne .. .. .	Per imperial gallon .. (or 55% <i>ad valorem</i> , whichever is greater).	27 50
	(ii) Other .. .. .	Per imperial gallon .. (or 55% <i>ad valorem</i> , whichever is greater).	19 25
	(d) Sacramental wine, on proof to the satisfaction of the Commissioner of Customs that it is imported for use as such .. .. .	Free.	
	(NOTE.—Wines containing less than 3 per cent of proof spirits are not included in the above and wines con- taining more than 50 per cent of proof spirit shall be classed as spirits.)		
CLASS III.—TOBACCO AND MANUFACTURES THEREOF			
30	Cigars, cheroots and cigarillos .. .. .	Per pound .. .. .	22 00
31	Cigarettes .. .. .	Per pound .. .. .	16 50
32	Snuff .. .. .	Per pound .. .. .	4 50
33	Tobacco, manufactured, n.e.e. .. .. .	Per pound .. .. .	16 50
34	Tobacco, unmanufactured .. .. .	Per pound .. .. .	5 00
CLASS IV.—TEXTILES, APPAREL, YARNS AND FIBRES			
35	Bags and bagging (not including paper or leather bags), and hessian and sacking in the piece (not including matting), for the packing for wholesale distribution or export of local produce or manufactures .. .. .	Free.	
36	Bands and belting for driving machinery .. .. .	Free.	
37	Battery cloth and baize, bolting cloth, gauze, matting, sieving and screening for use in connexion with machinery, brattice-cloth, filter-cloth, filter pulp and mill silk .. .. .	Free.	
38	Clothing and apparel, n.e.e., second-hand (reconditioned or otherwise) for sale .. .. .	<i>Ad valorem</i> 60% .. .. .	—
39	Apparel and blankets—		
	(i) Blankets .. .. .	Each .. .. . (or 22% <i>ad valorem</i> , whichever is higher).	33
	(ii) Boots and shoes of which the soles are made of rubber and the uppers of canvas and/or leather .. .. .	Per pair .. .. . (or 22% <i>ad valorem</i> , whichever is higher).	44

## CLASS IV.—TEXTILES, APPAREL, YARNS AND FIBRES—(continued)

Item	Article	Duty	Sh. cts.
39	Apparel and blankets—(contd.)		
	(iii) Cardigans, jerseys and pullovers .. .. .	Each .. .. . (or 22% <i>ad valorem</i> , whichever is higher).	38½
	(iv) Shirts .. .. .	Each .. .. . (or 22% <i>ad valorem</i> , whichever is higher).	38½
	(v) Singlets .. .. .	Each .. .. . (or 22% <i>ad valorem</i> , whichever is higher).	22
	(vi) Socks and stockings .. .. .	Per pair .. .. . (or 22% <i>ad valorem</i> , whichever is higher).	16½
40	Coco-nut and fibre matting in the roll, not being mats or interior floor coverings .. .. .	<i>Ad valorem</i> 11% ..	—
41	Piece goods—		
	(a) Cotton, grey and unbleached, not elsewhere specified	Per square yard .. (or 22% <i>ad valorem</i> , whichever is higher).	11
	(b) Other (including scarves, shukas, chadders, khangas, bedspreads and the like) made of cotton or admixtures of cotton with other material not elsewhere specified .. .. .	Per square yard .. (or 22% <i>ad valorem</i> , whichever is higher).	13½
	(c) Made of silk or artificial silk or of materials containing silk or artificial silk .. .. .	Per square yard .. (or 40% <i>ad valorem</i> , whichever is higher).	40
42	Dressings, surgical, imported as such .. .. .	Free.	
43	Nets and netting (not wire)—		
	(a) Fishing nets (not including anglers' landing nets) ..	Free.	
	(b) Fruit-tree and seed-bed netting .. .. .	Free.	
	(c) Mosquito nets and netting .. .. .	Free.	
44	Rope and cordage—		
	(a) Driving ropes for machinery .. .. .	Free.	
	(b) Baling rope, for the packing of produce .. .. .	Free.	
	(c) Seaming and binder twine ; harvest yarn .. .. .	Free.	
CLASS V.—METALS, METAL MANUFACTURES, MACHINERY AND VEHICLES			
45	Airships, aeroplanes and other aircraft and completed parts and accessories thereof .. .. .	Free.	
46	Bolts, nuts, nails, screws, rivets, hinges and washers ..	<i>Ad valorem</i> 10% ..	—
47	Buckets, dustbins, incinerators, destructors and similar appliances and apparatus, imported for public services in connexion with the collection and disposal of refuse	Free.	
48	Builders' requisites and materials (metal)—		
	(a) Buildings, complete, imported in sections .. .. .	<i>Ad valorem</i> 10% ..	—
	(b) Metal windows, doors and house frames .. .. .	<i>Ad valorem</i> 10% ..	—
	(c) Gutterings, ridgings, ventilators .. .. .	<i>Ad valorem</i> 10% ..	—

## CLASS V.—METALS, METAL MANUFACTURES, MACHINERY AND VEHICLES—(continued)

Item	Article	Duty	Sh. cts.
	Builders' requisites, etc.—(contd)		
	(d) Casement stays, door handles, door closers, finger plates, latches, rim and mortice locks and lock furniture, and similar door and window furniture, but not including padlocks . . . . .	Ad valorem 10% . . . . .	—
	(e) Sanitary and lavatory appliances (metal): lavatories, sinks, water-closets, baths, geysers, cisterns, and taps, plugs, traps, overflows and other fittings therefor . . . . .	Ad valorem 10% . . . . .	—
	(f) Lifts, passenger, including the gates . . . . .	Ad valorem 10% . . . . .	—
	(g) Concrete reinforcing metal; expanded metal . . . . .	Ad valorem 10% . . . . .	—
49	Bullion in the bar or sheet; coin and specie . . . . .	Free.	
50	Carts, carriages and wheeled vehicles, not self-propelled—		
	(a) Agricultural wagons, carts and trailers, and parts thereof . . . . .	Free.	
	(b) Wheelbarrows, sack-trucks, and hand-trolleys . . . . .	Free.	
	(c) Tar and pitch boilers, street-spraying machines, and similar vehicles ordinarily employed in the construction and maintenance of roads . . . . .	Free.	
	(d) Carts and trailers, imported for public services in connexion with the collection and disposal of refuse . . . . .	Free.	
	(e) Bicycles and tricycles, n.e.e. . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	13 20
	(f) Parts and accessories of bicycles and tricycles (not including rubber tyres or tubes when imported separately), viz. :—		
	(i) Frames, including front fork and back stay . . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	6 60
	(ii) Frames, excluding front fork and back stay . . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	4 40
	(iii) Front forks . . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	1 37½
	(iv) Back stays . . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	82½
	(v) Handle bars (with fittings or otherwise) . . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	1 65
	(vi) Saddles . . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	1 10
	(vii) Rims . . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	44
	(viii) Chains . . . . .	Each . . . . . (or 22% ad valorem, whichever is higher).	44
	Other parts . . . . .	Ad valorem 22% . . . . .	—

