(1) Num

(2) Dat

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	541	Press Mis.
5-7		8-7
Dated	1-4-	1874.

17/18

Not to be folded or roughly handled

Read the following papers:—

No. 3. From W. McQUHAE, Esq., President of the Municipal Commissions, Madura, to the Hon. W. HUDLESTON, Chief Secretary to Government, Fort St. George, dated Madura, 20th January 1874, No. 5.

I have the honour to submit the Municipal Budget of Dindigul for 1874-75 with an explanatory statement showing the reductions that must be made in order that half the proceeds of tolls may be paid over to Local Funds from the commencement of the current official year. As the Commissioners seem to have been taken very much by surprise, and the Local Fund Board has no urgent need for the money, I would venture to ask that the arrangement for the division of the proceeds of tolls may be put off till the commencement of 1874-75. It is quite clear that the Commissioners did not understand what they were doing when they proposed that half their tolls should go to Local Funds.

2. A draft Notification to be published by Government with reference to Section 38, Act III. of 1871, is enclosed.

No. 4. MINUTE by the Hon. W. ROBINSON, C.S.I., dated 2nd March 1874.

I am unable to agree to this draft.

2. Dindigul is one of those municipal trade-traps on the high road of general traffic to the south, which throws a large portion of its town expenditure on the general trade of the country.

3. Last year the Commissioners levied Rupees 4,970 or upwards of 38 per cent. of their whole town income by tolls, and this year they propose to exact Rupees 5,500 or upwards of 56 per cent. in a like manner by raising the local tolls. They spent Rupees 1,200 of the former sum on Communications, and propose to spend only Rupees 400 of the anticipated income of this year on that object. Little indeed of this amount can be looked upon as *quasi octroi* even if the law sanctioned such an impost.

4. The rates on houses amount to Rupees 1,500 representing, say, Rupees 30,000 as the value of the annual rental of house property. The valuation, I believe, is unduly low.

5. It seems to me that the proposals made are inadmissible. The Commissioners want money, it is true, but it is obvious that the trade must be relieved—not further burdened—or the proceeds should be fairly distributed between the Commissioners and the Local Fund Board. If the latter do not require the money, the rates of tolls should be reduced one-half at least.

6. The true and sound remedy for the embarrassment lies in a revision of the House-rates and continuation of the Trades and Profession-tax—both legitimate and proper town taxes. This should be done at once, and the Budget returned for revision.

7. The first point is to adjust the taxation, and then the Government can consider its application.

8. The provision of loop lines must be expedited.

(Signed) W. ROBINSON.

No. 5. MINUTE by the Right Hon. the PRESIDENT, dated 12th March 1874.

For the reasons which I have stated in a recent note on another Municipal Estimate, I shall oppose to the utmost of my power any proposal to restore the Profession-tax, which was abolished prospectively scarcely a year ago, and to restore which so short a time after its abolition would (as I have before observed) bring not only disrepute upon this Government for inconsistency and vacillation, but discredit upon our whole system of administration in this country. The question was fully discussed, and the tax deliberately suppressed on what I consider the most conclusive grounds; and if I am in a minority as regards its restoration, I request that the papers may be sent for the opinion of His Excellency the Commander-in-Chief. Should I still be in a minority, I shall propose to refer the question to the Government of India, with all the papers and minutes on the subject.

2. With respect to Tolls also we have lately decided, with the Hon. Mr. Robinson's own concurrence, to leave them to the Municipalities (treating them as a form of "octroi"), but to require the Municipalities to make arrangements (the nature of which is a question now under reference to the Board of Revenue) such as may best suffice to exempt the through traffic. This course of proceeding was also decided upon by the Government *scarcely more than three or four weeks ago*; and it is now proposed by my honourable colleague to reverse it—at least so far as regards this Municipality—and to make the Municipal Board give up all, or most, of the proceeds of its tolls which are not required for expenditure on Municipal roads. In my opinion the adoption of this proposal would be in itself a very serious political error; but what is quite certain is (I submit) that we cannot adopt it in the face of our recent proceedings without exposing ourselves to not unmerited ridicule and reproach.

(Signed) HOBART.

No. 6. MINUTE by the Hon. J. D. SIM, C.S.I., dated 20th March 1874.

The Dindigul Municipality in 1873-74 (the now current official year) estimated their income at Rupees 12,920, of which Rupees 4,500 were the balance of the year preceding. The revenue expected to be raised within the year was thus Rupees 8,420. Of this, Rupees 4,970, or considerably more than half, were realized from Tolls.

