

MADRAS RECORD OFFICE.

Government of Madras.

Judicial DEPARTMENT.

G.O. No. 43

Press
Mis.

70-71

Dated 10 - 1 - 19 1865

Not to be folded or roughly handled

Proceedings of the Madras Government, Judicial Department,
10th January 1865.

No. 70. Read the following Proceedings of the Board of Revenue, dated 19th September 1864, No. 6164 :—

Read letter from G. A. BALLARD, Esq., Collector of Malabar, to W. HUDLESTON, Esq., Secretary to the Board of Revenue; dated Calicut, 2nd July 1864, No. 160.

1. About a year ago, when replying to the reference regarding Section 6, Act I of 1858, I had the honor of expressing my opinion that little towards forming and keeping up the communications of this Province could be effected by "village labour," and of observing that District funds must be raised. I suggested that this should be done by the imposition of a moderate, graduated, house-tax, assessed on all save the houses of the very poor. I have not been favored with any orders on the subject since, but I have given it some attention.

Vide Collector to Board, 4th August 1863, No. 163.

Vide Collector to Board, paragraph 16 to end.

2. That for the ordinary advancement of this District, much improved communications are required is as undeniable as that these cannot be had without money.

Government has declared that imperial funds will not be granted for District roads, and indeed the requirements of the imperial lines, in their present very imperfect condition, are likely fully to absorb all the funds that even liberal imperial grants will provide.

It becomes, therefore, the imperative duty of those entrusted with the administration of the District to devise for the provision of means for works, on which its progress so materially hinges.

We have an aggregate of about 1100 miles of District road that requires opening. A small portion of this is in tolerable order, but by far the largest portion may be said to require construction; and all, more or less, wants the requisite tunnels and bridges, now very partially and at intervals only constructed, completed throughout.

3. We shall be forming a very moderate estimate of our requirements, if we assume that Rupees 100, per mile, per annum, is wanted on these communications for the present, and, when by a judicious expenditure the roads included in this distance have been brought into fair order, the cost of the efficient up-keep and gradual extension will require a continuance of the supply.

Adding then occasional works, charges for superintendence, &c., we require about one lakh and twenty-five thousand Rupees per annum.

5. The returns from ferries, &c., may be taken at about Rupees 55,000 annually.

We have to provide about Rupees 75,000.

I beg respectfully, therefore, to urge on the Board's attention the remarks made in my letter above quoted on the subject of a house-tax, or, as I would now propose it, a house and shop tax.

6. I beg further to submit a Memorandum going more into detail, with a sketch of provisions for an Act, and a possible schedule of rates.

I do not advance the schedule of rates with any confidence, because I have not even approximate data on which to form an opinion as to how the houses, &c., of the District will fall in the proposed classification. I have not called for returns from the Taluqs, because I desire first to have the principle recognized by the Board and Government.

But as far as I can judge, I think that rates somewhere approaching those I propose will be found sufficient to raise the funds we require.

If further remark, or information on any particular point, is called for, I will do my best to submit it, with the least possible delay.

7. Or if I am directed to furnish statistics or local information, to enable the Board to judge whether any other method of raising District revenue, that may primarily commend itself to them as preferable to that I advocate, should be introduced, the Board's orders shall receive my best attention.

8. But I would respectfully urge that something should be done, and that speedily, for indeed it seems to me that a great duty is being neglected if we do not take early and active measures to improve the communications of this District.

ENCLOSURE No. 1.

Foundation for Act to raise District Road Funds.

All occupied dwelling houses, individually bearing a gross value of Rupees 50 or upwards, and all ware-houses, shops, and private premises, wherein any trade or business is carried on, individually bearing a gross value of Rupees 25 or upwards, shall be assessed to the District Road Fund as hereunder provided.

