M.R.O. 1—77,006—8-6-37.

(1) Number of pages 8

(2) Date of repair 25-10-40

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 2030 Press / Mis.

130 A-12-B.

Dated 14-10- 1875.

5/6

Not to be folded or roughly handled

Municipal Taxes.

No. 130-A. Read the following letter from J. H. GARSTIN, Esq., President of the Municipal Commission, Cuddalore, to the Honorable D. F. CARMICHAEL, Officiating Chief Secretary to Government, Fort St. George, dated Cuddalore, 6th October 1875, No. 157:—

I have the honor, at the request of the Municipal Commissioners of Cuddalore, to request the attention of Government to the state of the existing Municipal law as contained in Section 65 of Madras Act III. of 1871, and as interpreted by the High Court.

2. The necessity for the reference has arisen out of the following circumstances. The gentleman who was acting for me as Collector during the months of July and August was, on his departure for his sub-division head-quarters, served with a demand for the tax on a carriage and horse possessed by him which he had used in the Municipal limits during the above two months. He repudiated his liability and quoted the High Court's Judgment in Regular Appeal No. 119 of 1873, Snaith *vs.* the President of the Dindigul Municipality. In that case Mr. Snaith went from Madura to Dindigul in February 1871, and again in February 1872 with his carriage and horses, and after residing at the latter place for more than a month on each occasion was called on to pay the Municipal tax for his conveyance and horses. He refused to pay and was sued by the President of the Municipal Commission of Dindigul for the tax for both periods—for the former under the old Municipal Act, and for the latter under the existing Act. The Madura Court found in the plaintiff's favor, but the High Court (Morgan, Chief Justice, and Holloway, Judge) reversed the judgment of the Lower Court on appeal, holding that under neither law could the claim of the plaintiff be allowed. The judgment of the High Court is to be found at pages 332 to 338 of the 7th vol. of the High Court Reports. The reasons why Mr. Snaith was not held to be liable are thus briefly summarised by Mr. Justice Holloway at the end of his judgment: "The defendant from the time at which he came to the place is exempt from the first liability" (*viz.*, to send in a statement to the Municipal Commissioners showing the carriages and horses possessed by him and to pay the tax on them) "which accrues at certain points of time only. He is exempt from the second" (*viz.*, as having become possessed between the first day of one official half-year and the first day of the next official half-year of the carriage and horses) "which depends on the acquisition of possession."

3. It seems therefore that the High Court have ruled that the law in respect of Municipal taxation on carriages and animals is as follows:—

The liability to send in a list of such vehicles and animals and to pay the tax at the same time only accrues on the 1st April and during the thirty days next ensuing, and on the 1st of October and the thirty days next ensuing. During those two periods of the year *only* are owners, and persons in charge of, animals and carriages, bound to send in the lists above mentioned and to pay the tax; so that if the owners of carriages and animals keep them outside the Municipal limits during those months they escape taxation altogether, while the owner of a carriage and pair of horses may enter a Municipality and reside therein with them in his

possession from the 2nd May to the 30th September, or from the 1st November to the 31st March, without incurring any liability to taxation on their account. If however he buys a carriage or horse during either of those periods and brings it into the Municipality he becomes liable to pay six months' tax for it on the 31st day after he so brings it in.

4. Mr. Justice Holloway in his judgment says that he is not at all insensible to the absurdities which may follow the only construction possible of the words of the section. The above illustrates, I believe, accurately the absurd way in which the law may be evaded, and I therefore beg strongly to urge on Government the consideration of the advisability of amending it and wording the 65th Section of the Act in such a manner as will prevent the possibility of such evasions.

No. 130-B. ORDER THEREON, 14th October 1875, No. 2030.

Referred to the Legislative Department.

(True Extract.)

Officiating Chief Secretary.

To the Legislative Department.

,, President of the Municipal Commission, Cuddalore.

Exd. T. O'Conner.

Govt. of {1875} Madras.

FINANCIAL.

To

THE LEGISLATIVE DEPARTMENT,

&c., &c., &c.

Dated October, 14th.

Issued

Recd. Encl. 1

G.O., 14th October 1875, No. 2030.

OCTOBER.
Nos. 130A-130B.

Municipal Taxes.—Letter from President of the Municipal Commission, Cuddalore, requesting attention of Government to the state of the existing Municipal Law as contained in Section 65 of Madras Act III. of 1871, and as interpreted by the High Court, and urging the consideration of the advisability of amending it, referred to the Legislative Department.

Amendment (1875) Defn
Municipl. Inspn

From The President of the
Municipal Commrs.
Cuddalore.

To The Chief Secretary
to Government.
Fort St. George.

No. 157

Dated 6th October 1875
Received 11th

No 2343.

Requesting the attention
of Govt. to the state of the
existing Municipal Laws
as contained in sec: 66 of
Madras Act III of 1871 as
interpreted the High Court &
urge the consideration of the
advisability of amending it
in such a manner as will
prevent the evasion of the Law.

With Orders.

Ord. 11th Oct. 1875 No 2030.

Referred to the Legislative Dept.
to be taken into consideration when the
Towns Improvement Act comes under re-
vision.

Omit as directed by Hon'ble Mr Hutchinson

To The Legislative Dept. 3
President, M. C. Cuddalore. desps 9/11/75

C 12/10.

W.T. 12.10.75

Govt. of 1874 Madras.

Judl

G.O., 11 Oct., 1874 No. 1020.

Nos. 130 A 130 B

Municipal Taxes - Letter from President Municipal Commr Cuddalore requesting attention of Govt to the state of the existing municipal law as contained in Section 65 of Madras Act III 1871 and as interpreted by the High Court and urging the

Consideration of the advisability of amending it, suspend to the Legislative Dept.