2. The expenditure of the year was estimated at Rupees 9,468, leaving a balance with which the year 1874-75 would have commenced of Rupees 3,452.

3. But in October 1873, the Government, for the reasons stated in paragraph 3 of their Order dated 1st October 1873, Financial Department, directed that, in and from the current year 1873-74, the Municipality should pay a moiety of the toll-proceeds to the Local Fund Board of the Circle, in consideration of the circumstance that on the latter devolved the heavy expense of keeping up the roads which the Municipality tolled. This arrangement is obviously based on sound principle; indeed, looking to the burden, it treated the Municipality with very great liberality. But the decision came unexpectedly on the Commissioners, and deranged all their plans. It reduced their revenue for 1873-74 (the current year) from Rupees 12,920 to Rupees 10,435, the ensuing year (1874-75) will open with a balance of only 200 Rupees, where one of 3,452 Rupees was expected, and the Municipality will

have to pay Rupees 2,750 of its reduced income to the Local Fund Board of the Circle. The consequences will of course be very serious, as the Municipal Commissioners point out in their explanatory Memorandum. They cannot afford a Rupee for new roads or buildings, the allowance for repairs has to be reduced from Rupees 1,250 to Rupees 400, and many intended improvements of a highly useful character have to be given up.

4. And while this is the result so far as the Municipality is concerned, the President of the Local Fund Board, in whose interests the Government ordered the partition of the tolls between the Municipality and the Local Fund Circle, assures the Government that the latter body does not really need the money, and himself proposes that the arrangement shall only take effect from the commencement of the ensuing year 1874-75.

5. Under these circumstances our course seems to me clear and simple. I cannot see why we should ruin the Municipality to give the Circle what it does not need. I would, therefore, accept the proposal of the President of the Municipality, which will place a further sum of Rupees 2,500 at the disposal of the Commissioners, raising their income in 1874-75 from Rupees 9,765 to Rupees 12,265, and enabling them to provide for the many useful works they originally contemplated.

6. The questions noticed in the minutes of my honourable colleagues, viz., the Professional tax and the disposal of Tolls, I shall be prepared to discuss when the proper time arrives. Viewing this case in the light I do, any such discussion would here be out of place and superfluous.

(Signed) J. D. SIM.

No. 7. ORDER THEREON, 1st April 1874, No. 541.

The Budget Estimates of the Dindigul Municipality, as submitted by the President, are compared below with those for the current year:—

RECEIPTS.	1873-74. RS.	1874-75. RS.
Balance brought forward ...	4,500	200
Assignments and Allotments by Government	80	100
Rates on Houses	1,400	1,500
Tax on Vehicles	500	650
Registration of Carts	400	400
Tolls	4,970	5,500
Fees	200	200
Fines	150	150
Miscellaneous	720	1,065
Total ...	12,920	9,765

CHARGES.	1873-74. RS.	1874-75. RS.
Grant I.		
New Works—		
Communications ...	1,000	...
Buildings	1,000	
Repairs—		
Communications ...	1,200	400
Other items	50	...
Contribution to Local Funds for repairs ...	...	2,750
Grant II.—		
Results Grants	800	1,000
Contribution to Local Funds for Inspectorate	280	230
Grant III.—		
Hospitals and Dispensaries	550	580
Vaccination	170	140
Registration of Births, &c.	120	120
Conservancy	2,880	2,740
Grant IV.—		
Lighting	618	635
Markets	200	210
Watering streets ...	100	...
Grant V.—		
Supervision...	500	520
Miscellaneous	...	210
Balance	3,452	230
Total ...	12,920	9,765

2. On a proposal made by the Dindigul Municipality to levy tolls at full rates and pay to the Local Fund Board three-quarters of the amount realized, the Board of Revenue recommended that the rates should remain as before and half the existing tolls be paid to the Local Fund Board, pointing out that no greater loss would thereby accrue to the Municipality than by the adoption of their own proposal.