2. Such tenements shall be classified according to their gross value, as noted in the Schedule hereto attached, and assessed as therein entered and provided. Double the rates charged on dwelling houses, according to class, shall be charged on shops, ware-houses, and private premises where any trade or business is carried on. Provided that as long as the Income tax is in force, single rates only shall be levied on subjects assessed under this Act, when in the occupation of individuals assessed to the Income tax.

3. Where a tenement stands on ground assessed to the land tax, the value of the building only shall be taken into consideration for classification.

But where a tenement stands in a Court-yard, or other enclosure or ground, not assessed to the land tax, then the value of such enclosure, or of such portion of the ground as may be reasonably considered as attached to such tenement, shall be considered with the value of the building in fixing the class. Questions on these points shall be decided by the Collector, subject to the General Orders of the Board of Revenue.

4. The valuations shall be made by the ordinary revenue authorities.

Simple rules will be furnished for guidance of classifying officers, with forms of intimation of valuation and assessment (as hereafter provided) to rate payers, and directions for appeals, realization of dues, &c. &c.

5. Where particular circumstances seem to require it, the rates may be modified in special cases by the Collector, under the General Orders of the Board of Revenue; provided that in no case the above rates be exceeded.

(Signed) G. A. BALLARD,
Collector.

SCHEDULE.

Class.	Valuation.	Annual Assessment.	Class.	Valuation.	Annual assessment.
	Below.	RS. A.		Below.	RS. A.
1	100	0 4	26	4,300	10 12
2	200	0 8	27	4,600	11 8
3	300	0 12	28	4,900	12 4
4	400	1 0	29	5,200	13 0
5	500	1 4	30	5,500	13 12
6	600	1 8	31	5,800	14 8
7	700	1 12	32	6,100	15 4
8	800	2 0	33	6,400	16 0
9	900	2 4	34	6,800	17 0
10	1,000	2 8	35	7,200	18 0
11	1,200	3 0	36	7,600	19 0
12	1,400	3 8	37	8,000	20 0
13	1,600	4 0	38	8,400	21 0
14	1,800	4 8	39	8,800	22 0
15	2,000	5 0	40	9,400	23 8
16	2,200	5 8	41	10,000	25 0
17	2,400	6 0	42	11,000	27 0
18	2,600	6 8	43	12,000	29 0
19	2,800	7 0	44	13,000	32 0
20	3,000	7 8	45	14,000	35 0
21	3,200	8 0	Above 14,000 Rs, each additional Rs. 1,000, or fraction of Rs. 1,000, to form a progressively higher class; each higher class an additional Rs. 5, annual assessment.		
22	3,400	8 8			
23	3,600	9 0			
24	3,800	9 8			
25	4,000	10 0			

N.B.—Dwelling houses below Rupees 50 not assessed.

Shops, &c., below Rupees 25 not assessed.

Do. &c., above do. 25, double the above rates according to class; saving the proviso entered in paragraph 2 of the draft.

REMARKS.

We must raise some further funds, or the District communications, instead of improving as it is very necessary they should do, will deteriorate as in many cases they are doing.

2. Extra tolls, if imposed, must be sparingly resorted to, and if imposed at all should only be so at particular bridges, ghats, &c.

A wheel tax would be insignificant in its results and injurious in its influence.

The same objections attach to a cattle tax.

An extra cess on the land, if calculated on the average throughout, would fall unevenly; would be almost impossible to calculate from the want of accurate measurements; and would be unpopular and out of accordance with the feelings of the people. If calculated on the land revenue, would fall unevenly, as the land assessments though not generally high, are uneven in their incidence, and of course any cess calculated on them would partake of this irregularity. Moreover, the agriculturists bear the principal direct taxation already. It is very desirable in further taxation to include the non-agriculturists directly.

3. I think a house and shop tax presents a juster and readier method of raising funds than any other scheme. It is not unknown to the people. It formed a large and the least objectionable portion of the Mortarfa. No general criterion of a man's substance is exact in all cases; but, taking the whole population, agricultural and non-agricultural, his house is as fair a criterion as any we can get, without laborious inquiry of an individual's means. It is true, a poor man may occupy a large house, or more frequently a very thriving business may be carried on on very insignificant premises. Several of my Native friends, whom I have consulted, have insisted a good deal upon this; but these seem to me inequalities that no system of taxation can avoid.

