Proceedings of the Madras Government, Financial Department,
9th September 1872.

Read the following papers :—

No. 52. From the Secretary to the Government of India, Financial Department, to the Chief Secretary to Government, Fort St. George, dated Simla, 17th August 1872, Circular No. 2017 (Accounts).

Before taking into consideration the future financial policy of the Government, the Right Honorable the Governor-General in Council desires to obtain further and more complete information upon some subjects.

2. I am, therefore, directed to request that, with the permission of His Excellency the Governor in Council, you will submit statements, in the annexed Forms A, B, and C, of the estimated amount and incidence, in 1873-74, of all Provincial, Local, and Municipal taxation in the Presidency of Madras. Every kind of tax, rate, or due, levied by law or authority, or by consent of the people, without law or proper authority, should be entered in these statements. If, in any province, taxation is in course of introduction which will not be completely levied in 1873-74, this should be separately explained, and the proceeds of such taxation ultimately expected, in addition to that shown in the statements A, B, C, set forth.

3. The taxation thus shown will include—

1*st.*—Taxation levied under laws, orders, or systems, in force before the allotment, by Resolution No. 3334, dated 14th December 1870, of fixed sums from the Imperial Revenues, for Provincial Services. To this category will also belong any taxation which was levied before the introduction of this administrative change, but which, in consequence of legal or other doubts, has been put upon a new basis, although practically and substantially remaining unaltered; as, for instance, it is believed, the whole of the rates imposed in the North-Western Provinces by Act XVIII. of 1871, excepting the rates on land in estates of which the Land Revenue is not liable to periodical revision.

2*nd.*—Taxation levied under measures enforced after, but not resulting from, the introduction of the Provincial Service assignments; such, for instance, as the District Road Cess in Bengal, now in course of assessment under Act X. of 1871, (Bengal Council), and perhaps the Oudh Local rates, imposed by Act XVII. of 1871. A separate statement of this taxation (Form D) should be presented.

3*rd.*—Taxation levied under measures enforced in consequence of the introduction of the Provincial Service assignments. The duties imposed on certain of the non-agricultural classes in the Presidency of Bombay by Act II. of 1871, Bombay Council, are believed to be an example of this kind of taxation. A separate statement is required of this taxation (Form E).

4. If the proceeds of any of the taxation which falls under the first or second categories set forth in the 3rd paragraph have been, as a result of the system of Provincial Service assignments, diverted from the purposes originally designed, to other purposes, which would, but for the system, have been provided for from Imperial Revenue, this should be shown in a sixth statement (Form F).

5. In a 7th statement (G), you will be good enough to show any Provincial, Local, or Municipal taxation remitted and abandoned since the 14th December 1870.

6. I am next to ask that report may be called for, from some of the best local officers who come into direct contact with the people, upon the question whether any, and what taxes, Imperial, Provincial, Local, or Municipal, now existing, or about to be imposed, create a feeling of discontent in the country, or amongst any particular section of the people. Care should be taken to ascertain the feelings of the people towards any particular tax (the Income tax, for instance), *as it now is*, and not in regard to any more severe form of it that does not now exist. The reports thus obtained should be carefully reviewed, and the opinion of the Government of Madras upon this important matter submitted to the Government of India.

I am to ask, in particular, for a report on the operations and effects of the duty on rice and paddy exported by sea from the Presidency of Madras.

7. It is obvious that, however much remission of taxation is to be desired, the power of the Government to grant it must probably depend, in the main, upon reductions of expenditure being effected. The Governor-General in Council, while bearing in mind the proceedings and discussions which have taken place on this subject, still desires me to invite His Excellency in Council to suggest any reductions of civil expenditure that appear practicable. These suggestions should not necessarily be confined to reductions of Imperial expenditure. Relief from Provincial or Local taxation would, no doubt, be as welcome to the people as relief from Imperial taxation.

8. Lastly, the Governor-General in Council requests that His Excellency the Governor in Council will give his opinion whether any changes are desirable in the method of raising any of the existing revenues which it is not proposed to abandon. For instance, I am to enquire whether, in the opinion of the Government of Madras, the duty levied on salt in the Madras Presidency might be raised if funds were at the same time placed at the disposal of the Local Government to enable it to grant some substantial remission of Provincial taxation.

9. All possible diligence should be used in the preparation and submission of the reply to these orders, as the Government of India is anxious to lose no time in taking the subject into consideration. The reply should certainly reach the Supreme Government by the 1st of October. If it be found impossible to supply all the required information so soon, an *ad interim* report should be submitted by that date, containing as complete and substantial a reply to these enquiries as can then be made. In such case the wanting information should be supplied later, but as early as possible.

