M.R.O. 1—77,006—8-6-37.

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(2) Date of repair 23-6-38

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial **DEPARTMENT.**

G.O. No. 820	Press / Mis.
62-63.	
Dated 19-11-	18 62.

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Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
19th November 1862.

No. 62. Read the following Proceedings of Government in the Revenue Department, dated 13th November 1862, No. 2,400.

Communicating the Resolution of the Government of India, regarding the realization of Customs duty by Public Departments on Government Stores imported and sold by them to individuals and to the public, and the disposal of duty so collected. (Vide Proceedings Revenue Department, dated 13th November 1862, Nos. 141 & 142.)

No. 63. ORDER THEREON, 19th November 1862, No. 820.

Communicated to the Mint Master, with reference to the Proceedings in this Department, dated 7th July last, No. 501.

(Signed) A. J. ARBUTHNOT,
Chief Secretary.

Exd. T. O'Connor.

REVENUE DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following Extract from the Proceedings of the Government of India, in the Financial Department, dated 3rd October 1862, No. 618A :—

From the Honorable A. EDEN, Officiating Secretary to the Government of Bengal (Mis. Rev. Customs), to the Secretary to the Government of India, Financial Department, No. 1,976, dated 12th September 1862.

1. I am desired to forward the accompanying letter from the Board of Revenue, No. 1,043, dated 8th August, with its enclosure, relating to the Resolution of the Governor General in Council, in the Financial Department, dated 13th May last, in which it was directed that "when Government Stores are supplied to private individuals, they should either be sold in bond, or, when this cannot conveniently be done, at a fair market price, from which the amount of Customs duty should be credited to Customs Revenue."

2. The Lieutenant-Governor believes that Stores imported *bona fide* by Government can never really be in bond, for, as they are not liable to duty of Customs, there can be no object in giving a bond for duty. It seems possible that the term "in bond" was intended to signify that the goods should be sold at the net price, liable to payment of duty as though they were in bond; but if this is to be allowed, the Lieutenant-Governor does not see how it is proposed ever to recover the duty from the purchasers, or how the goods are to be secured pending payment of duty.

3. It appears to the Lieutenant-Governor that the only practicable way of recovering the duty on Government Stores sold to private persons is that suggested in the Board's letter forwarded herewith. Under this arrangement, the Collector of Customs will inform Officers in charge of Government Stores of the rates of duty to which the different classes of goods under their charge are liable. When Stores are sold, the duty will be included in the selling price, and will be remitted at once to the Collector of Customs.

4. When excess or damaged Stores are disposed of, they should, in the opinion of the Lieutenant-Governor, be treated in the same way as ordinary damaged goods sold by private importers, that is to say, they should be sold by auction, duty paid, duty calculated on the actual sale proceeds being remitted to the Collector of Customs by the Department selling the Stores.

From W. J. HERSCHEL, Esq., Officiating Junior Secretary to the Board of Revenue, to the Secretary to the Government of Bengal, No. 1,043, dated the 8th August 1862.

With reference to your Office Endorsement, No. 638, dated 10th June last, forwarding Extracts from a Resolution of the Governor General in Council, dated 13th May, I am directed by the Board to submit the enclosed copy of a letter, No. 134, dated 23rd ultimo, from the Collector of Customs, and to suggest thereon that the Department which supply Stores to others may be directed to communicate to the Collector of Customs a list of the different kinds of articles generally supplied by them, in order that the Collector may fix the duty which is to be levied on each description of article, and that when Stores are sold by such Department, the duty should be remitted to the Collector at once with a form of remittance which the Collector will draft. This seems to the Board preferable to prescribing periodical statements for cases which must be comparatively rare.

From J. A. CRAWFORD, Esq., Officiating Collector of Customs, Calcutta, to the Officiating Junior Secretary to the Board of Revenue, No. 134, dated the 23rd July 1862.

1. Referring to your Endorsement, No. 813, dated 20th ultimo, forwarding copy of the Resolution of the Supreme Government, in the Financial Department, under date the 13th May last, relative to the realization of Customs duty by Public Departments on Government Stores imported and sold by them to individuals and to the public, I have the honor to solicit the Board's instructions in respect to the intention of Government in regard to the disposal of duty so collected; whether it is to be considered as forming a portion of the actual receipts of this Department, and its payment into this Office expected accordingly, or whether it is to be regarded as a matter to be adjusted only in the accounts of this Department.

2. If the intention of the Government be that the transaction is to be viewed in this Department as a matter purely of Account, the Board will not fail in that case to observe that it will be necessary for the Government to direct Public Officers importing Government Stores to furnish this Office in future with Returns of the quantity and description of Government Stores sold by them to the public, and the amount of duty realized thereon.

3. I beg that the Board will, if they see fit, obtain the orders of Government on this subject for my guidance.

FINANCIAL DEPARTMENT, FORT WILLIAM, THE 3RD OCTOBER 1862.

RESOLUTION.—The Governor General in Council is pleased to direct that the suggestion of the Board of Revenue, Bengal, be adopted as regards Stores which may be sold to individuals or to the public for their value *plus* duty. But nominal receipts equally with nominal charges, on account of Customs duty should, under the Financial Resolution, of 13th May 1862, be excluded from the accounts, and accordingly, in the case of surplus or damaged Stores which may be sold for not more than their value exclusive of duty, it is expedient that payment of duty, to the Customs Department, should not be made where none is realized on behalf of Government.

Ordered, that a copy of the foregoing Resolution be communicated to this Government, in the Foreign, Home, Military, and Public Works Departments, to the several Local Governments, the Minor Administrations, the Auditor General of India, the Military Finance Department, the Accountant General, Government of India, and the several Deputy Auditors and Accountants General.

(A true Extract:)

(Signed.) E. DRUMMOND,
Secretary to the Government of India.

ORDER THEREON, 13th November 1862. No. 2,400.

Ordered to be communicated to the several Departments of the Secretariat and the Board of Revenue, with reference to the Proceedings in this Department dated 1st July 1862, No. 1,428.

(True Extract.)

Deputy Secretary to Government.

To the Military Department.
" Public Department.
" Public Works Department.
" Financial Department.
" Marine Department.
" Board of Revenue.
" Director of Revenue Settlement.
" Superintendent of Revenue Survey.
" Conservator of Forests.
" Military Accountant.

Exd. S. T. Augustin.

Pro. 7 July 62/ 0 26 27

Finl 1862 Dospt

Finl Pros. Lr. 317 16th Sept/62

Pros: of Govt Rev: Dt.
2400

Fl. 292 of 64-

Dl 13th
Rl 15th Nov. 1862.
4 spe Copies

No. 911

Comg the Resolution of the Govt of India regarding the realization of Customs Duty by Pmb: Dt on Govt Stores imported & sold by them to individuals & to the public, and the disposal of Duty so collected.

With an Order

62-63

Secret

No 8208/19th Nov. 1862

Communicated to the Mint Master with reference to the Proceedings in this Department dated 7th July last. No 501.

To Mint Master desp. 19th
" " Bombay Customs

Copy