## CLASS V.—METALS, METAL MANUFACTURES, MACHINERY AND VEHICLES—(continued)

Item	Article	Duty	Sh. ets.
50.	(g) Rickshaws and carriages, not including baby carriages, and parts and accessories thereof (not including rubber tyres or tubes when imported separately) . . . . . (h) Other wheeled vehicles, n.e.e., and parts and accessories thereof (not including rubber tyres and tubes imported separately) . . . . .	<i>Ad valorem</i> 22% . . . . . <i>Ad valorem</i> 16½% . . . . .	— —
51	Chains: trek, hauling or hoisting chains, and shackles therefor, not including anti-skid chains for motor and steam vehicles . . . . .	Free.	
52	Cranes, hoists, winches, chain pulleys, bucket and gravity conveyors and completed parts thereof, including slings . . . . .	Free.	
53	Cylinders for use, or in use, as containers for compressed gas, not being parts of gas lighting apparatus . . . . .	Free.	
54	Fencing material: gates, hurdles, posts, standards, strainers, staples, winders, and other materials or fasteners ordinarily used for agricultural or railway fencing . . . . .	Free.	
55	Filters, not being parts of motor vehicles, for the purification or softening of water, or for use in connexion with machinery for manufacturing or industrial purposes . . . . .	Free.	
56	Fire escapes, fire engines and fire extinguishing apparatus, and parts and refills therefor . . . . .	Free.	
57	Gauze, metal; sieving and screening of metal for use in connexion with machinery . . . . .	Free.	
58	Machinery, apparatus, appliances and implements (not specially provided for, and not including material, domestic machines or vehicles)— (a) For agricultural, dairying or water-boring purposes . . . . . (b) For mining purposes, n.e.e. . . . . (c) Fixed plant and machinery for factory installation and for manufacturing and industrial purposes, but not including structural steelwork for staging and platforms . . . . . (d) Presses for produce, and parts thereof . . . . . (e) Pumps and rams for water supply, sewerage, drainage or irrigation . . . . . (f) Lawn mowers, garden shears, garden and path rollers, watering cans, and similar horticultural and gardening requisites . . . . . (g) Mechanics' and artisans' tools, being tools ordinarily used by mechanics or artisans, and not being agricultural implements or machine tools. . . . .	Free. Free. Free. Free. Free. Free. <i>Ad valorem</i> 10% . . . . . <i>Ad valorem</i> 10% . . . . .	— —

## CLASS V.—METALS, METAL MANUFACTURES, MACHINERY AND VEHICLES—(continued)

Item	Article	Duty	
			<i>Sh. cts.</i>
58	Machinery, etc.—(contd.) (h) Machinery, apparatus, appliances and instruments (not including tools, or domestic or toilet machines, or appliances elsewhere provided for) and electrical material used in connexion therewith, for the generation, storage, transmission, distribution* of, or lighting by, gas or electric power, and parts thereof, but not including electroliers, gasoliers, lamps, lamp-shades or reflectors, portable batteries or electrical appliances for use in connexion with vehicles . . . . . (i) Other, for manufacturing or industrial purposes, including machine tools, but not including structural steelwork for staging and platforms. . . . .	Free.	
59	Metals— (a) Aluminium, in plain, perforated or corrugated sheets, or in strips, but otherwise unmanufactured (b) Brass, bronze, copper and composition metal, in plain or perforated sheets or in strips, but otherwise unmanufactured . . . . . (c) Iron and steel— (i) Plates and sheets, plain, corrugated, perforated, galvanized or enamelled, including plates covered with lead, tin or zinc, n.e.e. . . . . (ii) Angle, bar, channel, rod, hoop, H., T., and similar iron and steel, not worked or fabricated and not elsewhere enumerated . . . . . (iii) Fabricated girders and fabricated steelwork for buildings and bridges not elsewhere enumerated, structural steelwork for staging and platforms . . . . . (iv) Hoop iron for the baling of produce, and fasteners therefor . . . . . (d) Lead: bar, sheet and strip . . . . . (e) Tin and zinc: plate, n.e.e., bar, sheet, plain or perforated but otherwise unmanufactured . . . . . (f) Zinc: fume, dust and shavings . . . . . (g) Mercury and its compounds . . . . . (h) Metals, of all sorts, n.e.e., including brazing and soldering alloys, in plates, sheets, rods, bars, blocks, ingots or pigs . . . . . (i) Metalliferous ores . . . . . (j) Linotype metal . . . . .	<i>Ad valorem</i> 10% .. —	
		<i>Ad valorem</i> 10% .. —	
		<i>Ad valorem</i> 10% .. —	
		<i>Ad valorem</i> 10% .. —	
		<i>Ad valorem</i> 10% .. —	
		Free.	
		<i>Ad valorem</i> 10% .. —	
		<i>Ad valorem</i> 10% .. —	
		Free.	
		Free.	
		<i>Ad valorem</i> 10% .. —	
		Free.	
		Free.	
60	Metal signs or name plates bearing any commercial advertisement or name and qualifications or professional attainments of the importer; metal licence plates and badges imported by or on behalf of a municipality or other public body . . . . .	Free.	
61	Memorial tablets and brasses, engraved; ornaments for graves . . . . .	Free.	

## CLASS V.—METALS, METAL MANUFACTURES, MACHINERY AND VEHICLES—(continued)

Item	Article	Duty	Sh. cts.
62	(a) Motor cars, motor and steam lorries of a carrying capacity of less than 3,000 lb., motor cycles and other mechanically propelled road vehicles, and chassis thereof n.e.e., together with their appropriate initial equipment . . . . . (b) Motor and steam lorries of a carrying capacity of 3,000 lb. and over, and chassis thereof, n.e.e., together with their appropriate initial equipment. . .	<i>Ad valorem</i> 16½% . . . Free.	— —
63	Motor and steam road and farm tractors and trailers therefor; stone crushers, road rollers, graders, and scarifiers, road sweepers and sprayers and other mechanically propelled engines, machines and vehicles ordinarily employed in the construction and maintenance of roads; motor ambulances; parts and accessories therefor, but not including lamps, bulbs, batteries, magnetos, ignition coils, sparking plugs, and rubber tyres and tubes, when imported separately . .	Free.	—
64	Motor vehicle and motor engine parts and accessories, not specially provided for . . . . .	<i>Ad valorem</i> 16½% . . .	—
65	Packing and lagging for engines, machinery, piping and buildings, n.e.e. . . . .	<i>Ad valorem</i> 10% . . .	—
66	Pickaxes, crowbars, shovels, earth-pans, axes and hatchets, n.e.e. . . . .	<i>Ad valorem</i> 10% . . .	—
67	Pipes, piping, tubes and fittings (metal)— (a) For gas, steam, drainage, water supply, sewerage, irrigation, or in manufacturing or industrial plant, not including down-pipes or guttering, but including meters, culverts, cocks and taps not capable of use as fittings for domestic conveniences, grids, manhole covers and fittings . . . . . (b) Down-pipes, chimney pipes, n.e.e. . . . . (c) Lead piping, not elsewhere provided for . . . . .	Free. <i>Ad valorem</i> 10% . . . <i>Ad valorem</i> 10% . . .	— — —
68	Printers' type, of metal, and electros . . . . .	Free.	—
69	Railway and tramway construction and equipment requisites: rails, sleepers, fastenings for rails and sleepers, switchboxes, culvert tops, locomotives and other rolling stock, turntables, signals, weighbridges, and similar railway and tramway equipment requisites, n.e.e. . . . .	Free.	—
70	Refrigerating machinery, and mechanically cooled refrigerators . . . . .	Free.	—
71	Sprayers, sprinklers, vermin traps and other apparatus and appliances used for the prevention or destruction of pests, or of diseases in stock, plants or trees . .	Free.	—
72	Tanks, complete or in sections— (a) Imported for use in connexion with a public water supply system . . . . . (b) Other, not elsewhere provided for . . . . .	Free. <i>Ad valorem</i> 11% . . .	— —

## CLASS V.—METALS, METAL MANUFACTURES, MACHINERY AND VEHICLES—(continued)

Item	Article	Duty	
			<i>Sh. cts.</i>
73	Telegraphic and telephonic materials, equipment and instruments imported for use by a public utility company for the construction, working and maintenance of telegraph or telephone lines, or for the transmission or reception of wireless telegraphy or telephony, but not including stationery, or electric batteries suitable for use in motor vehicles .. .. .	Free.	
74	Weighing and measuring machines and appliances, not elsewhere provided for, including petrol and oil pumps	<i>Ad valorem</i> 11%	—
75	Wire—		
	(a) Wire ordinarily used for native adornment—		
	(i) Iron .. .. .	Per 100 pounds	14 00
	(ii) Brass .. .. .	Per 100 pounds	40 00
	(iii) Copper .. .. .	Per 100 pounds	50 00
	(iv) Aluminium .. .. .	Per 100 pounds	50 00
	(b) Steel wire and lead wire, n.e.e. .. .. .	<i>Ad valorem</i> 11%	—
	(c) Gauze and wire netting .. .. .	Free.	
	(d) Fencing and baling wire .. .. .	Free.	
76	Wire rope, and split links, shackles and thimbles for use in connexion therewith .. .. .	Free.	