Proceedings of the Madras Government, Financial Department,
9th September 1872.

FORM A.

Estimated Provincial Taxation in in 1873-74. (N. B.—By Provincial taxation is meant taxation of which the proceeds are, and may legally be, applied at the discretion of the Government to the general purposes of the whole Province, but not beyond its limits.)

Population of the Province.	Description and object of the Tax.	Classes from which, and property upon which, levied.	No. of persons who pay the Tax.	Gross amount of Tax.	Expense of collection.	Net amount of Tax.	Gross incidence per head, of		Act or Order under which, and date since which, levied.
							Population.	Tax-payers.	

FORM B.

Estimated Local Rates and Taxes in in 1873-74. (N. B.—By Local Rates and Taxes is meant taxation other than Municipal taxation, of which the proceeds must by law, order, or authority, be applied to some particular locality or purpose only as, e.g., district rates which must be spent in that district in which they are raised.)

District or place in which levied.	Population of district or place.	Description and object of Tax.	Classes from, and property upon, which levied.	Number of tax-payers.	Gross amount of Tax.	Expense of collection.	Net amount of Tax.	Gross incidence of Tax.		Act or Order under which, and date from which, levied.
								Per head of population.	Per head of tax-payers.	

Proceedings of the Madras Government, Financial Department, 9th September 1872.

FORM C.

Estimated Municipal Rates and Taxes in in 1873-74. (N. B.—By Municipal Rates and Taxes is meant taxation levied in Municipalities, Towns, or Circles for Municipal purposes. For the Presidency and chief Towns and for every Municipality of which the population exceeds 10,000, each principal tax should be shown separately, the total of Municipal taxation levied in each such Town or Municipality being stated in a separate line. Municipalities, of which the population is less than 10,000, may be grouped together without being separately named: the taxation of such places need not be shown separately. But in such case the words "Number of places in which levied" must be substituted in column 1 for "Place in which levied.")

Place in which levied.	Population of place.	Description and object of the Tax.	Classes from, and property upon, which levied.	Number of tax-payers.	Gross amount of the Tax.	Expenses of collection.	Net amount of Tax.	Gross incidence of Tax.		Act or Order under which, and date from which, levied.
								Per head of population.	Per head of tax-payers.	

B

FORM D.

Estimated Provincial, Local, and Municipal Taxation in in 1873-74, which has been imposed since, but not as the result of, the introduction of the system of fixed allotments of Imperial Revenue for Provincial Services. (N. B.—First, Provincial with a total; 2nd, Local with a total; 3rd, Municipal with a total; and 4th, a Grand Total.)

Description and object of Tax.	Classes from, and property upon, which levied.	Gross amount of the Tax.	Expense of collection.	Net amount of Tax.	Gross incidence of Tax.		Act or order under which, and date from which, levied.
					Per head of population.	Per head of tax-payers.	

Proceedings of the Madras Government, Financial Department, 9th September 1872.

FORM E.

Estimated Provincial, Local ,and Municipal Taxation in in 1873-74, which has been imposed since, and as the result of, the introduction of the system of fixed allotments of Imperial revenue for Provincial Services. (N. B.—First, Provincial with a total; 2nd, Local with a total; 3rd Municipal with a total; and 4th a Grand Total.)

Description and object of Tax.	Classes from, and property upon, which levied.	Gross amount of Tax.	Expense of collection.	Net amount of Tax.	Gross incidnce of Tax.		Act or order under which, and date from which, levied.
					Per head of population.	Per head of Tax-payers.	

FORM F.

Estimated Provincial, Local, and Municipal Taxation in in 1873-74, which was in force before the introduction of system of fixed allotments of Imperial Revenue for Provincial Services, but the application of which has been, in consequence of that system, diverted to purposes which would otherwise have been provided for from Imperial Revenue.

Description and object of Tax.	Purpose to which applied before December 1870.	Purposes to which applied now.	Total proceeds of Tax.	Portion still applied to original purposes.	Portion diverted to purposes provided for formerly from Imperial Revenue.	Act or Order under which, and date from which, levied.	Act or Order by which diverted.

Proceedings of the Madras Government, Financial Department,
9th September 1872.

FORM G.

Provincial, Local, and Municipal Taxation remitted since December 14th, 1870.

Description and object of Tax.	Classes from, and property upon which, it was levied.	Gross amount levied in an average year.	Act or Order under which, and date from which, Tax was levied.	Date of remission.	Remarks.

No. 53. Telegram from the Financial Secretary to the Government of India, to the Chief Secretary to Government, Fort St. George, dated Simla, 2nd September 1872.

