

DIGEST OF THE BUSINESS PROFITS WAR TAX ACT

in excess of 15%, but not exceeding 20%. Where profits exceed 20% per annum the tax is increased to 75% with respect to all profits in excess of 20%. (These taxes on excess profits are payable for each and every accounting period ending after December 31, 1916.)

Provided, however:

- (a) That the amount payable by any person under the provisions of Part I of the *Special War Revenue Act, 1915*, be deducted from the amount payable under the provisions of this Act.
- (b) That the dividends received from the stock of any incorporated company which has paid a tax upon its profits under the provisions of this Act shall not be included when the profits of any business are being determined.
- (c) That the amount of any tax paid under the provisions of the *Finance Act (No. 2), 1915*, of the United Kingdom, or under any legislation of the Government of India, or of any British colony or dependency, or any allied country or any other country that may become an ally of Great Britain in the present war, or the colonies or dependencies of any such countries, in respect of any business liable to taxation hereunder shall be deducted from the amount of the tax that would otherwise be payable under this Act.

Accounting Period

Sec. 4

The accounting period is the period for which the accounts of any business have been made up. Where accounts have not been made up for any definite period, or for the period for which they have been usually made up, or if a year or more has elapsed without accounts having been made up, then the accounting period shall be taken to be such period and ending on such date as the Minister may determine.