## CLASS VI.—MINERALS, EARTHENWARE AND GLASSWARE

77	Asbestos and asbestos cement manufactures, namely sheets, plain or corrugated, slates, tiles, ridging and guttering, asbestos washers and gaskets, and asbestos packing .. .. .	<i>Ad valorem</i> 10%	—
78	Asphalt and bitumen in bulk .. .. .	Free.	
79	Bottles and jars, common, of glass or earthenware, empty, and syphons ordinarily used for aerated waters, not including sparklet and similar syphons .. .. .	Free.	
80	Bricks, slates and tiles for building purposes .. .. .	<i>Ad valorem</i> 11%	—
81	Cement—		
	(a) Portland and similar cement for building purposes	Per 400 pounds	1 50
	(b) Cement clinker .. .. .	<i>Ad valorem</i> 10%	—
	(c) Pudlo, ironite, cementone and similar substances for proofing, hardening or colouring cement .. .. .	<i>Ad valorem</i> 10%	—
	(d) Plaster of paris, in bulk .. .. .	<i>Ad valorem</i> 10%	—
	(e) Putty .. .. .	<i>Ad valorem</i> 10%	—
82	Coal, coke and patent fuel .. .. .	Free.	
83	Crucibles, cupels, cupelling furnaces, ingot moulds, and furnaces for roasting minerals .. .. .	Free.	
84	Emery, corundum, carborundum, and similar abrasives, in bulk or in the form of cloth, paper, stones, or wheels; sand-, glass-, and flint-paper; grindstones and scythe-stones .. .. .	<i>Ad valorem</i> 11%	—
85	Filters .. .. .	Free.	
86	Firebricks, fireclay, fire cement and furnace cement, not being component parts of a furnace or boiler installation imported complete or in sections .. .. .	<i>Ad valorem</i> 11%	—
87	Talc powder, in bulk, not being a toilet preparation .. .. .	<i>Ad valorem</i> 11%	—

## CLASS VI.—MINERALS, EARTHENWARE AND GLASSWARE—(continued)

Item	Article	Duty	
			Sh. cts.
88	Glass—		
	(a) Illuminated windows imported by or for presentation to any religious body .. .. .	Free.	
	(b) Polished plate, not silvered or bevelled .. .. .	Per square foot ..	30
	(c) Sheet (plain, clear) .. .. .	Per 100 square feet ..	2 00
	(d) Other .. .. .	Ad valorem 20% ..	—
89	Glassware, china ware and porcelain ware—		
	(a) For laboratory use or scientific purposes .. .. .	Free.	
	(b) Lenses, optically ground, for spectacles .. .. .	Free.	
	(c) Other, n.e.e. .. .. .	Ad valorem 20% ..	—
90	Graphite or plumbago .. .. .	Ad valorem 11% ..	—
91	Marble or other stone—		
	(a) In the rough, or sawn .. .. .	Ad valorem 20% ..	—
	(b) Tombstones and memorials for graves, engraved with a commemorative inscription to a deceased person .. .. .	Free.	
92	Pipes, piping and tubes, of earthenware, for drainage, irrigation, sewerage, water supply or water pumping, or for use in manufacturing or industrial plant ..	Free.	
93	Sanitary earthenware, stoneware or porcelain ware; baths, lavatory basins, cisterns, water-closets, urinals, and sinks, but not including portable toilet ware ..	Ad valorem 11% ..	—
CLASS VII.—OILS, WAXES, RESINS, PAINTS AND VARNISHES			
94	Ambergris, in the rough .. .. .	Ad valorem 55% ..	—
95	Belt dressing .. .. .	Ad valorem 11% ..	—
96	Grease, axle and lubricating .. .. .	Per pound .. .. . (or 16½% ad valorem, whichever is greater).	05½
97	Motor spirit, and products ordinarily used as such: benzine, benzoline, naphtha (not-potable), n.e.e., gasoline, petrol, and petroleum, shale and coal tar spirit generally, but not including power paraffin or kerosene .. .. .	Per imperial gallon at 62° F. .. .. .	50
98	Oils, essential (natural or synthetic), and perfumed, not being medicinal, or for use as food or flavouring ..	Ad valorem 60% ..	—
99	Oils, heavy, in bulk, for road or pavement construction	Free.	
100	Oils, mineral—		
	(a) Crude or residual oil, not suitable for purposes of illumination, in bulk .. .. .	Free.	
	(b) Oil, kerosene, and power paraffin .. .. .	Per imperial gallon at 62° F. .. .. .	33½
101	Oil—		
	(a) Transformer .. .. .	Free.	
	(b) Batching, and ingredients thereof on proof to the satisfaction of the Commissioner of Customs that they are imported solely for use in the manufacture of rope, cordage, twine, sacking or similar material	Free.	
102	Oils, tar and creosote, in bulk, including solignum and similar substances for the preservation of wood, not including wood-preserving ornamental stains ..	Free.	

## CLASS VII.—OILS, WAXES, RESINS, PAINTS AND VARNISHES—(continued)

Item	Article	Duty	Sh. cts.
103	Oils— (a) Lubricating .. .. .	Per imperial gallon .. (or 16½% <i>ad valorem</i> , whichever is greater).	44
	(b) Other, n.e.e. .. .. .	<i>Ad valorem</i> 30% ..	—
104	Paints, colours, varnishes and driers; distemper, red and white lead, enamels, cellulose and similar paints, japan, berlin or brunswick black, lamp black, whiting, liquid size, shellac, french polish, wood stains, lacquer, linseed and hempseed oil, terebine, turpentine and turpentine substitutes .. .. .	<i>Ad valorem</i> 11% ..	—
105	Soap, n.e.e., soap powders and extracts .. .. .	Per 100 pounds .. (or 40% <i>ad valorem</i> , whichever is greater).	10 00

## CLASS VIII.—DRUGS, CHEMICALS AND FERTILIZERS

106	Tar and pitch, in bulk .. .. .	Free.	
107	Acetic and other acids, and similar preparations, for use as mediums for the disinfection or coagulation of fluid latex .. .. .	Free.	
108	Animal glands and tissues and their preparations, toxins and anti-toxins; lymph, sera and vaccines .. .. .	Free.	
109	Boiler compositions and preparations for removing scale in boilers .. .. .	<i>Ad valorem</i> 11% ..	—
110	Disinfectants and germicides .. .. .	Free.	
111	Drugs, medicated dressings, medicinal preparations, and antiseptics .. .. .	Free.	
112	Dyes—	Free.	
	(a) Annatto .. .. .	Free.	
	(b) Microscopic stains for laboratory work .. .. .	<i>Ad valorem</i> 60% ..	—
	(c) Hair dyes and similar toilet preparations .. .. .	<i>Ad valorem</i> 22% ..	—
	(d) Other .. .. .	Free.	
113	Fertilizers and manures, animal, mineral or vegetable, artificial or natural .. .. .	Free.	
114	Gas, compressed, in cylinders—	Free.	
	(a) For medical use, or as an anæsthetic .. .. .	<i>Ad valorem</i> 11% ..	—
	(b) Other .. .. .	Free.	
115	Perfumery, cosmetics, and toilet preparations, n.e.e., but not including tooth powders, tooth pastes or tooth washes .. .. .	<i>Ad valorem</i> 60% ..	—
116	Potassium chlorate, cyanide and sulphocyanide, sodium cyanide and sulphocyanide, red phosphorus .. .. .	Free.	
117	Radium and radium compounds .. .. .	Free.	
118	Silicate of soda, caustic soda and caustic potash, litharge, saltpetre, sulphur and phosphoric acid paste and similar sugar clarifying agents, in bulk .. .. .	Free.	
119	Sulphate of copper, arsenate and arsenite of soda, arsenate of lead, cyanogas, naphthalene, animal dips, calcium carbide, whale oil soap and fish oil soap, insect sprays and other substances for the prevention or destruction of pests and for the prevention and cure of diseases in animals, plants and trees .. .. .	Free.	

