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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	1258	Press Mis.
169-110		169-110
Dated	10-6-	1875.

4/5

Not to be folded or roughly handled

Local Fund—Tolls.

No. 109. Read the following Proceedings of the Board of Revenue, dated 15th May 1875, No. 1300 :—

Read the following letter from J. H. GARSTIN, Esq., President of the Local Fund Boards and Municipalities, South Arcot, to H. E. STOKES, Esq., Acting Secretary to the Board of Revenue, dated Cuddalore, 17th March 1875, No. 28 :—

In accordance with the directions contained in G. O. of the 11th January 1875, No. 40, Financial Department, I have the honor to forward, herewith, copies of the resolutions passed by the Cuddalore Local Fund Board and the Commissioners of the Cuddalore Municipality, relative to the appropriation of tolls levied in Municipalities.

2. My own opinion is that the levying of tolls on traffic in a Local Fund Circle should be regarded as a whole, and that the proceeds of all such tolls within such limits should be devoted to the upkeep of the communications on which they are levied, including the roads within the limits of the towns outside which they are collected, whether those towns are Municipalities or not. If, however, a town is a Municipality it becomes entitled by law to levy its own tolls with the consent of Government at its Municipal limits, while the Local Fund Board of the Circle within which it is situated is similarly empowered by law to levy tolls just beyond the Municipal toll-gates, also with the consent of Government, and as it is evident that Government in the interests of the public would not permit two sets of toll-gates within a few yards of each other, it seems to me that, wherever a Municipality is established and proposes to levy tolls at its limits, the Government should decide whether those tolls should be levied by the Local Fund Board of the Circle or the Municipality, and in what proportions the proceeds should be divided between them.

3. The case of Chellumbrum is in point. The Commissioners wish to levy tolls from the 1st of April next. Now the roads within the town are very bad, though no worse than the Local Fund roads outside; and if additional funds are to be provided for improving the roads inside the town by tolling the traffic clearly the much longer stretches of road leading to the town deserve consideration also, and have a claim to a share of the tax, but if in consideration of the Municipality requiring the money for other purposes as well, the Government think fit to appropriate a certain percentage of the total receipts from tolls to the Municipality and the rest to the Local Fund Board, the arrangement would probably be satisfactory to all parties. The cost of collection if Municipal agency is employed to collect the tolls should be deducted from the receipts before the division of the balance is made. It must be borne in mind, however, that the northern limit of Chellumbrum Municipality and the southern one of Cuddalore are only about twenty-two miles apart.

4. The only tolls at present levied on traffic in any part of the district are those levied on carts entering the Cuddalore Municipal limits, and on the principle above set forth all the roads in the Circle converging on Cuddalore have a claim on those tolls for maintenance, and I therefore consider that the net amount of them should be credited to the Cuddalore Local Fund Board, and that they should make a contribution therefrom of such a sum annually as will keep all the roads over which traffic passes within Municipal limits in thorough repair, and such additional sum not exceeding, together with the repair grant, half or one-third of the whole of the net proceeds of the tolls as Government might determine.

ENCLOSURE No. 1.—Extract from Proceedings of Local Fund Board.

ENCLOSURE No. 2.—Extract from Proceedings of Municipality.

SUBMITTED for the orders of Government, with reference to G.O., Financial Department, dated 11th January 1875, No. 40.

2. The Local Fund Board of the Cuddalore Circle demand that the whole of the net proceeds of the Cuddalore Municipal tolls should be made over to them, the Municipality being paid a maintenance allowance for the upkeep of the roads which carry through traffic. The President would add such a sum as would make the whole share of the Municipality half or one-third of the net proceeds.

3. The Municipal Commissioners observe that the amount of through traffic is very small, and will probably disappear when the Railway is opened, and that the terminal traffic will probably diminish owing to the same cause. They earnestly deprecate any loss of revenue by transfer of any of the proceeds to the Local Funds.

4. The reasoning of the Commissioners regarding the effect of the Railway and their necessities is open to remarks similar to those made in the case of Coimbatore now before Government.* The Railway will probably draw increased traffic into the town. The Board, however, observe, with reference to the demand made by the Local Fund Board, that it seems to be assumed that Municipal tolls are like Local Fund tolls imposed solely for the upkeep of communications, and that it must not be forgotten that tolls are allowed as a source of revenue to Municipalities, in part at least, as being a convenient method of levying an octroi on articles for town consumption. The Board recommend that the Cuddalore Commissioners be required to pay over one-third of the net proceeds of existing tolls to the Local Fund Board from 1876-77.

* Board's Procs., 16th March 1875, No. 628.

5. With reference to G.O., Financial Department, dated 28th April 1874, No. 717, the question as regards the Chellumbrum Municipality need not be considered at present.

(A true Copy and Extract.)

(Signed) H. E. STOKES,
Acting Secretary.

Proceedings of the Madras Government, Financial Department,
10*th June* 1875.

No. 110. ORDER THEREON, 10th June 1875, No. 1258.
The Board's recommendation is approved and sanctioned.
(True Extract.)

Officiating Chief Secretary.

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

Exd. T. O'Connor.

Govt. of [1875] Madras.

FINANCIAL.

To THE BOARD OF REVENUE.

&c., &c.

Dated June, 10th.

Issued

Recd.

G.O., 10th June 1875, No. 1258.

