L. & M.
2,000-1-3-98.

Local & Munl. (1898) Department.

MISCELLANEOUS.

G.O., No. 843. M

DATED 2-3-98.

INDEXED.

DESPATCHED

[Despatch Abstract.]

Taxes

Passing orders on the report on the collection of arrears of ——, submitted by the Masulipatam Municipal Council.

1
Ex 63/98

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

[L. & M.]
300 -16-2-98.

LOCAL AND MUNICIPAL DEPARTMENT.

Papers to be read in Proceedings:—

Again G.O., No. dated 189 ,
Again G.O., No. dated 189 ,
Current No. 1143.2 of 1898, dated 17. 3. 1898, from the Chairman m.c. Masulipatam.
" " " 189 , " , "
" " " 189 , " , "

Secy.

mis. ORDER. No. 843 M Mis dt 2/5/98.

In the circumstances stated in the chairman's report and the Collector's endorsement, the time allowed fixed for the collection of the arrears of taxes in para 3 (2) of G.O. No. 1940 M. dated 6th Augt 1897 will be extended to the end of April of 1898, soon after which a report showing the progress made should be submitted through the Collector

2 With reference to para. 5(b) & (8) of the Chairman's letter, it is observed that market rents charged under Sec. 194(1) of the Act and private scavenging fees are recoverable under the provisions of Section 269

as taxes due to the Municipal Council under the Act.

PR
25/4/98

HT
28 4 98

To

The Chairman Municipal Masulipatam

Thro' the Coll. of Kistna.

dept 3/5/98

Local & Munl. (1898) Department.

N. Disposal

Forwarded.

The report shows that there has been great negligence on the part of the Municipal Staff in the past and an entire want of supervision on the part of the Manager.

I am given to understand that the chairman has had ~~Order.~~ much trouble in causing the bill-collectors to execute warrants. They had got into the habit of regarding a warrant as a species of demand and never dreamt of making any attachments and on one occasion quite recently one absolutely refused to take possession of any property. The chairman appears now to have got over this difficulty, and I recommend in the circumstances that the Council be given time until the end of April to collect the old arrears.

Kistna Collectorate
Masulipatam
Dated 21st March 1898

for Acting Collector

CURRENT No. 1143 M.

RECEIVED TO GOVT 22 MAR 9

From

M R Ry
P. Venkatappayya Pantulu Garu B.A.
Chairman, Municipal Council
Masulipatam
Through the Collector, Kistna

No. 1520

Dated 17. 3. 98

CHAIRMAN'S OFFICE RECEIVED 19. MAR. 1898 MASULIPATAM.

Received

Registered

Enclosures one.

Spare copies

SUBJECT.

Arrears of taxes

Submitting report on the Collection of the ——— in the Masulipatam Municipality

Concd
22.3.98.

HT 16/4 22/4/98

HR 20/3/98

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Extract from the audit notes on the Masulipatam Municipal accounts for 1896-97.

Balances

Many thousands of bills remain uncollected. They were outstanding since 1890-91. The accumulation of balances (though greatly due to incorrect assessment in some cases at the first instance and the laxity in collection year after year) could have been avoided if lists of irrecoverable items with reasons for their being held as such, were prepared at the close of each year and carefully scrutinized by ward Councillors and written off by the Council as is done in all other Municipalities. The last write off was at the close of 1893-94 and

1143 M of 98

it related to the years 1890-91, 1891-92 and 1892-93. The above write off was partial. Many items of those years still remain undisposed of as also items appertaining to 1893-94 and following years up to date. From the remarks in the arrears lists it would seem that (1) the original assessments were incorrect in a few cases (2) no notices were served in some and (3) taxes were found irrecoverable in others by reason of the parties concerned having no property or having died years ago. The above remarks are with reference to lists verified by the ward Councillor Mr. Narayanaswamy Naidu Garu and marked as irrecoverable in many cases. Besides, under Sec. 269 (a) of the revised act, no further action, it would seem, can now be taken in respect of the few items which might perhaps be still considered recoverable of the arrears up to 93/ inclusive, the three years prescribed in that section having long since escpired. Under the circumstances the arrears appertaining to 1893-94 and previous years might without further delay be written off the accounts as recommended by Mr. J.F. Bryant (Ex-officio chairman) in his memo dated 21st January 1898. Similarly the items of 1894-95 as may be found irrecoverable before the end of March this year might at an early date, be written off together with such of them of 95/96 and 96/97 as might be considered not realizable either on ground of incorrect assessment or by reason of their being found irrecoverable for various reasons.