Replies to Circulars numbers (2017) and (2018) need not be submitted before 15th November punctually. The Government will not take up the question before the Viceroy's return to Calcutta.

No. 54. Telegram from the Financial Secretary to the Government of India, to the Chief Secretary to Government, Fort St. George, dated Simla, 5th September 1872.

In Circular (2019) (1872-73) should be (1871-72) statements (A), (B), and (C) called for in Circular (2017) should include all Provincial, Local, and Municipal income of every kind, omitting nothing.

No. 55. From the Secretary to the Government of India, Financial Department, to the Chief Secretary to Government, Fort St. George, dated Simla, 3rd September 1872, No. 2573.

The Right Honourable the Governor General in Council having resolved to defer the consideration of the questions regarding the future financial policy of the Government in connexion with which certain information has been called for from the Local Governments, I am directed to say that it will suffice if the answers to Circular Orders, Nos. 2017 and 2018, dated 17th August, reach my office in Calcutta punctually by the 15th November as the latest date.

No. 56. ORDER THEREON, 9th September 1872, No. 1194.

Ordered that the above letter be communicated to the Board of Revenue and Accountant-General, with instructions to prepare, in communication with each other, the required estimates of probable amount and incidence in 1873-74 of all Provincial and Local taxation, including *Income* of every kind under these heads, from the materials in their offices, as the time named for the submission of the statements will not allow of reference to the districts. The Municipal statements will be compiled in the Government Office.

2. The Board will forward the statements to Government with as little delay as possible, and will at the same time transmit their estimates for each district to the Collectors in view to obtaining their remarks as to their approximate correctness, to be forwarded with the Board's supplemental remarks to Government with reference to paragraph 9 of the Circular.

3. As regards the requirements of the Circular, the Government observe as follows:—

The voluntary irrigation cess in lieu of customary labour, which is in very partial operation, appears to Government to be the only "tax, rate, or due levied * * * by consent of the people without law or proper authority."

The "Village Jungle Conservancy" fund income represents the seignoral rights of Government in jungles in which the villages have communal rights which are unrestricted as regards domestic needs, but have in the general interests been limited by the imposition of a charge on *trade* in timber and fuel.

The House tax under Madras Act IV. of 1871 would appear to be the only "taxation in course of introduction which will not be completely levied in 1873-74."

Clause 1, Section 3, of the Circular Order will include all existing Provincial and Local income from sources which were productive before the decentralization of Provincial Services, and so much of the Local Fund income as represents the original 3¼ per cent. District Road Cess under Madras Act III. of 1866.

Clause 2 will include the balance of the Local Fund income.

Clause 3 relates to "taxation levied under measures enforced *in consequence* of the introduction of the Provincial Service assignments." It does not appear that there is any such item of taxation in this Presidency.

Paragraph 4 of the Circular Order would appear to apply to so much of the estimated expenditure from the Local Fund income as is devoted to the maintenance of roads formerly classed as Imperial, and to which the District Road Fund was not applicable. It will not apply to the expenditure from Local Funds on Education and Sanitation, as this is provided, not by the diversion of former income, but by the development of a new source of supply.

Referring to paragraph 5, the Government are not aware that any such remissions of taxation as are therein alluded to have taken place since December 1870. The difference between the rates of tolls on road traffic under Madras Acts III. and IV. of 1871, and those previously leviable under Act XV. of 1864, can scarcely be brought within this category.

On the subject of paragraph 6 a reference will be made to the officers named in the margin, with instructions to forward one copy of their replies direct to Government, and a second copy to the Board of Revenue, who will submit the whole to Government with their own remarks. It will be open to the Board, at the same time, to submit any remarks which they may desire to offer on the subjects of paragraphs 7 and 8 of the Circular Order.

Hon. V. Ramiengar.
,, Seshaya Sastri.
,, Chentsal Row.
Mr. W. M. Cadell.
,, P. Seshagiri Row.
,, A. Wedderburn.
,, C. Venkatesaya.
,, T. A. N. Chase.
,, D. Timmapah.
,, H. E. Sullivan.
,, C. Sri Balaya.
,, T. Appaji Row.
,, R. K. Puckle.
Mr. F. Brandt.
,, T. Rama Row.
,, C. T. Longley.
,, J. F. Price.
,, C. G. Master.
,, D. V. Nursinga Row.
,, Mr. H. S. Thomas.
,, Mr. A. Macgregor.
,, C. Canaren.
,, Mr. W. S. Foster.
,, A. J. Stuart.
,, A. Sadarsana Row.