3. In G.O., dated 13th December 1872, No. 1678, the Government approved the recommendation of the Board of Revenue, and in G.O., dated 1st October 1873, No. 1403, they directed that the contribution should be made in the current year. This seems to have taken the Commissioners by surprise, and the consequent reduction in the allotments in the Budget for 1874-75 are so great that the President recommends that the arrangement for the division of the proceeds of tolls may be put off till the commencement of 1874-75, on the ground that it is quite clear "that the Commissioners did not understand what they were doing when they proposed that half their tolls should go to Local Funds," and, as he also adds that the Local Fund Board has no urgent need for the money, the Government have no hesitation in complying with his recommendation, which will give the Commissioners an additional Rupees 2,500 wherewith to supplement the grants for New Works, Lighting, and Conservancy, the reduction in which is so much deprecated in the explanatory Memorandum submitted with the Budget Statements. The question of the payment of the contribution in the year 1874-75 may also be held in abeyance, pending the order of Government on the report, called for from the Board of Revenue, on the general question of the incidence of Municipal Tolls.

4. The entries in the present estimates seem unobjectionable except on the ground of inadequacy reported by the Commissioners, and the Budget is passed, it being borne in mind that supplemental estimates must be submitted for the utilization of the funds available under the order above passed.

(Signed) D. F. CARMICHAEL,
Acting Chief Secretary.

Exd. J. Wright.

Dindigul Municipality.

Budget of 1874 Estimates.

FINANCIAL.

To

The PRESIDENT OF THE
MUNICIPAL COMMISSION,
Dindigul,
&c., &c., &c.

Dated April, 1st.

Recd.

Distt.

G.O., 1st April 1874, No. 541.

APRIL.
Nos. 3—7.

Dindigul Municipality.—The Budget Estimate of this Municipality for 1874-75 reviewed and passed.

GOVERNMENT OF MADRAS

No 5

President's Office
Madura
20th January 1874.

From

W. McDuhael Esquire
President, Municipal
Commissioners
Madura

To

The Honble W. Hudleston
Chief Secretary to
Government
Fort St George.

Sir,

I have the honor to submit the Municipal Budget of Dindigul for 1874-75 with an explanatory Statement showing the reductions that must be made in order that half the proceeds of tolls may be paid over to Local Funds from the commencement of the Current Official Year. As the Commissioners seem to have been taken very much by surprise and the Local Fund Board has no urgent need for the money I would venture to ask that the arrangement for the division of the proceeds of tolls may be put off till the commencement of 1874-75. It is quite clear that the Commissioners did not understand what they were doing when they proposed that half their tolls

Should

should go to Local Funds.

2. A draft Notification to be published by Government with reference to Section 38, Act III of 1871, is enclosed.

I have the honor to be
Sir
Your Most Obed.t Servt.

W. W. Duke
President

Compared 20/4

No 4 - 9

No 5

Jessett

I am unable to agree to this Draft. Dindigul is one of those Municipal towns on the high road of General traffic to the South, which throws a large portion of its Town Expenditure on the General trade of the Country.

Last year the Commissioners levied Rs. 4,970 or upwards of 38 per cent of their whole town income by tolls and this year they propose to raise Rs. 5,300 or upwards of 56 per cent in a like manner by raising the local tolls.

In other reasons which I have stated in a recent Note to an Municipal Estimate, I shall oppose the attempt of any person as proposed to restore the Profession Tax, which was abolished perpetually a month ago, and by reduce which so short a time after it was abolished would (as shewn above) be unjust and [illegible]

tolls. They spent Rs 1,200 of the former sum on Communications and propose to spend only Rs 400 of the anticipated income of this year on that object. Little more of this amount can be looked as gross-Octroi

The rates on the Houses amount to Rs. 1500 in representing say Rs. 30,000 as the valuation of its Houses & property to local taxation. The valuation, I believe, is unduly low.

It seems to me that the proposals made are inadmissible. They want money, it is true, but it is obvious that the trade must be relieved or the proceeds be fairly distributed between the Commissioners and the

9

not only dispute upon this point ~~entirely~~ but ~~absolutely~~ in succession and vacillation, ~~refuse~~ ~~to give~~ credit for ~~dangers~~ but the whole system of Indian Administration -

The question was fully discussed, and the Commissioners deliberately supported on what I consider the true ground: and if I am a minister or agent its retraction, I request that the papers may be sent for the opinion of the Commander in Chief. Should I still be in a minority - I shall prepare Orders

10

to persons & the Govt of India - with all the powers & immunities in the subject - also -

to the respect to tolls ~~to~~ have been decided with the Municipalities concurrence, to leave them to the Municipalities (treating them as the power of "action") but to require the Municipalities to make arrangements (the nature of which is a question now under reference to the Board of Revenue) such as may best suppress to exempt the through traffic -

This course of proceeding

Local Fund Board.

If the Letter do not require the money the rates of tolls should be reduced one-half at least.