JUNE.
Nos. 109-110.

Local Funds, Tolls.—The Revenue Board's recommendation that the Cuddalore Municipality be required to pay over one-third of the net proceeds of Tolls to the Local Fund Board from 1876-77, approved and sanctioned.

3 Rev. Bd. dated 15th May 1875

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No. 1,300.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 15th May 1875.

Read the following letter from J. H. GARSTIN, Esq., President of the Local Fund Boards and Municipalities, South Arcot, to H. E. STOKES, Esq., Acting Secretary to the Board of Revenue, dated Cuddalore, 17th March 1875, No. 28 :—

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2. My own opinion is that the levying of tolls on traffic in a Local Fund Circle should be regarded as a whole, and that the proceeds of all such tolls within such limits should be devoted to the upkeep of the communications on which they are levied, including the roads within the limits of the towns outside which they are collected, whether those towns are Municipalities or not. If, however, a town is a Municipality it becomes entitled by law to levy its own tolls with the consent of Government at its Municipal limits, while the Local Fund Board of the Circle within which it is situated is similarly empowered by law to levy tolls just beyond the Municipal toll-gates, also with the consent of Government, and as it is evident that Government in the interests of the public would not permit two sets of toll-gates within a few yards of each other, it seems to me that, wherever a Municipality is established and proposes to levy tolls at its limits, the Government should decide whether those tolls should be levied by the Local Fund Board of the Circle or the Municipality, and in what proportions the proceeds should be divided between them.

3. The case of Chellumbrum is in point. The Commissioners wish to levy tolls from the 1st of April next. Now the roads within the town are very bad, though no worse than the Local Fund roads outside; and if additional funds are to be provided for improving the roads inside the town by tolling the traffic clearly the much longer stretches of road leading to the town deserve consideration also, and have a claim to a share of the tax, but if in consideration of the Municipality requiring the money for other purposes, as well the Government think fit to appropriate a certain percentage of the total receipts from tolls to the Municipality and the rest to the Local Fund Board, the arrangement would probably be satisfactory to all parties. The cost of collection if Municipal agency is employed to collect the tolls should be deducted from the receipts before the division of the balance is made. It must be borne in mind, however, that the northern limit of Chellumbrum Municipality and the southern one of Cuddalore are only about twenty-two miles apart.

4. The only tolls at present levied on traffic in any part of the district are those levied on carts entering the Cuddalore Municipal limits, and on the principle above set forth all the roads in the Circle converging on Cuddalore have a claim on those tolls for maintenance, and I therefore consider that the net amount of them should be credited to the Cuddalore Local Fund Board, and that they should make a contribution therefrom of such a sum annually as will keep all the roads over which traffic passes within Municipal limits in thorough repair, and such additional sum not exceeding, together with the repair grant, half or one-third of the whole of the net proceeds of the tolls as Government might determine.

Enclosure No. 1.—Extract from Proceedings of Local Fund Board.

Enclosure No. 2.—Extract from Proceedings of Municipality.

Submitted for the orders of Government, with reference to G.O., Financial Department, dated 11th January 1875, No. 40.

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3. The Municipal Commissioners observe that the amount of through traffic is very small, and will probably disappear when the Railway is opened, and that the terminal traffic will probably diminish owing to the same cause. They earnestly deprecate any loss of revenue by transfer of any of the proceeds to the Local Funds.

4. The reasoning of the Commissioners regarding the effect of the Railway and their necessities is open to remarks similar to those made in the case of Coimbatore now before Government.* The Railway will probably draw increased traffic into the town. The Board, however, observe, with reference to the demand made by the Local Fund Board, that it seems to be assumed that Municipal tolls are like Local Fund tolls imposed solely for the upkeep of communications, and that it must not be forgotten that tolls are allowed as a source of revenue to Municipalities, in part at least, as being a convenient method of levying an octroi on articles for town consumption. The Board recommend that the Cuddalore Commissioners be required to pay over one-third of the net proceeds of existing tolls to the Local Fund Board from 1876-77.

* Board's Procs., 16th March 1875, No. 628.

5. With reference to G.O., Financial Department, dated 28th April 1874, No. 717, the question as regards the Chellumbrum Municipality need not be considered at present.

(A true Copy and Extract.)

Acting Secretary.

To the Officiating Chief Secretary to Government, Financial Department,
with two enclosures to be returned

,, the President of the Local Fund Boards, South Arcot District,
with copy of Board's Procs., dated 16th March 1875, No. 628.

Exd. J. Wright.

Board of Revenue,
MADRAS.
1875.

Proceedings, 15th May 1875, No. 1,300.

Received 19th May

MAY.
No. 1,300.

Tolls—levied in Municipalities.—Letter from President of South Arcot Local Fund Boards forwarding with his opinion resolutions of Cuddalore Circle Board and Municipal Commissioners relative to the appropriation of— submitted for orders of Government with remarks.—Recommendation made that Cuddalore Commissioners be required to pay over one-third of the net proceeds of existing tolls to the Local Fund Board from 1876-77.

Govt. of Madras.

1875

Financial

G.O., 10 June, 1875, No. 1258

Nos. 109, 10

Local Funds. Tolls. The Revenue Board's recommendation that the Cuddalore Municipality be required to pay over 1/3rd. of the net proceeds of tolls to the Local Fund Board from 1876-77, approved and sanctioned.

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