4. Turning to the Forms of Statements appended to the Circular Order, the Government observe as follows:—

Form A, according to the telegram, must include all sources of Provincial *Income* although there is not in this Presidency any Provincial *Taxation* properly so called, applicable at the discretion of Government to the general purposes of the whole province, but not beyond its limits. The Provincial income derived from Registration, Education, and Cattle Trespass fines, is contributed by individuals, and is applicable in the manner described, but is not strictly of the nature of taxation, and still less so is the income from jail manufactures, police fines, &c., Public Works sales of old tools and plant, and printing, but all must be shown.

Proceedings of the Madras Government, Financial Department,
9th September 1872.

Form B will exhibit every kind of *Local* Fund or Income other than Municipal.

Form C calls for no remark. The statement will be prepared in the Government Office.

Form D will exhibit under "Local" the increase in the Local Fund Land Cess over the former District Road Cess, and the House tax.

Under Provincial and Municipal the statement will be blank, as it cannot be said that any additional taxation under these heads has been imposed since the "Provincial Services Decentralization" was carried out.

Form E will be blank, no taxation having been imposed as the *result* of that measure.

In Form F may be properly exhibited the estimated expenditure in 1873-74 on those roads which, prior to the operation of the Local Fund Act, were maintained from other than District Road Funds. The diversion of a portion of the income corresponding with that of the old District Road Fund from District Roads to Trunk Roads may properly be deemed a consequence of the decentralization of Provincial Services.

Form G will be blank.

5. The Board of Revenue will use their best endeavours to expedite the preparation of the statements.

(True Extract.)

Acting Under Secy. to Govt.

To the Board of Revenue,
,, Accountant-General.

13
X

No 2576

Government of India
Financial Department
Simla
The 3d September 1872

Erratum.

In heading of Form C annexed to Circular No 2017 dated 17th August, in last sentence for "Number of Place in which levied" read "Number of Places in which levied" - and for "form" read "for" -

H. S. Maine
Secy to the Govt of India

3/9

To.
The Secretary to the Government of
Madras

GOVERNMENT

Class.	To (station)				Limbe
S	Odacamund				OFFICIAL INSTRUCTIONS.
No.	Date and hour (Telegraph Time) tendered for transmission.			No. of words.	
	D.	H.	M.		
203	5	17	50	37	15

~~From~~ (Person) To Secretary to Govt

To (Address)

~~To~~ From (Person) Financial Secretary

In
(1872-3)
(1871-2)
(B)
called
Circular
include
local
Income of every kind omitting Salaries

Circular (3019)
Statements &c
Statements (A)
and (B)
for
(2017)
all
land
Financial Secretary

RECEIVED FROM

AT H. M., on the

By ODACAMUND 6 0 12

Date

TRANSMITTED TO

AT H. M., on the

By

Telegraph Master

(P. 1)—Govt. Tel. Press, 21-2-72.

1872

Financial Department

From

Financial Department

Read 6th

Rec'd 10th } Jan'y

No 2576

Circular Instructions in a Financial Letter No 3019 of 1871-72 requesting that the necessary returns may be made.

GOVERNMENT TELEGRAPH DEPARTMENT.

17 X 6

Class.	To (Station)				From (Station)
5	Madras				Simla
No.	Date and hour (Telegraph Time) tendered for transmission.			No. of words.	Official Instructions.
	D.	H.	M.		
61	2.	17	30	34	Forward Khansamah Rubees 500.

~~From~~ (Person) To Asst Secretary to Govt

~~To~~ (Person) From Financial Secretary

To (Address) Government

Reference to (2917) dated 12th November 1917 Government will take no further action in the matter of the Viceroy's return to Calcutta.

Received From

At H. M., on the

By

Transmitted To

At H. M., on the

By Signaller.

T. Bush Telegraph Master.

Date COTACAMUND 3 9 12

(P. 1)—Govt. Tel. Press,—21-2-12.

1872
Financial Dept.
from
R. Garrett Esq.
Secy. to Govt.
Madras
Dated 29th August
Rec'd 4th Septr. 72

No 1053

Ackd. that papers
Requisition for Rs 20,000
and Rs 50 sent on 5th
Sept. 72

No. 2573

To

The Secretary to the Government of
Madras.

Fmil. Depart. Sir,

The Right Honble the Governor General in Council having resolved to defer the consideration of the questions regarding the future financial policy of the Government in connection with which certain information has been called for from the local Governments, I am directed to say that it will suffice if the answers to Circular Orders Nos. 2017 & 2018 dated 17th August reach my office in Calcutta punctually by the 15th November as the latest date.

I have the honor to be,
Sir,
Your most Obedt Servant,
W. Grahame
Secy. to the Govt of India.

Simla
The 3d Septr/72

2 Lahore
3/9.

CIRCULAR No. 2017.