The true Home Remedy for the embarrassment lies in a revision of the House rates and introduction of the Trades & professions tax - both legitimate & proper town taxes.

This should be done at once & the Budget returned for revision

The first point is to adjust the Expenditure and then the Government can consider its resources

2/3 [illegible]

was also decided upon by
the Govt. scarcely more than
2 or 4 weeks ago, and it
is now proposed (you
know) to recast it
at least in part so far
as regards this Municipality
and to make the Municipal Board
pick up all amounts of
the proceeds of its taxes
which are not required
for expenditure on Municipal
Roads. In my opinion the
adoption of this proposal will inevitably
be a very serious political
error: but what is quite
certain is (I think) that we
cannot adopt it in the face of our recent pledges
without exposing ourselves to ridicule and unmerited
ridicule & reproach.

Mr Robertson
63/3

Sen. 541

The Municipality of Hobart Towns
Act to explained

13

The Municipality.

From President. D.M.
Dy 20 Jan 7th

The Municipality
in 1873/4 (the two cur-
rent official years)
estimated their
Income at Rs 12,920.
of which Rs 4,500
of the balance of
the year preceding -
The revenue collected
to be retained within
the year not less than Rs 8,420.
Of this, Rs 4970 - or Cu-
Liderably more than
half - were realised
from Tolls -
The expenditure of
the year was estimated

at Rs 9468 - leaving a balance - as at which the year 1874/5 would have commenced of Rs 3452.

Post in Oct 73 the put for the taxes stated in Item 3 of this order Dt 10th /73 Municipal Debt - Rejected the order in so far from the current year 73/4 - the Municipality should levy a moiety of the Toll-proceeds & the Local Fund Grant of the Circle, in consideration of the circumstance that on the tolls declared the levy

15

Expenses of keeping up the roads which the Municipality tolled - This arrangement is obviously based on sound principle - inasmuch, looking to the burden, it treated the Municipality with great liberality - but the decision came on & be stated by a the Commissioner - & deranged all their plans - It reduced their income for 1873/4 (the current year) from Rs 12920 to Rs 10435 - the en-

-ming year (74/5) wile
there will be a balance
of only 200 Rs. whereas
we of 3452 Rs. as
the Munsf
Expected - and wile
have to levy Rs 2750
of its reduced Income
of the Local Fund
Board of the Circle.
The consequences wile
of course be very serious
as the Municipal
Comrs - point out in
their Explanatory Memo.
They cannot attend a
Rupees for new roads
or building - the al-
lowance for repairs
has to be reduced
from Rs 1250 & Rs 400
& many intended im-

y provement of a highly
useful character have
to be given up.

And while this is
the result to be as
the Municipality
is concerned, the
President of the
Local Fund Board -
in whose interests
the Pt. wished the
partition of the
Hills between the
Municipality
& the L. Fund Circle
assumes the Pt. that
the latter body does
not really need
the money & their
help the better that
the arrangement

shall only take
Effect from the
Commencement of
the Ensuing year
1874/5-

Under these
Circumstances
one could learn
to me clear & simple.
I cannot see why
we should resign
the Municipality
to fix the Circle
what it does not
want - I would therefore
accept the
Resignation of the
President of the
Municipality -
which will leave

195

15

a portion sum of
Rs 2500 at the Dis
posal of the Comm^r
Raising there in
Come in 1874/5
from Rs 9765 to
Rs 12265 - and
enabling them to
provide for the
many urgent public
works they urgently
contemplate -

The Secretary
noticed in the
Minutes of my
Hon^le Colleagues
Y^r the Professional
Tax and the Excise
Disposal of Wh
I shall be pleased
to discuss when

the Govt be time
arrives. Viewing
this case in the
light I do, any
such discretion
should be out of
place & misplaced
powers.

L. D.L.

20. 3. 74

Financial Dept
Financial Dept

S.O. No 541

Not necessary to file - but referred to as a Minute on the draft of the Proposed Order -

215 2

Financial Department

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter from the President Municipal Commission, Madura District, dated 20th Jany 1874

No 5.
Read Minute by Hon W. Robinson — 2 March 1874
do — Hon the Governor — 12 do
do — Hon C.D. Campbell — 20 do
Order thereon. 1 April 74 No 541.

The budget estimates of the Dindigul Municipality, as submitted by the President, are compared below with those for the current year.

No 1

Seen 23/3 WR.

