

*Reasons for the Reports of the Lords of the Judicial Committee of the Privy Council on the Petition of The Commissioners of Taxation for New South Wales for special leave to appeal in the matter of The Commissioners of Taxation for New South Wales v. John Baxter (Respondent) and The Attorney-General for the Commonwealth of Australia (Intervenant); and on the Petitions of Thomas Prout Webb (The Commissioner of Taxes for Victoria) for special leave to appeal in the matter of Thomas Prout Webb (The Commissioner of Taxes for Victoria) v. (1) Richard Armstrong Crouch, and (2) Arthur Loftus Flint (Respondents) and The Attorney-General for the Commonwealth of Australia (Intervenant), from the High Court of Australia; delivered the 14th January 1908.*

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Present at the Hearing :

THE LORD CHANCELLOR.

THE EARL OF HALSBURY.

LORD MACNAGHTEN.

LORD ROBERTSON.

LORD ATKINSON.

LORD COLLINS.

SIR ARTHUR WILSON.

[*Delivered by The Lord Chancellor.*]

Their Lordships intimated on the 28th November last that they would state the reasons why they were unable to advise His Majesty to grant special leave to appeal.

The dispute between the parties was whether or not one of the Australian States could impose income tax upon a salary paid by the Common-

wealth to its officers, or to a Member of the Commonwealth Parliament, resident in such State. There had been decisions of State Courts in the affirmative. The High Court of Australia overruled these decisions, and when the whole matter came before His Majesty in Council in the case of *Webb v. Outtrim* (A. C. 1907, p. 81.), this Board took the view that such taxation could be imposed, therein differing from the High Court.

Thereafter, in the present cases, the High Court entertained fresh appeals, and adhered to their former view.

The Petitioners applied that special leave should be given to appeal to His Majesty in Council from that last determination of the High Court.

Before these Petitions could be heard by their Lordships an Act of the Commonwealth was passed expressly authorising States to impose taxation of the kind in question, so that the controversy cannot be raised again.

The sums actually in dispute or indirectly affected are inconsiderable in amount.

In these circumstances it would not be in accordance with the practice of this Board to advise His Majesty to grant special leave to appeal.

There will be no order as to the costs of these Petitions.

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