M.R.O. 1—77,006—8-6-37.

(1) Number of pages 8

(2) Date of repair 3-8-39

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Finance DEPARTMENT.

G.O. No.	48	Press ~~Mis.~~
72-73.		
Dated	25-1-	1865.

72-73 5/6

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
25th January 1865.

No. 72. Read the following Proceedings of Government in the Revenue Department, dated 17th January 1865, No. 74.

Communicating orders passed on the Budget Estimate for 1865-66 of the Board of Revenue. } (Vide Proceedings, Revenue Department, dated 17th January 1865, Nos. 158 and 159.)

No. 73. ORDER THEREON, 25th January 1865, No. 48.

To be recorded.

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

Exd. J. Tulloch.

Proceedings of the Madras Government, Revenue Department, 17th January 1865.

No. 158. Read the following Proceedings of the Board of Revenue, dated 16th December 1864.

1. Resolved that the Budget Estimate of Revenues and Receipts for 1865-66 be submitted to Government, with the following remarks.

2. The form in which it was hitherto rendered has been slightly simplified by the omission of Miscellaneous items under each head of revenue as a distinct entry. The detailed information has been obtained from the Districts, but its separate exhibition in a general Estimate of this kind appears unnecessary, as the Miscellaneous items form but a very small portion of the Estimate under each principal head of revenue.

3. From the present Budget the Estimate of Forest Revenue has been excluded, a separate Budget being submitted to Government by the Conservator of Forests, and distinct orders passed upon it. The income from fees on account of Travellers' Bungalows having been transferred to the head of Local Funds, these collections have also been excluded from the present Budget.

Procs. of Govt., 5th December 1863, No. 2,209.

4. The following Abstract exhibits in one view the Estimates for the ensuing year, as compared with those of 1864-65, and with the actuals of 1863-64:—

Items.	Actuals of 1863-64.	Estimates for 1864-65.	Estimates for 1865-66.
	RS.	RS.	RS.
Land Revenue	429,15,142	420,00,000	417,10,000
Abkarry	40,51,795	39,62,700	40,28,000
Income Tax	16,45,237	14,00,000	7,00,000
Customs..... {Sea Customs	20,37,375	20,00,000	19,58,000
{Land do.	2,61,146	2,00,000	2,19,100
Salt...	89,79,182	103,00,000	103,20,000
Stamps	23,55,722	23,00,000	24,00,000
Total... ...	622,45,599	621,62,700	613,35,100
Tolls for navigating Cochrane's and East Coast Canals	31,945	37,000	35,000
Total... ...	622,77,544	621,99,700	613,70,100

5. The actuals for 1863-64, as entered in the Collectors' Budgets, do not correspond in some instances with those in the Progress Reports for April 1864; but as the Budgets were forwarded subsequently to the Progress Reports, the amounts given in the former document must be the more correct, and have accordingly been adopted for comparison. The Estimates for 1864-65 are the amounts passed by Government.

6. The Estimate for 1865-66 has been framed in strict conformity with the instructions issued by the Government of India, in their Resolution, dated 14th March 1863, directing that only such sums as are likely to be realized during the year, both on account of current demand and arrears of previous years, should form the estimate of the year. It exhibits a decrease of Rupees 8,27,600 as compared with that for the current year, and Rupees 9,10,499 as compared with the actuals of 1863-64. Most part of this decrease occurs under the head of Land Revenue and Income Tax. The fluctuations will be more fully explained under each head of revenue.

LAND REVENUE.

7. The Collectors' Estimates under this head amounted to Rupees 421,40,000, and no material alteration has been made, except in the Kistna and South Arcot Districts. For the Kistna District, the Collector's Estimate has been reduced by rather more than three lacs of Rupees, as the Board apprehend that in consequence of the recent inundation which occurred

after the Collector's Estimate was sent in, there will be a large falling off in the revenue. It is not likely that the District will recover within the cultivation season of next official year. In South Arcot also the damages caused to the irrigation works by the late floods will, to a certain extent, operate on the Land Revenue of the District; and in consideration of this circumstance, the Collector's Estimate has been cut short by a sum of Rupees 81,500. In consequence of the revision of assessment, and the introduction of revised rates by the Revenue Settlement, the Collector of Trichinopoly anticipates a fall of some three lacs of Rupees; and his Estimate has been adopted, as the Board expect that at first there may be a decrease in the revenue, although they are sanguine that it will be only temporary. The Collector of Bellary has estimated the revenue at only Rupees 23,89,000 against Rupees 24,19,000, the actual of 1863-64, and Rupees 25,64,000 the estimates for 1864-65. This decrease in the Estimate is explained to be owing chiefly to the reduction of assessment on well lands, and partly to other causes. The reasons assigned by the Collector for reducing the Estimate to such an extent are not satisfactory; and as the Board believe that the reduction of assessment on well lands will tend to increase the cultivation, they have raised the Collector's Estimate to Rupees 24,20,000. The Estimates for the other Districts have been adopted with but slight alteration to bring them to round numbers.

