

(b) DISTRIBUTION.

The distribution of the net yield of the petrol-tax was as follows for the year ended 31st March, 1932 :—

	£
Main Highways Board	1,231,202
Boroughs (population of 6,000 and over)	107,061
Consolidated Fund	321,685
Commission to Customs Department for collection	17,572
Total	£1,677,520

N.B.—After the 1st August, 1930, the proportion of the petrol-tax paid to boroughs with populations of 6,000 and over was reduced from 8 per cent. to 5½ per cent. (section 38, Finance Act, 1930). The 8 per cent. was reinstated as from the 1st April, 1931.

The distribution of the petrol-tax amongst boroughs in accordance with section 9 (1) (b) of the Motor-spirits Taxation Act, 1927, for the year ended 31st March, 1932, together with cumulative figures showing the total distribution from the inception of the petrol-tax up to the 31st March, 1932, is given in Table 7 in the Appendix.

(c) CLASSIFICATION ACCORDING TO VEHICLES.

The following figures show the net yield from the petrol-tax for the year ended 31st March, 1931, split up according to the nature of the vehicle in which the motor-spirits was consumed :—

Kind of Vehicle.	Estimated Amount.	Percentage of Total.
	£	Per Cent.
Motor-cars	1,045,000	62·31
Trucks	515,000	30·71
Omnibuses	60,000	3·58
Motor-cycles	52,000	3·10
Balance, covering other motor-vehicles and other uses of motor-spirits for which refunds were not claimed	5,000	0·30
Total	1,677,000	100·00

N.B.—Service-cars designed to carry not more than nine persons are included with motor-cars, while those designed to carry more than nine persons are included with omnibuses.

Motor-spirits in respect of which refunds of the tax were made have not been included above.

The above figures are obviously inconclusive as evidence of the incidence of the petrol-tax. Like all taxes, this one may shift either backwards to the producers of the benzine, or forward to the consumers of motor-transport services, while a certain amount of the burden may be carried for a time by the operators of motor transport services.

In the long-run, the petrol-tax will tend to be shifted forward to the consumers of motor-transport services, and, in so far as the increased cost of these services causes a diminution in the demand for them, a proportion of the tax will also in the long-run be cast upon the producers of motor-vehicles and equipment, in the form of losses of business consequent on a diminished demand.

For the year ended 31st March, 1932, passenger-transport effected by motor-cars, motor-omnibuses, and motor-cycles contributed £69 out of every £100 of the total yield from the petrol-tax, against £31 out of every £100 from trucks. Thus the petrol-tax derived from the carriage of passengers in motor-vehicles is over twice that derived from the transportation of commodities. A further analysis of the motives lying behind the movement of persons (impossible at this stage) would shed further light on this question. Investigations by the Department indicate that approximately 50 per cent. of the total cost of operating motor-cars in New Zealand is for purposes of a non-business nature.

REFUNDS OF DUTY.

Refunds of duty may be claimed by all persons using motor-spirits for any purpose other than as fuel for motor-vehicles in respect of which annual license fees are payable in terms of the Motor-vehicles Act, 1924. The refunds are made by the Registrar of Motor-vehicles (the Secretary of the Post and Telegraph Department).

The undermentioned figures show the number and total amount of claims paid each year since the inception of the tax :—

Year.	Number of Claims.	Amount refunded.
		£
1928	11,101	34,299
1929	19,814	60,834
1930	25,797	83,741
1931	37,116	132,150

The increase of 44 per cent. in the number of claims made during the year 1931 as compared with the previous year is probably due partly to the financial stringency, and partly to the fact that the duty on motor-spirits was increased in July, 1930, from 4d. to 6d. per gallon.