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

ACCOUNTS.

To

THE CHIEF SECRETARY TO THE GOVERNMENT OF MADRAS.

SIMLA, THE 17TH AUGUST 1872.

SIR,

BEFORE taking into consideration the future financial policy of the Government, the Right Hon'ble the Governor General in Council desires to obtain further and more complete information upon some subjects.

2. I am, therefore, directed to request that with the permission of His Excellency the Governor in Council you will submit statements, in the annexed Forms A, B, and C, of the estimated amount and incidence, in 1873-74, of all provincial, local and municipal taxation in the Presidency of Madras. Every kind of tax, rate, or due, levied by law or authority, or by consent of the people, without law or proper authority, should be entered in these statements. If, in any province, taxation is in course of introduction which will not be completely levied in 1873-74, this should be separately explained, and the proceeds of such taxation ultimately expected, in addition to that shown in the Statements A, B, C, set forth.

3. The taxation thus shown will include—

1*st*.—Taxation levied under laws, orders, or systems, in force before the allotment, by Resolution No. 3334, dated 14th December 1870, of fixed sums from the imperial revenues, for provincial services: To this category will also belong any taxation which was levied before the introduction of this administrative change, but which, in consequence of legal or other doubts, has been put upon a new basis, although practically and substantially remaining unaltered; as, for instance, it is believed, the whole of the rates imposed in the North-Western Provinces by Act XVIII of 1871, excepting the rates on land in estates of which the Land Revenue is not liable to periodical revision.

2*nd*.—Taxation levied under measures enforced after, but not resulting from, the introduction of the provincial service assignments: such, for instance, as the District Road Cess in Bengal now in course of assessment under

Act X of 1871, (Bengal Council) and perhaps the Oudh Local Rates imposed by Act XVII of 1871. A separate statement of this taxation (Form D) should be presented.

3*rd*.—Taxation levied under measures enforced in consequence of the introduction of the Provincial Service assignments. The duties imposed on certain of the non-agricultural classes in the Presidency of Bombay by Act II of 1871, Bombay Council, are believed to be an example of this kind of taxation. A separate statement is required of this taxation (Form E).

4. If the proceeds of any of the taxation which falls under the first or second categories set forth in the 3rd paragraph have been, as a result of the system of provincial service assignments, diverted from the purposes originally designed, to other purposes, which would, but for the system, have been provided for from imperial revenue, this should be shown in a sixth statement (Form F.)

5. In a 7th statement (G), you will be good enough to show any provincial, local, or municipal taxation remitted and abandoned since the 14th December 1870.

6. I am next to ask that report may be called for from some of the best local officers who come into direct contact with the people, upon the question whether any, and what taxes, imperial, provincial, local, or municipal, now existing, or about to be imposed, create a feeling of discontent in the country or amongst any particular section of the people. Care should be taken to ascertain the feelings of the people towards any particular tax (the income tax, for instance), *as it now is* and not in regard to any more severe form of it that does not now exist. The reports thus obtained should be carefully reviewed, and the opinion of the Government of Madras upon this important matter submitted to the Government of India.

I am to ask, in particular, for a report on the operations and effects of the duty on rice and paddy exported by sea from the Presidency of Madras.

7. It is obvious that, however much remission of taxation is to be desired, the power of the Government to grant it must probably depend, in the main, upon reductions of expenditure being effected. The Governor General in Council, while bearing in mind the proceedings and discussions which have taken place on this subject, still desires me to invite His Excellency in Council to suggest any reductions of civil expenditure that appear practicable. These suggestions should not necessarily be confined to reductions of imperial expenditure. Relief from provincial or local taxation would, no doubt, be as welcome to the people as relief from imperial taxation.

8. Lastly, the Governor General in Council repuests that His Excellency the Governor in Council will give his opinion whether any changes are desirable in the method of raising any of the existing revenues which it is not proposed to abondon. For instance, I am to enquire whether, in the opinion of the Government of Madras, the duty levied on salt in the Madras

Presidency might be raised if funds were at the same time placed at the disposal of the local Government to enable it to grant some substantial remission of provincial taxation.

9. All possible diligence should be used in the preparation and submission of the reply to these orders, as the Government of India is anxious to lose no time in taking the subject into consideration. The reply should certainly reach the Supreme Government by the 1st of October. If it be found impossible to supply all the required information so soon, an *ad interim* report should be submitted by that date, containing as complete and substantial a reply to these enquiries as can then be made. In such case the wanting information should be supplied later, but as early as possible.

I have the honor to be,

SIR,

Your most obedient Servant,

Secy. to the Govt. of India.

Form A.