## CLASS IX.—LEATHER AND RUBBER, AND MANUFACTURES THEREOF

Item	Article	Duty		Sh. cts
120	Bands and belting of all kinds for driving machinery other than motor vehicles; belt lacing and belt fasteners ..	Free.		
121	Tyres and tubes, rubber, not attached to wheels or vehicles—			
	(a) Pneumatic—			
	(i) Tyres, including the weight of the immediate wrapper .. .. .	Per pound .. ..		55
	(ii) Tubes for motor vehicles or for sidecars and trailers for motor vehicles .. .. .	Per pound .. ..		44
	(iii) Tubes, bicycle and other .. .. .	Per pound .. ..		55
	(b) Solid: complete, or in lengths, or in the piece ..	Per pound .. ..		22

## CLASS X.—WOOD AND MANUFACTURES THEREOF

122	Beehives and incubators and other wooden appliances for dairy and agricultural purposes only, and parts thereof .. .. .	Free.		
123	Boxes and casks, wooden, empty or in shooks, for the packing of oil, kerosene, or motor spirit, or of eggs, dairy produce, or other goods the product of manufactures or agriculture within the territory .. ..	Free.		
124	Corkwood, unmanufactured, and cork floats for fishing nets .. .. .	Free.		
125	Handles, wooden, for tools and implements .. ..	Ad valorem 11% ..		—
126	Joinery: wooden framework of houses, window frames, sashes, casements, doors, lintels, and builders' mouldings .. .. .	Ad valorem 20% (plus a suspended duty of 20% ad valorem) ..		—
127	Plywood and pulp boards .. .. .	Ad valorem 11% ..		—
128	Vats and tanks, wooden, for use in industrial, agricultural or manufacturing operations .. .. .	Free.		
129	Wood and timber, unmanufactured—			
	(a) Teak, in the log, or hewn or sawn .. .. .	Ad valorem 20% ..		—
	(b) Other, n.e.e., including planed, smoothed, grooved or tongued .. .. .	Ad valorem 20% (plus a suspended duty of 20% ad valorem) ..		—

## CLASS XI.—BOOKS, STATIONERY, PAPER AND PAPER MANUFACTURES

130	Atlases, charts, globes and maps .. .. .	Free.		
131	Banknotes and other paper currency, and postage stamps (used or unused) .. .. .	Free.		
132	Books, printed, and printed matter, namely: literature, periodicals and newspapers (other than periodicals and newspapers imported for packing purposes), guide books, directories, pamphlets, leaflets, catalogues and price lists, printed or lithographed religious texts, and music (other than roll music for autopianos); show-cards, calendars and similar printed matter imported solely for advertising purposes .. .. .	Free.		

## CLASS XI.—BOOKS, STATIONERY, PAPER AND PAPER MANUFACTURES—(continued)

Item	Article	Duty	Sh. cts.
133	Cardboard, strawboard and millboard .. .. .	<i>Ad valorem</i> 11% ..	—
134	Cards, playing .. .. .	Per pack .. ..	77
135	Diagrams, plans and similar drawings .. .. .	Free.	—
136	Inks and ink powders—		
	(a) For use in the printing industry, namely: printing and lithographic ink, printers' bronze powder, roller composition, stamping colours .. .. .	<i>Ad valorem</i> 11% ..	—
	(b) Stencil ink, solid .. .. .	<i>Ad valorem</i> 11% ..	—
	(c) Other .. .. .	<i>Ad valorem</i> 22% ..	—
137	Paper—		
	(a) Cigarette paper .. .. .	<i>Ad valorem</i> 45% ..	—
	(b) Printing paper, namely: newsprint in reels or in the flat, plain or composite paper, n.e.e., in reels of not less than 9 inches wide, or flat and folded, in the original mill ream wrapper, of a size not less than 16 inches by 15 inches .. .. .	<i>Ad valorem</i> 11% ..	—
138	Pictures, paintings, engravings, etchings, picture books, and drawings, not elsewhere provided for, including photographic reproductions and enlargements—		
	(a) Imported solely for advertising purposes, and having an advertisement indelibly printed, engraved or lithographed thereon, but not including menu cards or similar advertising stationery .. .. .	Free.	—
	(b) Photographs, including enlargements and reproductions, having only a personal or sentimental value to the importer and not intended for sale ..	Free.	—
	(c) Other, n.e.e., including picture post cards, Christmas, New Year, birthday or similar cards, calendars or calendar mounts, menu cards and other forms of stationery imported as such, whether bearing pictures or otherwise .. .. .	<i>Ad valorem</i> 40% ..	—
CLASS XII.—FANCY GOODS, TIMEPIECES AND MUSICAL INSTRUMENTS			
139	Band instruments and stands, the <i>bona fide</i> property of any military, naval, police or volunteer corps, or imported by, or on behalf of, or for presentation to, any religious body or the Boy Scout, Girl Guide, or other similar Association, and not being the property of individuals .. .. .	Free.	—
140	Beads .. .. .	Per pound .. .. (or 40% <i>ad valorem</i> , whichever is greater).	1 20
141	Clocks and watches—		
	(a) Tower clocks—		
	(i) For churches and public buildings .. .. .	Free.	—
	(ii) Other .. .. .	<i>Ad valorem</i> 11% ..	—
	(b) Other clocks and watches .. .. .	<i>Ad valorem</i> 22% ..	—
142	Cups, medals and other trophies, imported for presentation—		
	(a) As prizes at public examinations, exhibitions, shows, or for competitions of skill or sport open to the public or members of recognized clubs .. .. .	Free.	—

## CLASS XII.—FANCY GOODS, TIMEPIECES AND MUSICAL INSTRUMENTS—(continued)

Item	Article	Duty	Sh. cts
142	Cups, etc.—(contd.) (b) For bravery, good conduct, humanity, for excellence in art, industry, invention, manufactures, learning, science or for honourable or meritorious public services Provided that proof to the satisfaction of the Commissioner of Customs is produced prior to clearing such articles through the Customs that they are intended for presentation as specified above.	Free.	
143	Organs and blowers therefor, harmoniums, and church plate, imported by or for presentation to any religious body	Free.	
144	Toys and games, children's, including toy cycles, scooters and the like	Ad valorem 10%	—

## CLASS XIII.—MISCELLANEOUS

145	Baggage, the <i>bona fide</i> baggage of a passenger, the property of and accompanied by such passenger, as defined below <i>Bona fide</i> baggage shall consist of: necessary and appropriate wearing apparel and personal effects; binoculars, cameras, sports requisites, portable typewriters, toys and articles for household use (such as sewing machines, furniture, carpets, pictures, glassware, linen, cutlery, crockery and plate) which are proved to the satisfaction of the Commissioner of Customs to have been in personal or household use by the passenger and are not for sale; instruments and tools for the professional use of passengers. <i>Bona fide</i> baggage shall not include such articles as the following: arms, ammunition, beverages, cigars, cigarettes or tobacco, perfumed spirits, carriages, motor vehicles, bicycles, musical instruments (unless elsewhere provided for), saddlery, provisions.	Free.	
NOTE			
(1) Duty shall not be leviable on alcoholic liquors or perfumed spirits not exceeding one pint of each, cigars not exceeding fifty in number, cigarettes not exceeding 100 in number, or tobacco not exceeding half-pound in weight.			
(2) <i>Bona fide</i> baggage landed at any Customs port within two months of the arrival of the passenger, or such further period as the Commissioner of Customs may allow, may be included in the above exemption at the discretion of the Commissioner.			
146	Blasting compounds, including all kinds of explosives, fuses, and detonators suitable and intended for blasting and not suitable for use as fireworks or in firearms	Free.	
147	Cinematograph projectors and magic lanterns and slides therefor, imported for use in or by scientific or educational institutions	Free.	