(True extract)

Camp Bunder } (Sd.) P. Rajagopaul Moodly

(Free extract)

P. Venkatachetty

Chairman
Mle
Masulipatam

No. 1520

Municipal office
Masulipatam
17th March 1898
Despatched 18.3.98

From LOCAL & MUNICIPAL DEPT.
IN REPLY CURRENT No. 1143 M

P. Venkatappayya Pantulu Garu
B. A.
Chairman, Municipal Council
Masulipatam

To,

The Secretary to Government
Local and Municipal Department
Madras

Through the Collector, Bistna.

Sir,

With reference to sub paragraph (2) under paragraph 3 of G.O. No. 1940 M. dated 6th September 1897, I have the honor to submit the following report with regard to the Collection of arrears in the Municipality of Masulipatam.

2. The said G.O. was received in the Municipal office on the 3rd October 1897. This report was to have been submitted after four months from that date, that is, early in February.

If not, however, thought desirable to forward the Return to get the old arrears which became irrecoverable under Sec. 269 of owing to lapse of time, written off with the sanction of the Municipal Council. The explanation of the Clerk and the Chairman of the meeting by the Council that Rs 1123 was realised on the 2d ult. Returned by Clerk. Steps has been taken further steps in this explanation of this Refund, and that to due among other things to the fact of the Municipality prosecution of Sc. It account having been auditing the accounts of this Municipality up to 1897 and the office having been in arrear in posting him. Register the date.

3. The following statement shows the arrears recoverable by the end of the official year 1897-98, the Collectors and the amount written off by the Council at the Meeting held on the 2d ult. and the balances still recoverable under the various taxes.

Statement III B- Arrears Demand Collection and Balance Statement of the Masulipatam Municipality for the official year 1897-98 up to end of February 1898.

	Tax	Balance of old demand	Arrears of the official year 96-97	Total demand	Collected during the official year 1897-98 upto end of Feby 98.	Remitted by the Council on appeal	Written off	Balance (Column 4 minus Columns 5, 6 & 7	years to which the balance relates.
	1	2	3	4	5	6	7	8	
1	Tax on arts &c.	3461 - -	2570 - -	6031 - -	1383 3 3	19 - -	953 - -	3675 12 9	1894-95, 95-96 and 96-97
2	Tax on buildings	3107 5 3	3113 13 2	6221 2 5	2763 13 3	- - -	869 1 9	2588 3 5	Do
3	Tax on lands	1918 14 9	1606 13 1	3525 11 10	749 10 10	15 - -	805 15 2	1955 1 10	Do
4	Water tax on buildings + lands	832 - 9	858 14 7	1690 15 4	654 6 6	3 - -	177 8 5	856 0 5	Do
5	Tolls (gross receipts)	320 12 2	- - -	320 12 2	- - -	- - -	- - -	320 12 2	1894-95
6	Market rents	179 8 -	1390 5 6	1569 13 6	446 1 6	- - -	- - -	1123 12 -	1895-96, 1896-97
7	Slaughter house fees	- - -	- - -	- - -	- - -	- - -	- - -	- - -	
8	Rent of cart stand	175 4 3	- - -	175 4 3	- - -	- - -	- - -	175 4 3	1894-95
9	Private Scavenging fees	42 5 -	53 14 -	96 3 -	22 15 -	- - -	- - -	73 4 -	1893-94, 1894-95, 95-96, 96-97
10	Rent of lands	- - -	- - -	- - -	- - -	- - -	- - -	- - -	
11	Rent of buildings	45 - -	15 - -	60 - -	15 - -	- - -	- - -	45 - -	1894-95
12	Cesspool-fees.	33 12 -	18 - -	51 12 -	18 - -	- - -	- - -	33 12 -	1894-95 and 1895-96
13	Water supply to private individuals.	76 2 7	- - -	76 2 7	- - -	- - -	- - -	76 2 7	1891-92, 1892-93
	Total	10192 - 9	9626 12 4	19818 13 1	6053 2 4	37 - -	2805 9 4	10923 1 5	

6053-2-4
37-- -
2805-9-4
10923-1-5
19818-13-1

Arrears have been written off as yet only on the principle of time, and hence the writing off has been made only up to the end of the official year 1893-94, render the more important taxes. Private Scavenging fees of 1893-94 being Rs. 14-10-0 and fees relating to water supply for 1891-92 and 1892-93 being Rs. 76-2-7 have been added included among the items written off. They will however be taken up along with other irrecoverable arrears which will be written off shortly by the Council.