ABKARRY.

8. The Estimates of Abkarry receipts have been adopted as proposed by the Collectors, as they are based on the leases. The total Estimate under this head exhibits an increase of Rupees 69,000 nearly, and is attributable to the higher amount of rent obtained for the farms in some Districts.

INCOME TAX.

9. The large decrease under the head of Income tax is in consequence of the Estimates having been framed for only a part of the year, as the operation of Act XXXII of 1860 ceases on the 31st July 1865. The amount now estimated embraces only the collections expected to be made on account of the last two quarters of the fifth Income tax year.

CUSTOMS.

10. The estimated receipts from Sea Customs shew a small decrease of 42,000 Rupees. The high prices of produce are deemed likely to check exportation. The rates of duty on certain articles have been reduced, and some decrease of revenue in the next year is anticipated. The small increase estimated under Land Customs needs no special remark.

SALT.

11. With reference to the Proceedings of Government, dated 31st March 1863, No. 599, a separate statement, shewing in full detail the expected transactions of the Salt Department, during 1865-66 is herewith submitted, from which it will be seen that the amount estimated to be realized during the ensuing year is Rupees 104,16,000, or about a lac and sixteen thousand Rupees in excess of the Estimate for the current year. In estimating the proceeds of Salt expected to be sold in 1865-66, some Collectors have adopted the full rate of 1½ Rupees per Maund, without making any allowance for discount on wholesale trade, and for Salt to be sold for exportation at cost price. The Board have, therefore, reduced this Estimate to Rupees 103,20,000, as the actuals of 1863-64 amounted to only about 90,00,000 lacs of Rupees.

STAMPS.

12. The Estimate under this head amounts to 24,00,000, which shews an increase of only 44,200 Rupees when compared with the actuals of 1863-64, and Rupees 1,02,500 above the current year's estimate. As the law is more generally understood, and is being strictly enforced, the increase may reasonably be expected.

TOLLS FOR NAVIGATING COCHRANE'S AND EAST COAST CANALS.

13. The Estimate under this head amounts to only 35,000 Rupees, and calls for no special remark. As the item belongs to XIII. Public Works, and occurs but in one District, it is entered separately in the Budget.

	Rs.
Vizagapatam	40
Godavery	600
Kistna	250
Bellary	700
Madras	3,500
South Arcot	1,000
Tanjore	1,200
Trichinopoly	100
Madura	1,000
Tinnevelly	500
Salem	100
	8,990

14. In the Proceedings of Government, dated 5th April 1864, No. 573, it was directed that the fees for stamping Weights and Measures, hitherto credited to Local Funds, should be taken to credit of Imperial Revenues under XV. Miscellaneous. The District Estimates on account of this item are given in the margin, to enable the Accountant General to include them in his Financial Budget.

	Rs.
Ganjam	10,000
Vizagapatam	1,000
Godavery	600
Kistna	100
Cuddapah	300
Karnool	500
Madras	18,300
North Arcot	500
South Arcot	4,000
Madura	2,000
Coimbatore	7,000
Salem	8,500
South Canara	500
Malabar	25,000
Sale of Escheat in Malabar	1,00,000
	1,78,300

15. When passing orders on the Budget Estimates of Receipts for 1864-65, the Government desired the Board to submit a Memorandum of Receipts expected from the sale of waste lands, and from the redemption of quit-rent on Inâms. The amounts estimated by the Collectors are given in the margin. In their letter to Government, dated 21st April 1864, the Board stated that the sale proceeds of the land applied for will be Rupees 2,74,869, and that out of this amount, the proportion estimated by Collectors, viz., about 30,000 Rupees, will be brought to account within the current official year. The increase in receipts estimated by the Collectors for the ensuing year appears reasonable, and has accordingly been adopted without revision. The amount likely to be realized by the sale of the proprietary right in the escheats in Malabar has been estimated at about 1,00,000 Rupees, with reference to the sum actually realized on this account in 1863-64, which amounted to Rupees 1,11,658.

No. 159. ORDER THEREON, 17th January 1865, No. 74.

Miscellaneous.

1. With this letter the Board of Revenue submit their Budget Estimate of Receipts for 1865-66. The Board so clearly explain the variations between this Estimate and the one for the current year, that the Government need only allude to them briefly.

LAND REVENUE.

2. The Board's Estimate under this head amounts to Rupees 417,10,000 against Rupees 420,00,000, the Estimate for 1864-65. The Collectors' Estimates amount to Rupees 421,40,000, from which the Board have deducted rather more than three lacs as the probable loss, consequent on the recent inundations in the Kistna District, and 80,000 Rupees for loss from floods in South Arcot. That the revenue will suffer from these causes, and that in Trichinopoly the reduction, consequent on the new Settlement, will not be immediately made up, is likely enough, but the Government cannot set down the decrease from these causes at so high an amount as the Board propose. The actual collections in 1862-63 and 1863-64 amounted to Rupees 423 lacs and Rupees 429 lacs respectively. The sum realized during the first six months of the current year amounted to 111 lacs, and the total revenue of the year, looking at the collections during the first halves of past years, is likely to exceed the Budget Estimate of 420,00,000.