## CLASS XIII.—MISCELLANEOUS—(continued)

Item	Article	Duty	
			<i>Sh. cts.</i>
148	Church decorations, altars, bells, fonts, lecterns, pulpits and vestments imported by or for presentation to any religious body .. .. .	Free.	
149	Coffins, funerary urns and caskets .. .. .	Free.	
150	Consular goods, namely : articles for the official use of any foreign consulate or, on first arrival in the territory, the household and personal effects of the consular representative of any foreign country, or his family or suite, if such consular representative is not engaged in any other business or profession in the territory : Provided that a similar privilege is accorded by such foreign country to the British Consulate therein .. .. .	Free.	
151	Containers, including boxes, tins, bottles, jars and other packages, imported full of any article liable to a specific rate of duty and being ordinary trade packages for the goods contained therein .. .. .	Free.	
152	Felt, ruberoid, uralite and similar substances for building purposes : flooring composition and roofing compounds .. .. .	<i>Ad valorem</i> 11%	—
153	Films, cinematograph, printed or exposed for exhibition— (a) Of a scientific or educational nature for exhibition solely to or by scientific or technical societies or in educational institutions .. .. . (b) Other .. .. .	Free. Per 500 linear feet ..	4 00
154	Fireworks .. .. .	Per pound gross ..	4 00
155	Ice .. .. .	Free.	
156	Lifebelts, lifebuoys, and other life-saving apparatus ..	Free.	
157	Matches— (a) In boxes of not more than 100 matches .. .. . (b) In boxes containing more than 100 and not more than 200 matches .. .. . (c) And for every additional 100 matches, or part of 100, in excess of 200 per box .. .. . (d) Tear-off matches, in strips, discs or booklets .. .. .	Per gross of boxes .. Per gross of boxes .. Per gross of 100 matches Per 1,000 matches ..	3 30 6 60 3 30 27½
158	Models, scale or working, and plaster and similar advertising models, but not including toys or dressmakers', hairdressers' or similar display models .. .. .	Free.	
159	Museum and natural history exhibits and specimens, for public museums or for scientific purposes .. .. .	Free.	
160	Official, military and naval stores and goods imported by civil, military and naval officers— (a) Baggage, equipment and stores imported by the Inspector General, K.A.R., or his staff officer for the use of the said officers or either of them whilst travelling on duty .. .. .	Free.	

## CLASS XIII.—MISCELLANEOUS—(continued)

Item	Article	Duty	
		p	Sh. cts
160	Official, military and naval stores, etc.—(contd.)		
	(b) Goods imported by or consigned direct to officers or men on board vessels of His Majesty's Navy for their personal use or consumption on board such vessels . . . . .	Free.	
	(c) (i) Goods which are proved to the satisfaction of the Commissioner of Customs to be the property of His Majesty and which are imported or purchased prior to clearance through the Customs by, or for the use of, His Majesty's land, sea or air forces in the Colony . . . . .	Free.	
	(ii) Goods consigned per parcels post by private individuals to members of His Majesty's expeditionary forces from overseas or the Dominions in the Colony, or to members of the Armed Forces of any Allied Power, not including wines and spirits, and not including cigarettes or tobacco in excess of one pound in weight in any one parcel . . . . .	Free.	
	(iii) Comforts consigned as gifts for free distribution to members of His Majesty's forces. "Comforts" include cigarettes, confectionery, toilet requisites, food, writing materials, and knitted goods . . . . .	Free.	
	(iv) Goods imported, or purchased prior to clearance through the Customs by the Expeditionary Force Institute, the Union Defence Force Institutes, the Port Welfare Committee, Mombasa, or the Kenya Red Cross Society, subject to such limitations and conditions as the Commissioner shall specify . . . . .	Free.	
	(v) Goods consigned as gifts imported by, or for the use of prisoners of war or interned enemy aliens . . . . .	Free.	
	(vi) Goods imported for issue whether by sale or otherwise to war evacuees in any evacuee camp appointed under the provisions of the Defence (War Evacuees) Regulations, 1943, or the War Refugees (Control and Expulsion) Ordinance, 1946 . . . . .	Free.	
	(d) Goods imported by or purchased prior to clearing through the Customs by, or for the use of, the Government of any British territory in East Africa or the Kenya and Uganda Railways and Harbours Administration, and any of the Armed Forces of any Allied Power . . . . .	Free.	



## CLASS XIII.—MISCELLANEOUS—(continued)

Item	Article	Duty	Sh. ct.
164	Samples and miscellaneous articles not imported as merchandise which the Commissioner of Customs shall decide to be of no commercial value . . . . .	Free.	
165	Scientific apparatus, and instruments, for laboratory use, scientific observation or record, or for the control of manufacturing operations . . . . .	Free.	
166	Ships, launches, lighters, boats and barges, imported complete or in sections; parts and accessories thereof, not including rope, canvas in the piece, cordage or similar running stores, or batteries, magnetoes or sparking plugs: Provided that when condemned, or handed over to be broken up, duty shall be paid to the Customs on the hull, parts and fittings, according to the tariff that may then be in force . . . . .	Free.	
167	Surgical and dental instruments and appliances; instruments and appliances used in the diagnosis or treatment of diseases or affections of the human or animal body . . . . .	Free.	
168	Umbrellas and parasols, not including paper parasols . . . . .	Each . . . . . (or 40% <i>ad valorem</i> , whichever is higher).	80
169	Uniforms and appointments imported by or on behalf of the Boy Scout, Girl Guide or other similar Association . . . . .	Free.	
170	Window glass substitutes . . . . .	<i>Ad valorem</i> 11% . . . . .	—
171	Works of art (painting, sculpture and the like), imported for permanent public exhibition . . . . .	Free.	
CLASS XIV.—GENERAL			
172	All goods, wares and merchandise, not provided for under any heading in the Tariff or under any special law relating to the Customs . . . . .	<i>Ad valorem</i> 22% . . . . .	—

**ORDINANCE No. XI of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE EXCISE DUTIES  
ORDINANCE, 1935**

*23rd October, 1946*

Date of commencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

Short title and commencement.  
No. 40 of 1935.

**1.** This Ordinance may be cited as the Excise Duties (Amendment) Ordinance, 1947, and shall be read as one with the Excise Duties Ordinance, 1935, hereinafter referred to as the principal Ordinance, and shall be deemed to have come into operation on the 23rd day of October, 1946.

Repeal and replacement of the Schedule to the principal Ordinance.  
Repeal.  
No. 35 of 1941.  
No. 29 of 1946.

**2.** The Schedule to the principal Ordinance is hereby repealed and the Schedule to this Ordinance substituted therefor.

**3.** Section 3 of the War Revenue (Customs and Excise Duties) Ordinance, 1941, and the Excise Duties (Amendment) Ordinance, 1946, are hereby repealed.

**SCHEDULE****RATES OF EXCISE DUTIES**

	<i>Sh. cts.</i>
Sugar, not including jaggery, per cwt. ... ..	2 24
Tea, per lb. ... ..	15
Cigarettes, cigars and cigarillos, per lb. ... ..	8 00
Other manufactured tobacco, per lb. ... ..	7 00

**ORDINANCE No. XII of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE CUSTOMS MANAGEMENT ORDINANCE, 1926**

*1st January, 1947*

Date of commencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

**1.** This Ordinance may be cited as the Customs Management (Amendment) Ordinance, 1947, and shall be read as one with the Customs Management Ordinance, 1926, hereinafter referred to as the principal Ordinance, and shall be deemed to have come into operation on the first day of January, 1947.

Short title and commencement.  
No. 25 of 1926.

**2.** Section 135 of the principal Ordinance is hereby amended—

Amendment of section 135 (1) and (2) of the principal Ordinance.

- (a) by inserting between the word and comma "thereof," and the word "be", which appear in the fifth line of sub-section (1) thereof, the words and comma "unless the Governor otherwise directs,"; and
- (b) by inserting between the word "shall" and the word "furnish", which appear in the third line of sub-section (2) thereof, the commas and words ", unless the Governor otherwise directs,".

**ORDINANCE No. XIII of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE UPLANDS BACON  
FACTORY (KENYA), LIMITED, (CONSTITUTION)  
ORDINANCE, 1945**

*1st July, 1946*

Date of commencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

Short title and commencement.

No. 20 of 1945.

**1.** This Ordinance may be cited as the Uplands Bacon Factory (Kenya), Limited, (Constitution) (Amendment) Ordinance, 1947, and shall be read as one with the Uplands Bacon Factory (Kenya), Limited, (Constitution) Ordinance, 1945, hereinafter referred to as the principal Ordinance, and shall be deemed to have come into operation on the first day of July, 1946.

Amendment of section 3 (5) of the principal Ordinance.