4. If we admit as a general principle (instead of as quite an exceptional case), that the means of occupants of houses, or the returns of trade in shops, &c., are to be considered in fixing the rate of cess, we may collect a little more money, and theoretically may have a more perfect system; but, per contra, we lose as it were our land mark, we drift into uncertainty, and open a wide door for corrupt influence and evasions, we lose in fact far more than we gain.

5. Taking the simple value of a house or a shop alone as our standard, with plain rules laid down and generally published, there is little room for evasion of the tax on the one hand, or for exaction on the other. There is great facility for checking attempts at either.

6. The rates I have proposed would range from under 3 per cent. in the lower classes, to about 5 per cent. in the higher classes, on such portion of the annual incomes of the payers as the assessed subjects represent. These rates cannot be looked on as burdensome, for of course they are far from representing such percentages on the whole amount of the payer's income.

7. The imposition of a house and shop tax in no way runs counter to any popular prejudice, except the universal one of antipathy to taxation in general.

It violates no provincial prejudice or custom. I speak confidently, and after conversation with various classes in different parts of the District, when I say it would be more palatable than most others would be.

When it is known that its proceeds are scrupulously devoted to the District, and felt that they are benefiting it, the tax must commend itself to all, as it now does to many, who can look beyond the aversion which any taxation tends to excite.

8. I end as I began, we must raise money. If there is a better plan, let it be adopted, if not let us act on this one.

(Signed) G. A. BALLARD,
Collector.

1. The Board observe that the Collector's letter, referred to in paragraph 1 of his present letter, was transferred to the Secretary to Government, Department Public Works, to whom it should have been addressed.

2. The Board recognize the exigency of the case which Mr. Ballard submits; but until the Government decide on the general question of whether local taxes shall be levied for local public works, it seems useless for the Board to discuss details. The Board however see no objection, in principle, to the introduction of a House and Shop tax for purely local purposes.

3. The papers will be submitted for the consideration of Government.

(A true Copy and Extract).

(Signed) W. HUDLESTON,
Secretary.

To Major J. H. M. Shaw Stewart, R. E., Deputy Secretary to Government, P. W. D.,
with enclosures.

Referred to the Revenue Department, with reference to Public Works Proceedings, No. 2675, dated 14th September 1864.

CHEPAUK, (Signed) J. SHAW STEWART, Major, R. E.,
22nd September 1864. Dy. Secy. to Govt. P. W. D.

Transferred to the Judicial Department.

30th September 1864.

(Signed) J. D. SIM,
Secretary to Government.

No. 71. ORDER THEREON, 10th January 1865, No. 43.

The subject of the Collector's letter will be considered in the Legislative Department, in connection with the Bill for the establishment of Municipal Police in Towns which the Inspector General of Police has been directed to revise, and which is to include certain provisions for enabling the inhabitants of towns to raise funds, for the maintenance of roads, and other public purposes. Under present circumstances, the Governor in Council is not prepared to establish a separate tax for the maintenance of roads, except in localities very exceptionally situated, such as Wynaad, &c.

(True Extract.)

Chief Secretary.

To the Legislative Department.

„ Revenue do.
„ Public Works do.
„ Inspector General of Madras Police.

Exd. J. H. B.

Judicial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following
Proceedings of the Board of
Revenue.

(Here enter 19th Sept 1864 No 610.)

Order thereon 10th January 1865 No 43.

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To the Legislative Department
— Revenue 22 11-7
— Public Works 12 11-7
— Col of Marine Police 10 11-7

8,98 1865. Department.

No. 43.

PROCEEDINGS of GOVERNMENT.

Dated 10. 1865.

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