Received

Receipts	1873-74	1874-75	Charges	1873-74	1874-75
Balance brought forward	4500	200	Grant I		
			New works		
Assignments and allotments by Govt	80	100	Communications	1000	
			Buildings	1000	"
Rates on houses	1400	1500	Repairs		
Tax on Vehicles	500	650	Communications	1200	400
Regn of Carts	400	400	Other items	50	"
			Contn to Local Funds for repairs	"	2750
Tolls	4970	5500	Grant II		
			Results grants	800	1000
Fees	200	200	Contn to L. Funds for Inspectorate	280	230
Fines	150	150	Grant III		
			Hospitals & Disps	550	580
Miscellaneous	720	1065	Vaccination	170	140
			Regn of births &c	120	120
			Conservancy	2880	2740
			Grant IV		
			Lighting	618	635
			Markets	200	210
			Watering streets	100	"
			Grant V		
			Supervision	500	520
			Miscellaneous	"	210
			Balance	3452	230
Total	12920	9765	Total	12920	9765

On a proposal made by the Sindegal Municipality to levy tolls

235

tolls at full rates and pay to the Local Fund Board three quarters of the amount realized, the Board of Revenue recommended that the rates should remain as before and half the existing tolls be paid to the Local Fund Board, pointing out that no greater loss would thereby accrue to the Municipality than by the adoption of their own proposal.

In G.O. dated 13th December 1872, No 1678, the Govt approved the recommendation of the Board of Revenue and in G.O. dated 1st October 1873, No 1403, they directed that the contribution should be made in the current year. ~~For other~~ This seems to have taked the Commissioners by

by surprise and the consequent reduction in the allotments in the budget for 1874-75 are so great that the President recommends that the arrangement for the division of the proceeds of tolls may be put off till the commencement of 1874-75, on the ground that it is quite clear" that the Commissioners did not understand what they were doing, when they proposed that half their tolls should go to Local Funds" and, as he also adds that the Local Fund Board has no urgent need for the money, the Govt have no hesitation in complying with his recommendation, which will give the Commissioners an additional Rs 2500~

wherewith

Yes, of course
They did not know
the Provisions
exempt the Export
trade—
within that of our
own Provinces

wherewith to supplement the grants for New Works, Lighting and Conservancy the reduction in which is so much deprecated in the explanatory memorandum, submitted with the budget statements. The question of the payment of the contributions in the year 1874-75 may also be held in abeyance, pending the order of Govt on the report, called for from the Board of Revenue, on the general question of the incidence of Municipal tolls.

The entries in the present estimates seem unobjectionable except on the ground of inadequacy reported by the Commissioners, and the budget as passed, it being borne in

in mind that supplemental estimates must be submitted for the utilization of the funds, available under the order above passed.

To

1 The Pres.t Mun.l Comm.r Madgl
4 " Public Works Department
3 " Revenue Department
2 " Board of Revenue
8 " Accountant General
7 " Sanitary Commissioner
5 " Surgeon General
Chief Med. Departt
6 " Director of Pub. Instr.n
9 " Pres.t C. Fund Board
Madras Sick.t

110 - 250
Rotfn. to folios

27 Jud 5
Public Department.

PROCEEDINGS of the ~~MADRAS~~ GOVERNMENT.

~~Read the following letter from the~~ Magistrate of

(~~Here enter~~ ~~187~~ , ~~No.~~)

~~ORDER THEREON~~, Notification

UNDER the provisions of Section 38, Act III. of 1871 (the Towns' Improvement Act), the Governor in Council authorizes the Municipal Commissioners for the Town of Dindigul in the ~~Madura~~ District, to levy ~~during the year beginning 1st May 187~~ , and ending ~~30th April 187~~ . the following rates and taxes

A rate on houses, buildings, and lands, according to the annual value thereof.

~~A tax upon arts, professions, trades, and callings.~~

Tolls on carriages, carts, and animals entering the Municipal limits.

Taxes on carriages, horses, and other animals as described in Schedule C. to the above Act annexed.

Fees on the registration of carts.

To

~~The President of the Municipal Commission in~~

Govt. of 1874 Madras.

Financial

To

The Presdt. Board. Commrs
Dindigul.
&c.

Dated April 1
Rec'd. } 1874, No. 541.

Nos. 5-7.

Dindigul Army. The Budget Est.
of this Army for 1874-75 re-
-viewed & passed.

Revised & Passed
Sanctd.
Lee Warner
Offg. Secy.

Despatched

C 6/2 C 6/3
C 21/2 D 19/3
C 21/2 C 15/3
C 21-72
C 15/3