**2.** Sub-section (5) of section 3 of the principal Ordinance is hereby amended by deleting the words "have contributed to the cess", which appear in the third line thereof, and substituting therefor the words and commas "contributed to the cess prior to the first day of April, 1946."

Repeal and replacement of the Schedule to the principal Ordinance.

**3.** The Schedule to the principal Ordinance is hereby repealed and the following Schedule substituted therefor:—

**"SCHEDULE**

*(Section 3 (5))*

**1.** Every pig producer who contributed to the cess prior to the first day of April, 1946, shall be credited with the following amounts—

Sh. 4/48.35 for each bacon pig delivered by such producer;

Sh. 2/39.12 in respect of each porker pig delivered by such producer,

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and shall be issued with redeemable preference share(s), of the value of Sh. 20 each, in respect of such credit, which share(s) shall be subject to the Memorandum and Articles of Association of the company.

2. When the amount contributed to the cess by any pig producer, as arrived at in accordance with the provisions of paragraph 1 of this Schedule, is not a multiple of Sh. 20, such pig producer shall elect whether he will receive or pay the difference required to bring such amount to a multiple of Sh. 20.

3. Redeemable preference shares allotted in accordance with the provisions of this Schedule shall be in the following form:—

THE UPLANDS BACON FACTORY (KENYA), LTD.

*Redeemable Preference Share Certificate*

No. .... Amount .....

THIS IS TO CERTIFY that .....  
is the registered holder of ..... Redeemable  
Preference Shares to the value of Sh. 20 each in the above-  
mentioned company, such shares are subject to the  
Memorandum and Articles of Association of the company.

Given under the seal of the Uplands Bacon Factory  
(Kenya), Limited, this ..... day of ....., 19.....

No transfer of the above shares will be registered with-  
out the production of this certificate.

**ORDINANCE No. XIV of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE COFFEE  
(MARKETING) ORDINANCE, 1946**

*21st February, 1947*

Date of commencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

Short title.

**1.** This Ordinance may be cited as the Coffee (Marketing) (Amendment) Ordinance, 1947, and shall be read as one with the Coffee (Marketing) (Amendment) Ordinance, 1946, hereinafter referred to as the principal Ordinance.

No. 6 of 1946

Amendment of section 18 of the principal Ordinance.

**2.** Section 18 of the principal Ordinance is hereby amended by deleting paragraph (a) of the proviso to subsection (2) thereof and substituting therefor the following paragraph:—

“(a) the Board sells to the Ministry of Food of the United Kingdom or otherwise offers for sale, and sells, in the United Kingdom;”.

Amendment of section 27 of the principal Ordinance.

**3.** Section 27 of the principal Ordinance is hereby amended by deleting the figures “1949”, which appear in the second line thereof, and substituting therefor the figures “1952”.

**ORDINANCE No. XV of 1947**

Assented to in His Majesty's name this twenty-first day of February, 1947.

P. E. MITCHELL,  
*Governor.*

**AN ORDINANCE TO AMEND THE EXCESS PROFITS TAX ORDINANCE, 1941**

*21st February, 1947*

Date of commencement.

ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows:—

1. This Ordinance may be cited as the Excess Profits Tax (Amendment) Ordinance, 1947, and shall be read as one with the Excess Profits Tax Ordinance, 1941, hereinafter referred to as the principal Ordinance.

Short title.

No. 14 of 1941.

2. Section 2 of the principal Ordinance is hereby amended by inserting, in their proper alphabetical order, the following definitions:—

Amendment of section 2 of the principal Ordinance.

“‘net amount’ means, in relation to a post-war refund, the gross amount thereof less the income tax or the income tax and surtax ascribable to the payment of the refund; the amount so ascribable being ascertained on the basis that the refund is to be treated as the highest part of the income of the person to whom the payment is made;

‘the original business’ means, in relation to a post-war refund, the business, tax on the profits of which is or is to be refunded;”.

3. Section 6 of the principal Ordinance is hereby amended—

Amendment of section 6 of the principal Ordinance.

(a) by inserting immediately after the proviso to sub-section (8) thereof the following new paragraph:—

“Where a deduction has been authorized under the provisions of this sub-section by the Board of Referees in respect of any business, and either the expenditure in respect of which the deduction was authorized has not been incurred before the thirty-

first day of December, 1947, or any asset upon which the expenditure has been incurred has not been fully employed in the business before such date, the deduction shall not be taken into account in computing the total excess profits tax to be paid in respect of the business.”;

(b) by deleting sub-section (10) thereof and substituting therefor the following sub-section:—

Exceptional depreciation.

“(10) (a) Where any buildings, roads, plant or machinery, or patent or manufacturing rights (in this sub-section referred to as ‘plant’) have, after the first day of September, 1939, and before the thirty-first day of December, 1947, been provided for the purpose of the business by the person carrying on the business, then, if—

- (i) on the thirty-first day of December, 1947, the plant is still used for the purpose of the business and the value thereof is less than the net cost thereof; or
- (ii) at a date prior to the thirty-first day of December, 1947, the plant has ceased to be used for the purpose of the business and the value thereof at that date, or where the plant has ceased to exist, the value of the remainder thereof at that date, is less than the net cost thereof; or
- (iii) the plant is sold before the thirty-first day of December, 1947, at a price which is less than the net cost thereof,

the amount of the deficiency shall be allowed as a deduction in computing the total excess profits tax payable in respect of the business:

Provided that the amount of the deficiency shall be reduced by—

- (i) the amount of any deductions allowable under the provisions of this Ordinance, other than this paragraph, in respect of the plant in computing the profits of the business for any accounting period which constitutes or includes a chargeable accounting period; and
- (ii) such an amount in respect of the wear and tear of the plant which has taken place before the

thirty-first day of December, 1947, as has not been allowed as a deduction in computing the profits of the business for any such accounting period.

(b) For the purpose of this sub-section any reference to the value of any plant shall be construed as a reference to the lower of the following two amounts—

- (i) two-thirds of the written-down value thereof; or
- (ii) the value thereof to the person carrying on the business, or the amount which could be obtained therefor in the open market, whichever is the higher.

(c) Any deficiency in respect of which a deduction falls to be made under paragraph (a) of this sub-section shall, where the plant was provided prior to the thirty-first day of December, 1945, be deemed to have begun to accrue on the first day of July, 1940, or the date when the plant was provided, whichever is the later, and to have continued to accrue at an even rate until the thirty-first day of December, 1945, or the date upon which the plant ceased to be used for the purpose of the business or the date upon which it was sold, whichever is the earliest date, and, where the plant was provided on or after the thirty-first day of December, 1945, shall be deemed to have accrued on that date and the proportion of the deficiency attributable to any chargeable accounting period shall be determined accordingly:

Provided that in relation to a person to whom the plant has been transferred in such circumstances that it is deemed by virtue of the provisions of paragraph (e) of this sub-section to have been provided by him, the reference in this paragraph to the date when the plant was provided shall be construed as a reference to the date of the transfer.

(d) Pending an ascertainment whether a deduction falls to be made under the provisions of paragraph (a) of this sub-section in respect of any plant, the Commissioner, if he is satisfied that any plant provided as aforesaid is of such a character that it is likely that the conditions specified in such paragraph will be fulfilled in the case thereof, may allow in any accounting period which constitutes or includes a chargeable accounting period such sum as he thinks fit, but any such deduction

shall be provisional only and as soon as may be the amount thereof shall be adjusted so as to accord with the provisions of such paragraph.

(e) Where a business has been transferred by one person to another any plant provided for the purposes of the business by the person transferring it which was transferred with the business and continues to be used for those purposes after the transfer shall, for the purposes of this sub-section be deemed to have been provided for the purposes of the business not only by the person transferring the business but also by the person to whom the business is transferred:

Provided that the amount of any deduction granted under the provisions of this sub-section to the person to whom the business is transferred shall, if necessary, be reduced so as to secure that the total deductions granted to the said persons in respect of any plant affected by the transfer are not greater than the total deductions which would have been granted to the person making the transfer if the transfer had not taken place.

The provisions of this paragraph shall apply in relation to the transfer of part of a business as they apply in relation to the transfer of the whole of a business.