	Collection of the 1st half years.	Total Revenue of the year.
1862-63	99,00,000	423,00,000
1863-64	115,00,000	429,00,000
1846-65	111,00,000	

3. The season this year is generally very favorable, prices are highly remunerative, and the condition of the agricultural community very prosperous. These circumstances cannot fail to exercise a favorable influence on the revenue, and the Government are of opinion that the estimate for the next year may very safely be fixed at 421 lacs.

ABKARRY.

4. The Board's Estimate of revenue under this head, amounting to Rupees 40,28,000, shews an increase of Rupees 65,300 above the Estimate of the current year. It is as usual owing to the increasing competition for the farms.

INCOME TAX.

5. The Estimate under this head, viz., Rupees 7,00,000 (inclusive of the tax to be collected in the Town of Madras), is exactly half that for 1864-65. The tax is likely to be dispensed with from 1st August next, and the Board have rightly entered the demand for the last two quarters of the fifth Income tax year, but they do not appear to have made any allowance for arrears of previous quarters which will remain to be collected. For this reason the Government have raised the Estimate of the Commissioners for the Town of Madras from Rupees 97,500 to Rupees 1,20,000; the total collection for the Presidency may be estimated at 8½ lacs.

CUSTOMS.

6. The Estimate under this head amounts to Rupees 21,77,100 against Rupees 22,00,000, the Estimate for 1864-65. The actual collections of 1863-64 amounted to Rupees 23 lacs in round numbers. The Board expect a decrease of Rupees 42,000 next year under "Sea Customs," in consequence of the high prices of exportable produce and reduction in some of the rates of duty. Making allowance, on the other hand, for the steadily progressive increase in the trade of the Presidency, the Estimate may be fixed in round numbers at 22,00,000.

SALT.

7. The Board's Estimate is Rs. 103,20,000 under this head. The actual collections of 1862-63 and 1863-64 amounted to Rupees 91,15,000 and Rupees 89,79,000 respectively. The actual collection of Rupees 42,56,000 during the first six months of this year against 36,31,000, during the similar period in 1862-63, shews that the estimate of this year, Rupees 103,00,000, is likely to be realized under the favorable circumstances noticed in paragraph 10 of the Proceedings of Government, dated 15th December 1863, No. 2,295, and there is no reason to expect that the revenue of the next year will diminish. Making allowance for the Customs Convention, about being arranged with Travancore and Cochin, the Government reckon on a revenue of 104 lacs from Salt in 1865-66.

STAMPS.

8. The Board's Estimate of Rs. 24,00,000 may well be raised to 25,00,000. The actual collection in 1863-64, which was no exceptional year, amounted to Rupees 23,55,700, and the fact that no less a sum than Rupees 12,61,500 was collected during the first half of the current year, notwithstanding the adjournment of the Courts, shews that the Estimate of Rupees 23,00,000 is likely to be exceeded.

9. The total estimated revenue of 1865-66, under the above heads, amounts to Rupees 620,78,000 as shewn in the following table:—

Items.	Actual of 1863-64.	Estimate for 1864-65.	Estimate for 1865-66.
	RS.	RS.	RS.
Land Revenue.	429,15,142	420,00,000	421,000,000
Abkarry.	40,51,795	39,62,700	40,28,000
Income Tax.	16,45,237	14,00,000	8,50,000
Customs.	22,98,521	22,00,000	22,00,000
Salt....	89,79,182	103,00,000	104,00,000
Stamps.	23,55,722	23,00,000	25,00,000
Total Rupees. ...	622,45,599	621,62,700	620,78,000

10. The Estimate passed as above shews a decrease of Rupees 84,700 in consequence of the an ticipated abolition of the Income tax.

11. The Government accept the Estimates of the Board under the heads noted below:—

XIII.—Public Works.

Tolls from navigating Cochrane's and East Canals. ... Rupees 35,000

XV.—Miscellaneous.

Fees for stamping Weights and Measures. ... ... ,, 9,000

12. The Board adopt the Collectors' Estimates of sums expected to be realized by the sale of waste lands, and the total amount of Rupees 1,78,300 is passed. The Estimate Rupees 18,300 for Madras appears to be large, but the Government presume that the Collector has entered this sum with reference to lands likely to be sold within the town of Madras.

13. With these remarks the Budget will be transmitted to the Accountant General.

(True Extract.)

Secretary to Government.

List of 31 Items

Finl 1865 Deptt.

Proceedings of Committee
Revenue Deptt
No 74

Dated 17
Recd 21 } Jany 1865

No. 34

Communicating orders
passed on the Budget
Estimate for 1865/66
of the Board of Revenue.

25 January 1865 No. 48.
Recorded.

72 73