Estimated Provincial Taxation in *in 1873-74. (N. E.—By Provincial taxation is meant taxation of which the proceeds are, and may legally be; applied at the discretion of the Government to the general purposes of the whole Province, but not beyond its limits.)*

Population of the Province.	Description and object of the tax.	Classes from which, and property upon which, levied.	No. of persons who pay the tax.	Gross amount of Tax.	Expense of collection.	Net amount of Tax.	Gross incidence per head, of		Act or order under which, and date since which, levied.
							Population.	Tax-payers.	

Form B.

Estimated Local Rates and Taxes in *in 1873-74. (N. B.—By Local Rates and Taxes is meant taxation other than municipal taxation, of which the proceeds must by law, order, or authority, be applied to some particular locality or purpose only as, e. g., district rates which must be spent in that district in which they are raised.)*

District or place in which levied.	Population of district or place.	Description and object of Tax.	Classes from, and property upon, which levied.	Number of tax-payers.	Gross amount of Tax.	Expense of collection.	Net amount of Tax.	Gross incidence of Tax.		Act or order under which, and date from which, levied.
								Per head of population.	Per head of tax-payers.	

Form C.

Estimated Municipal Rates and Taxes in *in* 1873-74. *(N. B.—By municipal rates and taxes is meant taxation levied in municipalities towns or circles for municipal purposes. For the Presidency and chief Towns and for every Municipality of which the population exceeds* 10,000, *each principal tax should be shown separately, the total municipal taxation levied in each such Town or Municipality being stated in a separate line. Municipalities, of which the population is less than* 10,000, *may be grouped together without being separately named: the taxation of such places need not be shown separately. But in such case the words "number of place in which levied" must be substituted in column* 1 *form "place in which levied.")*

Place in which levied.	Population of place.	Description and object of the Tax.	Classes from, and property upon, which levied.	Number of tax-payers.	Gross amount of the Tax.	Expenses of collection.	Net amount of Tax.	Gross incidence of Tax.		Act or order under which, and date from which, levied.
								Per head of population.	Per head of tax-payers.	

Form D.

Estimated Provincial, Local, and Municipal Taxation in *in* 1873-74, *which has been imposed since, but not as the result of, the introduction of the system of fixed allotments of Imperial Revenue for Provincial Services. (N. B.—First, Provincial with a total; 2nd, Local with a total; 3rd, Municipal with a total; and 4th, a Grand Total.)*

Description and object of Tax.	Classes from, and property upon, which levied.	Gross amount of the Tax.	Expenses of collection.	Net amount of Tax.	Gross incidence of Tax.		Act or order under which, and date from which, levied.
					Per head of population.	Per head of tax-payers.	

Form E.

Estimated Provincial, Local, and Municipal Taxation in *in* 1873-74, *which has been imposed since, and as the result of, the introduction of the system of fixed allotments of Imperial revenue for Provincial Services.* *(N. B.—First, Provincial with a total; 2nd, Local with a total; 3rd, Municipal with a total; and 4th, a Grand Total.)*

Description and object of Tax.	Classes from, and property upon, which levied.	Gross amount of the Tax.	Expenses of collection.	Net amount of Tax.	Gross incidence of Tax.		Act or order under which, and date from which, levied.
					Per head of population.	Per head of tax-payers.	

Form F.

Estimated Provincial, Local, and Municipal Taxation in *in* 1873-74, *which was in force before the introduction of system of fixed allotments of Imperial Revenue for Provincial Services, but the application of which has been, in consequence of that system, diverted to purposes which would otherwise have been provided for from Imperial Revenue.*

Description and object of Tax.	Purpose to which applied before December 1870.	Purposes to which applied now.	Total proceeds of Tax.	Portion still applied to original purposes.	Portion diverted to purposes provided for formerly from Imperial Revenue.	Act or order under which, and date from which, levied.	Act or order by which diverted.

Form G.

Provincial, Local, and Municipal Taxation remitted since December 14th, 1870.

Description and object of Tax.	Classes from, and property upon which, it was levied.	Gross amount levied in an average year.	Act or order under which, and date from which, tax was levied.	Date of remission.	Remarks.

1872

Financial Dept.

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

ACCOUNTS.

To

The Chief Secy. to the Govt. of Madras.

CIRCULAR No. 2017.

Dated Simla, 17th August 1872.

Received 27th Sept 1872.

Rd 9th Sept/72 No. 52-55

No 1635

381 Nos 1154 & 1195

Requesting information on certain points, before taking into consideration the future financial policy of the Govt —

Financial Department.

8 33 x

PROCEEDINGS of the MADRAS GOVERNMENT.