(f) In this sub-section, the expression 'net cost' means, in relation to any plant, the cost of the provision thereof (being cost of a capital nature) less any sum provided, or to be provided, directly or indirectly by the Crown or by any government or public or local authority or by any other person other than the person or persons carrying on the business, whether in the Colony or elsewhere, towards the cost of the provision of the plant, or towards any wear and tear or depreciation thereof."

(c) by inserting immediately after the first paragraph of sub-section (14) thereof the following new paragraph:—

"The provisions of this sub-section shall apply to any deduction (including a deduction in respect of bad debts) allowable in computing the profits of a business for any accounting period ending on or before the thirty-first day of December, 1947, and where any accounting period ended after the thirty-first day of December, 1947, then to so much of

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*Excess Profits Tax*

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such accounting period as falls within the period ending on the thirty-first day of December, 1947.”.

4. Section 9 of the principal Ordinance is hereby amended by deleting the first proviso to sub-section (1) thereof and substituting therefor the following proviso:—

Amendment of section 9 of the principal Ordinance.

“Provided that where the business is that of a profession the profits of which are mainly dependent on the personal qualifications of the persons by whom the profession is carried on and in which no capital expenditure is required, or only capital expenditure of a comparatively small amount, the standard profits for a full year, computed in accordance with the provisions of this section, shall be increased by two hundred and fifty pounds in respect of each working proprietor in the business in relation to any chargeable accounting period ending on or before the thirty-first day of December, 1943, and by seven hundred and fifty pounds in respect of each working proprietor in the business in relation to any chargeable accounting period ending after that date, and for this purpose a chargeable accounting period which commenced before the thirty-first day of December, 1943, and ended after that date shall be treated as if it were two separate chargeable accounting periods, the first of which ended on the thirty-first day of December, 1943, and the second of which commenced on the first day of January, 1944.”.

5. Section 13 of the principal Ordinance is hereby repealed and the following section substituted therefor:—

Repeal and replacement of section 13 of the principal Ordinance.

“13. The amount of excess profits tax payable in respect of a business for any chargeable accounting period as defined in sub-section (2) of section 5 of this Ordinance and the amount of any excess profits tax payable under the law in force in the United Kingdom for any such period shall, in computing for the purpose of income tax the profits arising from that business, be allowed to be deducted as an expense incurred in that period:

Relation of excess profits tax to income tax.

Provided that where, under the provisions of this Ordinance or under the law in force in the United Kingdom relating to deficiencies of profits, relief is given

by way of repayment from excess profits tax chargeable for any such chargeable accounting period previous to that in which the deficiency occurs, the amount of the deduction allowed under the provisions of this section shall not be altered but the amount repayable shall be taken into account in computing the profits of the business for the purpose of income tax as if it were a profit of the business accruing in the chargeable accounting period in which the deficiency occurs."

Insertion of new sections in the principal Ordinance.

"Provision for repayment of post-war refunds.

Refunds to be used for purposes of business.

6. The following new sections, to be numbered 25, 26, 27, 28, 29, 30, 31, 32, 33 and 34, respectively, are hereby inserted in the principal Ordinance:—

25. There shall be ascertained the amount of excess profits tax paid by any person in respect of any business to which the provisions of section 12 of the United Kingdom Finance (No. 2) Act, 1939, apply, and one-fifth of such amount shall, subject to the provisions of this section, be repaid as a post-war refund as soon as may be after the final ascertainment and satisfaction of the total liability of the person in question to excess profits tax for all chargeable accounting periods:

Provided that if the Commissioner thinks fit, and the requirements of the four next following sections are complied with, he may, before the final ascertainment and satisfaction of such total liability, make a payment on account of any such post-war refund which, in his opinion, is likely to be found due.

26. (1) No post-war refund shall be made to any person unless such undertakings and authorities are given as are specified in the next following section, being undertakings and authorities in connexion with the use of the net amount of the refund for the purposes of a specified business, being such a business as is mentioned in sub-section (2) of this section:

Provided that undertakings and authorities may be given as aforesaid in connexion with the use of part only of the said amount and shall if so given, operate to authorize the payment of a corresponding part of the refund, and references in this and the three next following sections to the refund and the net amount of the refund shall be construed accordingly.

(2) A business may be specified under sub-section (1) of this section if it is either—

- (a) the original business; or
- (b) a business carried on or to be carried on by the person who carried on the original business in the chargeable accounting periods, or, where that person is an individual, by him or by a relative of his; or
- (c) a business in which the said person, or, where the said person is an individual, he or a relative of his, has or is to have an interest which is substantial in relation to the size of the business:

Provided that in considering whether the interest of a person in a business is substantial, any interest acquired by or for him in consideration of the making over, to the persons who are carrying on or are to carry on that business, of the whole or any part of the post-war refund in question or of the whole or any part of the post-war refund repayable under the provisions of Part IV of the United Kingdom Finance (No. 2) Act, 1945, shall be left out of account.

In this sub-section, the expression 'a relative' means, in relation to a person, that person's husband or wife, or a son, daughter, brother or sister of that person or of that person's husband or wife or deceased husband or deceased wife, and for the purposes of this definition the expressions 'son' and 'daughter' include an adopted son or adopted daughter (whether adopted under the United Kingdom Adoption of Children Act, 1926, or under the United Kingdom Adoption of Children (Scotland) Act, 1930, or otherwise) and an illegitimate son or illegitimate daughter, and the expressions 'brother' and 'sister' include a half-brother or half-sister.

16 and 17 Geo.  
5. c. 29.  
20 and 21 Geo.  
5. c. 37.

(3) A business shall be treated for the purposes of this and the three next following sections as continuing to be the same business notwithstanding any change in the persons carrying it on.

27. (1) Where the business specified under sub-section (1) of the last preceding section is or is to be carried on by the person to whom the post-war refund is paid, and is not, or, as the case may be, is not to be,

Undertakings  
and authorities  
which must be  
given.

carried on by him in partnership with any other person, the undertakings shall comprise an undertaking by him that—

(a) the net amount of the refund will be used in developing or re-equipping the business and, until so used, will be so dealt with as to remain available for use, when required, in developing or re-equipping the business; and

(b) without prejudice to the generality of the preceding provision, any part of the said net amount which is not so used shall not be directly or indirectly distributed by way of dividend or cash bonus or capitalized for the purpose of issuing bonus shares or debentures or releasing any liability for uncalled share capital or applied, whether by way of remuneration, drawings, loans or otherwise, for the benefit of partners, shareholders or proprietors.

(2) In any other case, the undertakings shall comprise—

(a) an undertaking by the person to whom the post-war refund is paid that the net amount of the refund will be made over to the person carrying on the specified business; and

(b) such undertakings as are mentioned in the preceding sub-section by the person to whom the said net amount is to be made over.

(3) Where any such undertakings are given, every person who gives any of the undertakings shall, in addition, give an undertaking to furnish, on the demand of the Commissioner, such accounts or other information as may be specified in the demand, being accounts or information required for the purpose of establishing how the net amount has been dealt with.

(4) Any undertaking or authority given under any of the preceding provisions of this section by the persons carrying on a business shall be in writing, shall be in such form as may be prescribed by the Commissioner and shall, by virtue of this section, be binding on all persons who, at any time within the five years next following the date of the giving of the undertaking, carry on that business either alone or in partnership with any other person.

28. (1) Subject to the provisions of the next following section, if—

Effect of  
breach of  
undertakings,  
etc.

- (a) the whole or any part of the net amount is dealt with by any person in breach of an undertaking given by him or which, by virtue of the last preceding section, is binding upon him; or
- (b) any breach is committed by any person of an undertaking given by him, or binding on him as aforesaid, to produce documents or information required to be produced in connexion with the whole or any part of the net amount; or
- (c) the business specified in any such undertaking as aforesaid is permanently discontinued within the five years next following the date of the giving of the undertaking, and, at the date of the discontinuance, the whole or any part of the net amount has not been used for developing or re-equipping the business,

the net amount or that part thereof, as the case may be, shall be recoverable from the person who committed the breach of the undertaking or, as the case may be, the person who was carrying on the business immediately before the discontinuance thereof, as a debt due to the Government of the Colony:

Provided that no sum shall be recoverable under this sub-section by reason of the permanent discontinuance of the business if the like undertakings and authorities are given and approved in connexion with the use of that sum as would be required to be given and approved if that sum were the net amount of a post-war refund in respect of the original business payable to the person who was carrying on the specified business immediately before the discontinuance, and the provisions of sections 25, 26, 27 and 29 of this Ordinance shall, with the necessary adaptations, have effect accordingly in relation to those undertakings and authorities, so, however, that the references in the said provisions to the five years next following the date of the giving of the undertaking shall be construed as references to the five years next following the date of the giving of the undertaking given in connexion with the original refund.

