

E & P.H. Dpt.

(1949) Department.

MS. SERIES.

G.O. NO. 3693 Edn.

Dated 1. 12. 1949 .

[Despatch Abstract.]

Tax- Education- Municipal Council, Tiruvarur- Levy at increased rate-
Orders Passed.

Back Papers.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Further Papers.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

R.C.No. 4924/49-B1.

Enc:- One.

From

Sri S. Nachimuthu Gounder, B.A.,
Municipal Commissioner, Tiruvarur.

To

The Secretary to Government,
Education & Public Health Department,
Madras.

Thro'

The Chairman, Municipal Council, Tiruvarur.

Sir,

Sub:- Accounts - 1948-49 - Tiruvarur Municipality -
Enhancement of Education tax from 1½ % to 2½ %
rate of levy alteration - sanction of
Government - 35(2) of Elementary Education Act
requested.



Ref: Para 6 of Elementary Education Fund Audit
Report 1948-49.

74079/p.3 infra The Municipal Council, Tiruvarur in its resolution
No. 178 dated 30-6-1948 has resolved to enhance the rate
of levy of Education tax, Lighting tax etc., on the
suggestions made by the Deputy Inspector of Municipal
Councils and Local Boards, Southern Range, Tiruchirapalli
in his inspection Notes F.Dis.821/48 dated 28-3-48 during
the annual inspection of this Municipality for the year
1947-48. The Education tax was raised from 1½ % to 2½ %
on all the property rentals including vacant sites not
used as appurtenant to buildings. The estimated additional
revenue to the Municipality by this enhancement was
about Rs. 4,200/- per year. The tax was levied with effect
from 1-10-48. The District Inspector of Local Fund
Accounts, Tanjore while auditing the accounts of this
Municipality for 1948-49, has raised an objection that
the sanction of Government for alteration in the rate
of levy of Education tax is necessary under Section 35(2)
of the Elementary Education Act. An extract para 6 of
audit report on the Elementary Education Fund Account
for 1948-49 together with copy of Council's resolution
are submitted herewith.

I request that the Government may be pleased to
pass orders sanctioning the alteration of the rate of
levy from 1½ % to 2½ % with effect from 1-10-1948.

[Signature]
Commissioner. 20.5.49

Forwarded.

x M. S. Mohan Rao *[Signature]*
Chairman,
Municipal Council, Tiruvarur.

23.9.49

Para 6. Enhancement of Rate of Taxation - Sanction
Wanting:-

The rate of education tax was raised from 1½% to 12½% on the annual value of buildings and lands with effect from 1-10-48. The sanction of Government required to be obtained under Section 35(2) of the Elementary Education Act for alteration of the rate of levy was not pointed out.

(True Copy)

B. A. M. S. S. S. S.
Commissioner. *28.9.49*

Extract from the proceedings of the Municipal Council, Tiruvarur at its urgent meeting held at 3-30 P.M. on Wednesday the 30th June 1948.

* * *
Subject No. 178.

not read
In the inspection report of this Municipality for the year 1948, the Deputy Inspector of Municipal Councils and Local Boards, Tiruchirapalli in his F.Dis.No. 821/48 dated 28-3-48 has recommended that as the rates of taxes levied in this Municipality as compared with sister municipalities are being very moderate, and as the receipts under Education and Lighting Accounts are inadequate to meet the expenditure on these items, the rates of levy in force under Education & lighting tax and tax on lands exclusively used for agricultural purposes should be enhanced at the percentage hereunder:-

1. Education tax - at 1½% per half-year.

Note:- The annual receipt at 1½% per annum on all property rentals. - Rs. 6,158-12-9
The receipt per annum on the additional levy at 1% per year. - 4,105-13-10

10,264-10-7

2. Lighting tax - at 1½% per half-year:-

Note:- The annual receipts at 1½% per annum on the annual rental value of properties. () Rs. 5,923-3-7

The additional receipt expected annually at the enhanced rate as recommended.

Rs. 3,948-13-1

9,872-0-8

Resolution:-

Resolved to assess taxes at the rates mentioned below with effect from 1-10-48.

1. Education tax - at $1\frac{1}{2}\%$ per half-year on the estimated value of all buildings and lands.
2. Lighting tax:- at $1\frac{1}{2}\%$ per half-year on the annual estimated rental value of all buildings.

In increasing the above rate of taxes the total percentage of assessment inclusive of all components of taxes in respect of buildings alone is from 9% to 10% per half-year on the estimated annual rental value.