Circular

Read the following letter

From

The Govt of India Finl Dept No. E. 17th Augt 1872 No. 2017

Telegrams from Finl Secy Govt of India No. E. 2d & 5th Sept: 1872

Copied

Cotacammund 9th Septr 1872 No. 1194

Ordered that the above letter be communicated to the Board of Revenue and Accts Genl with instructions to prepare, in communication with each other, the required Estimates of probable amount and incidence in 1873-74 of all Provincial & Local taxation, including Income of every kind under these heads, from the materials in their offices, as the time named for the submission

To the Accountant Genl for favor of perusal & Report —

of the Statements will not allow of reference to the Districts - The Municipal Statements will be compiled in the Government Office

The Board will forward the Statements to Govt with as little delay as possible, and will at the same time transmit their Estimates for each District to the Collectors in view to obtaining their remarks as to their approximate correctness, to be forwarded with the Board's supplemental remarks to Govt with reference to para 9 of the Circular

As regards the requirements of the Circular the Govt observe as follows -

The voluntary irrigation cess in lieu of customary labor which is in very partial operation, appears to Govt to be the only "tax rate or due levied x x x by consent

consent of the people without law or proper authority" -

The "Village Jungle Conservancy" fund income represents the original rights of Govt in jungles in which the villagers have communal rights which are unrestricted as regards domestic need, but have in the general interests been limited by the imposition of a charge on trade in timber and fuel

The House tax under Madras Act 4 of 70. would appears to be the only "taxation in course of introduction which will not be completely levied in 1873/74"

Clause 1 Sec: 3 of the Circular Order will include all existing Provincial & Local income from sources which were productive before the decentralisation of Provincial

Provincial Services, and so much of the Local Fund income as represents the original 3/8 % District road cess under Madras Act 3 of 1866

Clause 2 will include the balance of the Local Fund income

Clause 3 relates to "taxation levied under measures enforced in consequence of the introduction of the Provincial Service assignments - It does not appear that there is any such item of taxation in this Presidency

Para 4 of the Circular order would appear to apply to so much of the Estimated Expenditure from the Local Fund income as is devoted to the maintenance of roads formerly classed as Imperial, and to which the District Road Fund

does not help the ~~Local~~ cess come within the

Ans: The Local Fund diversion was proposed & sanctioned during the Famine upon the Famine proposals and not to

Fund was not applicable. It will not apply to the Expenditure from Local Fund on Education and Sanitation as this is provided not by the diversion of former income but by the development of a new source of supply

Referring to para 5 the Govt are not aware that any such remissions of taxation as are therein alluded to have taken place since December 1870. The difference between the rates of Tolls on road traffic under Madras Acts 3 & 4 of 71 and those previously leviable under Act 15 of 1864 can scarcely be brought within this category

On the subject of para 6 a reference will be made to the Offices named in the margin with instructions to forward one copy of their replies direct to Govt, and a second copy to the Board of

Messrs Puckle
Sullivan
MacGregor
C. G. Master
? J. Chase
H. Thomas
? C. Tongley
Foster
? Brandt
Stuart
Price
and M. L. R. Sesharya Sastri
Chentsal Row
D. Narsing Row
T. Rama Row
Appaji Row

of Revenue, who will submit the whole to Govt with their own remarks - It will be open to the Board, at the same time, to submit any remarks which they may desire to offer on the subjects of paras 7 & 8 of the Circular order.

Turning to the forms of Statements appended to the Circular order, the Govt observe as follows:

Form A according to the Telegram must include all sources of Provincial income altho' there is not in this Presidency any Provincial taxation properly so called, applicable at the discretion of Govt to the general purposes of the whole province but not beyond its limits - The Provincial income derived from Registration, Stamps, and Cattle Trespass fines, is contributed by individuals, and is applicable in the manner

D. Timmapah
Sir Balaya
C. Venkatesaya
C. Canarese (Principal D.C Malabar) - Ad this initial

Hon V. Sambuprier
A. Subaya Chetti
P. Chentsal Rau

Hr. V. M. Kadik
— T. Lakshmi Row

Hr. A. Widdicombe
C. Venkatrayer

Hr. T. A. Pearce
T. Timmapah

Hr. R. Chalmers
C. Sir Balaya
T. Appaji Row

Hr. R. K. Puckle
T. Brandt
T. Rama Row

Hr. L. D. Longley
T. T. Rice

Hr. C. G. Stokes
V. V. Sriringachar

Hr. H. I. Thomas

Hr. A. MacGregor
C. Canaka

Hr. V. J. Forbes
A. J. Stuart
A. Sadasiva Row

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manner described, but is not strictly of the nature of taxation and still less so is the income from Distb manufactures, Police fines &c, Public Works sales of old tools and plant, and Printing - but all must be shown

Form B. will exhibit every kind of <u>local</u> Fund or Income other than Municipal

Form C. calls for no remark. The statement will be prepared in the Govt Office

Form D. will exhibit under "Local" the increase in the Local Fund land cess over the former District Road cess, and the House tax.