(2) Subject to the provisions of this sub-section, where any sum becomes recoverable under this section from any body corporate by reason of the breach of any undertaking given by or binding on that body corporate, the body corporate and every person who, when the breach was committed, was, or was purporting to act as, a director of the body corporate, shall be jointly and severally liable to the Government of the Colony for that sum:

Provided that no person shall be under any liability under this sub-section by reason that he was or purported to act as a director of a body corporate if he proves that the breach in question was committed without his knowledge or against his will and that, in either case, he exercised all due diligence to prevent the commission of the breach.

Duties of  
Commissioner  
in relation to  
post-war re-  
fund.

29. (1) Where—

- (a) the whole or any part of the net amount of a post-war refund is not to be paid to the person who carried on the original business in the chargeable accounting periods, or is not to be used for the purposes of the original business; or
- (b) there has, since the thirty-first day of December, 1945, been any change in the persons by whom the original business was carried on,

no post-war refund shall be paid unless the undertakings and authorities required in relation to the payment thereof under the provisions of the three preceding sections of this Ordinance are approved by the Commissioner, and, without prejudice to the generality of the preceding provision, the Commissioner shall not, where such amount is, under the undertakings, to be made over to any other person by the person to whom the post-war refund is made, approve the undertakings and authorities unless he is satisfied that the terms on which the amount is to be made over are proper having regard to the provisions of this section and sections 25, 26, 27, 28 and 31 of this Ordinance.

(2) It shall be the duty of the Commissioner in such cases and at such times as he thinks fit, to inquire how

the net amount of any post-war refund has been dealt with, and if, in his opinion, any part of such net amount has, under the provisions of the last preceding section, become due to the Government of the Colony, he shall give notice of his decision in writing to the person from whom the refund is recoverable.

(3) Any person aggrieved by any refusal of the Commissioner to approve any undertakings and authorities or by any decision of the Commissioner under this sub-section may, within such time and in such manner as may be prescribed by rules made by the Supreme Court, which it is hereby empowered to do, appeal to a Judge.

(4) On any such appeal the Judge shall give to the appellant and to the Commissioner an opportunity of being heard, and shall hear such evidence, on oath or otherwise, as the appellant and the Commissioner desire to put before him, and shall, after such further inquiry, if any, as he thinks fit, decide the question and his decision on any matters arising on the appeal shall be final and conclusive for all purposes:

Provided that where proceedings are brought in any court for the recovery of any sum from a person on the grounds that, when a breach of an undertaking was committed by a body corporate, he was or purported to act as a director of that body corporate, nothing in this sub-section shall preclude that person from contending in those proceedings that the breach was committed without his knowledge or against his will and that he exercised all due diligence to prevent the commission of the breach.

30. (1) Where any sum has been paid as, or on account of, a post-war refund, any relief from, or any repayment of, excess profits tax in respect of which the sum was paid, being a relief or repayment which falls to be given or made after the payment of that sum, shall be computed as if the rate of excess profits tax had been forty-eight per cent:

Reliefs given and repayments made after payments have been made by way of post-war refund.

Provided that, in computing the amount of capital employed in the business, such tax shall be treated as chargeable at sixty per cent.

(2) Where—

(a) the amount of any relief or repayment is reduced by virtue of the provisions of sub-section (1) of this section; and

(b) if the provisions of sub-section (1) of this section had not applied and the relief or repayment had been taken into account in computing any sum paid as, or on account of, a post-war refund, that sum would have been reduced,

any undertakings given under sections 26, 27, 28 and 29 of this Ordinance in connexion with the payment of that sum shall have effect with respect only to such reduced amount as may be just having regard to the reduction which would have been made in that sum.

(3) References in this section to a repayment of excess profits tax shall not include references to any payment of, or on account of, a post-war refund.

Certain expenditure to be deemed to have been used in developing or re-equipping a business.

31. Where any expenditure has been incurred on or after the first day of April, 1945, in developing or re-equipping a business, any sum used in or towards the recouping of that expenditure shall be deemed, for the purposes of sections 26, 27, 28 and 29 of this Ordinance, to have been used in developing or re-equipping that business and any undertakings given under such sections shall have effect accordingly.

Final determination of liability to excess profits tax.

32. (1) After the thirtieth day of June, 1948, no assessment or additional assessment of excess profits tax shall be made, and no claim for relief from, or repayment of excess profits tax shall be entertained or allowed except in a case which is an undetermined one within the meaning of this section.

(2) At any time not later than such date the Commissioner may, in the case of a person who is or has been the owner of a business, cause to be served personally on or sent by registered post to that person a notice that he considers that person's liability to excess profits tax or his right in respect of relief from or reduction or repayment of excess profits tax as being undetermined, and any person who has been assessed to excess profits tax or is entitled to make a claim for relief from or for reduction or repayment of excess profits tax, may give a like notice to the Commissioner, and where such notice

is given to or by any person, his case shall be deemed to be an undetermined one for the purposes of this section.

(3) The Commissioner may at any time give notice in writing served personally on or sent by registered post to any person whose case is an undetermined case to the effect that all questions as to his liability in respect of excess profits tax and his right to any relief or reduction or repayment has, in the opinion of the Commissioner, been finally determined. Any person aggrieved by any such notice may at any time within thirty days of the date of the service of the notice appeal against it in the same manner as if he were a person appealing against an assessment to excess profits tax made upon him. If notice has been given to a person under the provisions of this sub-section his case shall, as from the expiration of the time within which he was entitled to appeal or as from the date on which an appeal is finally determined, as the case may be, cease to be an undetermined case within the meaning of this section and the provisions of sub-section (1) of this section shall apply accordingly:

Provided that nothing in this section shall affect any powers vested in the Commissioner for the recovery of any excess profits tax chargeable under this Ordinance.

(4) Notwithstanding anything contained in this section the Commissioner may at any time make an assessment in respect of any excess profits tax which appears to him not to have been assessed by reason of fraud, wilful default or failure to give notice of liability under the provisions of sub-section (1) of section 16 of this Ordinance on the part of the person liable to be assessed, and all the provisions of this Ordinance shall apply as if this section had not been enacted.

33. Any person liable to pay excess profits tax in respect of the profits of a business, who proves to the satisfaction of the Commissioner, that by reason of conditions prevailing as a consequence of the war—

- (a) he was compelled to defer expenditure or expenditure upon an asset until after the thirty-first day of December, 1947, which he had intended to incur before that date; or
- (b) any asset upon which he has incurred expenditure on or before the thirty-first day of December,

Certain deferred expenditure and assets may be deemed to have been incurred or fully employed.

1947, could not be fully employed in the business before the thirty-first day of December, 1947, and if the expenditure had been incurred or the asset had been fully employed in the business on or before that date, the expenditure, or the expenditure on the asset, would have been taken into account in computing the amount of the profits of the business for any chargeable accounting period, he may, at any time before the first day of January, 1948, deliver to the Commissioner a statement in writing containing particulars of the expenditure so deferred and of the assets concerned and if any such expenditure is incurred or any such asset is fully employed in the business within such period as to the Commissioner may seem reasonable having regard to such conditions, that expenditure shall be deemed to have been incurred or the asset to have been fully employed in the business on the thirty-first day of December, 1947.

Income Tax Ordinance, 1940, as amended up to 31st December, 1944, to apply.

34. Where in this Ordinance it is provided that the provisions of the Income Tax Ordinance, 1940, shall apply for the purposes of this Ordinance, regard shall be had to the provisions of that Ordinance in force at the thirty-first day of December, 1944, and no regard shall be had to any repeal or amendment of that Ordinance made after that date.”