Note:- General property tax -- $5\frac{1}{2}\%$
 Education Tax -- $1\frac{1}{2}\%$
 Lighting Tax -- $1\frac{1}{2}\%$
 Water supply and Drainage Tax. -- 1%
 Scavenging Tax -- 1%

Total

10%

Sd. T.N. Sabapathi Mudaliar
 Chairman.

(True copy)

Commissioner.

P. Balu Subbarao
 20.9.48

$$20 - 2\frac{1}{2} = 17\frac{1}{2}$$

$$17\frac{1}{2} - 2\frac{1}{2} = 15$$

$$15 \times 100 = 1500$$

$$1500 \times 14\frac{2}{3}\% = 2250$$

$$18 - 1\frac{1}{2} = 16\frac{1}{2}$$

$$16\frac{1}{2} - 1\frac{1}{2} = 15$$

$$15 \times 100 = 1500$$

$$1500 \times 9\frac{1}{11}\% = 1227$$

5

2020
 10/10/20

8698

LAD

6
Seen. Draft accepted
28.11.49
E & P H

29.11.49

93342
06M
30/11/49

HA. V.O. 52212/4-1A
29.11.49

30 NOV 1949
93591

Y 7
Edu. & P.H. Dept (C)

Mem. No. 74077/49-2-9 Education, dated

Sub:- Tax - Education - Municipal Council,
Tiruvannam - Levy at increased rate -
Orders passed.

From the Commr., Tiruvannam Mty., Re. No. 4924/49-B,
dated 21.9.1949.

Cr. (Ms.) No. 3693, Education, dated 1.12.49

The Commr., Tiruvannam Mty., is informed
that under section 35 (2) of the Elementary Education
Act, previous sanction of the Govt. is necessary
for alteration by a M.L.C. of the rate of levy of
education tax within its area, and that the
increased levy by the Tiruvannam M.L.C. with effect
from 1.10.1948 cannot, therefore, be approved.
However, in order that much the C.L. may not
be put to much loss, the Govt., under
section 35 (2) of the Elementary Education Act, direct

the M.L. C., Tirunavur, to alter the rate of levy of education tax within its area from $9\frac{1}{11}\%$ to $14\frac{2}{7}\%$ of the property tax per annum with effect from 1.10.1949. The excess collected from 1.10.1948 to 30.9.1949 may either be refunded to the parties concerned or adjusted towards their arrears or future liabilities, as may be decided.

8926 on 11/11/49

11/11/49

Note: The draft is self-explanatory. For a direction by Govt., the Act does not prevent prohibition a retrospective levy. But to direct the levy of an increased rate from a date more than a year old will not be proper. Hence, 1.10.49 has been suggested in the draft. L.A. may be before issue.

11/11/49 S 11/11/49 LA



20 The Commr. Tirunavur Mty (Cm. of CMC)

Copy to the D.P.T.

11 F.M. & L.A.

11 L.A. Dept.

(2 Copies)

NO. 74029/49-3-C-Edu

11.11.1949

The draft order and the notes of the E & P.H. Dept. on Pp 1.2 above may be perused and the file returned to the Dept. u.o.

If there is no legal objection to sanction being accorded with effect from 1.10.49 the best course is to accord it. Otherwise, the CL will have to refund taxes already collected for a year. Its financial position is not strong enough to bear the loss. E & P.H. may reconsider in consultation with Legal.

15/11/49 J.S.S. 15.11.49

91219

L.A. 108917/49-1A

22 NOV 1949

21/11

21/11 20/11/49

10

A 9

E. & P. H. Dept. (9)

Legal may first be consulted on the suggestion

L. A. overleaf.

23/11/49

Legal

Legal Department.

E. & P. H. No. 74079/49-4-9-Edu.

24.11.49

LOCAL ADMINISTRATION DEPARTMENT
52219
20 NOV 1949

ASSISTANT SECRETARY
15544
24 NOV 1949
LEGAL DEPARTMENT

Legal R.O. No. 15544/49
25-11-49

Taxing provisions should be construed strictly and it is not permissible to give retrospective effect to the levy of a tax from a date more than an year old. In the circumstances of this case, it will be reasonable and proper to give effect to the order enhancing the education tax only from 1-10-1949, the commencement of the half year next after the Commissioner's letter to the Government. The draft put up by E.&P.H. is accepted.

25.11.49

L. A. may see again.

28/11/49 LA

E. & P. H. C1

93021

28 NOV 1949

E. & P. H. No. 74079/49-5-9-Edu
28.11.1949