Under Provincial and Municipal the Statement will be blank, as it cannot be said that any additional taxation under these heads has been imposed since

since the "Provincial Service decentralization" was carried out.

Form E. will be blank - no taxation having been imposed as the result of that measure.

In Form F. may perhaps properly be exhibited the Estimated Expenditure in 1873/74 on those roads which, prior to the operation of the Local Fund Act were maintained from other than District Road Funds. The division of a portion of the income corresponding with that of the old District Road Funds - from District Roads to Trunk Roads may perhaps properly be deemed a consequence of the decentralization of Provincial Services.

Form G. will be blank.

The Boards of Revenue will use their best endeavours to expedite the preparation of the Statements.

Only Copies - 3 -

1 Comple copy to Hon'ble J Arbuthnot 10 Jany 73
1 — do — Hon'ble R A Dalyell — 21 Feb 73

The Bd of Revenue Acct General 3d dispd 9/1/9 30/ Feb 80

FINANCIAL DEPARTMENT.

No. 1195.

To
The Hon. V. Ramiengar - Esq.
A. Seshaya Sastrie - Travancore
P. Chentsal Row - Madras.
W. M. Cadell Esq. Tanjore
P. Seshagiri Row — do —
A. Wedderburn Esq - Combatore
C. Venkatesaya — Chingleput
T. A. N. Chase Esq - Kurnool.
D. Timmapah — do —
H. E. Sullivan Esq - South Arcot.
C. Sri Balaya — Nellore
T. Appaji Row — S. Arcot.
A. H. Beckle Esq - Tennevelly
F. Brandt Esq — do —
T. Rama Row. Madura.
C. T. Longley Esq — Salem.
F. J. Price Esq — do —
C. G. Master Esq - Ganjam
D. V. Narsinga Row - Chingleput
H. S. Thomas Esq. Mangalore
A. MacGregor Esq. Calicut
C. Canaran - Malabar
W. S. Foster Esq. Cochin
A. J. Stuart Esq. Rajah
A. Sudarsana Row Godavery Dt.

SIR,

Under instructions from the Government of India, I am directed to request that you will be good enough to furnish the Government with a report of the result of your personal observation as to whether any of the Taxes, Imperial, Provincial, Local or Municipal, now existing, or in course of imposition, create a feeling of discontent in the country, or amongst any particular section of the people. You will, of course, be careful to distinguish between the feeling towards any tax as it formerly was, and as it now is, as for instance in the case of the Income tax.

2. I am further desired to request a particular report of your observation as to the operations and effects of the Export duty on rice and paddy.

3. The Government desire at the same time to be informed of the result of your experience of the working of the Local Fund Boards, and as to the extent to which the Native members, official and non-official, bring their experience and knowledge of, and interest in, local circumstances to bear on the administration of the funds.

4. You are requested to add a brief statement of the average description and amount of the annual wages or earnings of individuals or families among the labouring classes in the parts of the country with which you are acquainted, and to note whether any increase is observable in them, or improvement in the position of these classes of late years.

5. The submission of your reply as speedily as is compatible with accuracy is particularly requested; and in doing so, I am to request that you will be so good as to forward a copy thereof direct to the Board of Revenue.

I have the honour to be,
Sir,
Your most obedient servant,

OOTACAMUND,
9th September 1872.

Acting Under Secy. to Govt.
for *Chief Secretary.*

Recd. 14/9/72.

No. 1195.

Financial Department

F.

Sir,

I am directed to request that you will be good enough to furnish the Government with a report of the result of your personal observation as to whether any of the taxes, Imperial, Provincial, Local or municipal, now existing, or in course of imposition create a feeling of discontent in the Country or among any particular section of the people. You will perceive it be careful to distinguish between

This

the feeling towards any tax as it formerly was, and as it now is, as for instance in the case of the Income tax.

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5. The interruption of your reply as speedily as is compatible with accuracy is particularly requested.

I have &c

Cotacamund
9th Sept 1872

35

Govt. of {1872} Madras.

Financial

To

Dated 9th Septr.

Recd.

1872, No. 1194-S

Nos. 52-57-

M.R.O. 1—77,066—6-6-51.

(1) Number of pages 18

(2) Date of repair 3-1-40

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Finance DEPARTMENT.

G.O. No. 1194-95 Press Mis.
52-57

Dated 9-9- 1872.

52-57 2/21

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