4. We alone balances as per Column 8 of the above statement also shown below together the various years to which they relate.

Tax	1894-95 1st half year	1894-95 2nd half year	1895-96	1896-97	Total	Remarks
1	2	3	4	5	6	7
1 Tax on arts &c.	411 12 9	576 8 "	1086 " "	1661 8 "	3675 12 9	✓
2 Tax on buildings	241 5 8	266 2 5	967 4 2	1113 7 2	2588 3 5	✓
3 Tax on lands	203 " "	204 1 5	482 7 10	1065 8 7	1955 1 10	✓
4 water tax on buildings & lands	90 9 4	92 8 7	292 2 8	380 11 10	856 " 5	✓
5 Tolls (gross receipts)	" " "	320 12 2	" " "	" " "	320 12 2	✓
6 Market rents	" " "	" " "	153 2 "	1070 10 "	1123 12 "	✓
7 Slaughter house fees	" " "	" " "	" " "	" " "	" " "	
8 Rent of cart stand	" " "	175 4 3	" " "	" " "	175 4 3	✓
9 Private Scavenging fees	2 1 "	3 9 "	22 1 "	30 15 "	58 10 "	✓
10 Rent of lands	" " "	" " "	" " "	" " "	14 10 "	✓ for 1893-94.
11 Rent of buildings	45 " "	" " "	" " "	" " "	45 " "	✓
12 Cesspool-fees	" " "	12 "	33 " "	" " "	33 12 "	✓
13 water supply to private individuals	" " "	" " "	" " "	" " "	76 2 7	for 1891-92, 1892-93

The arrears as per column 2 in the above statement might have been also written off as they were time-barred by the end of September 1897, but they were allowed to lie over with the view that the arrears of the whole year 1894-95 might be disposed of at the same time, at the end of March 1898, by which time the arrears of the second half year also will be time-barred, efforts being made in the meantime to recover as much as possible.

5. I beg to offer a few remarks with regard to the arrears under the various heads, shown in the statements in paragraph 3 and 4.

(1) Tax on arts &c. No bills remain unserved. Warrants have been issued, and one Bill Collector (a missionee Inspector specially engaged on Collection duty) has been attending to this business.

He is also helped by a peon when ne
A perusal of the reports made by h
on the warrants returned shows
Some defaulters have died, some h
left the town, or given up trade,
property belonging to them is not
forthcoming, and so forth. This
Collector is also making distrain
as far as possible, and the prope
distrained is being sold.

(2). Tax on buildings.

The Superintende
of toll-gates has in addition to his
ordinary duties been specially entrus
with the work of collecting the arrea
under this head. I believe that he
has been exerting himself to collect
as much as possible. Bills have been
served and warrants issued. Effo
are still being made to make as
collection as possible.

(3) Tax on Lands.

I regret to say tha

the work of Collection has not advanced much in respect of this tax. One reason is that the demand is made up of thousands of small bills amounting in the majority of cases each to a few annas, and even a few pies, and the work of distributing bills and executing warrants is owing to the very number of the cases involved, naturally very tardy. When making inquiry into the question of arrears on or about 6th January I came to know that as many as 16 bill books relating to the arrears of land tax for the year 1896-97 remained in the office, without the bills therein contained having been served on the persons concerned. I also found that no warrants had been issued in cases in which bills had been served and payment not made. The task of issuing the said bills and issuing the said warrants, without retirement to the collection of the

This is reprehensible.

revenues of the current year seemed to me to be exceedingly difficult; but hoping that something might be done, I ordered all the unserved bills to be served and warrants to be issued and executed in cases in which Sec. 269 A did not make it objectionable. This work was given partly to a nuisance Inspector specially employed on this duty from 15th November 97, and to the bill Collectors of the Municipality.

(4) Water tax on buildings and lands

Some remarks as in the case of tax on buildings and tax on lands

(5) Tolls and Cart-stand fees. The contractor who owed the money died some time ago and no moveable property of his could be traced; but the Council came to know that some Court decrees &c stood in his favor. The Council therefore

have filed a civil suit with a view to realize the arrears by attaching these decrees. But I do not think that any substantial amount will be collected.

(6) Market rents The balance still due under this head Rs. 1123-12-0 Consists of 824-12-0 the monthly rents due on certain tiled sheds or godowns belonging to the Municipality and of Rs. 299-0-0 the monthly rents on open spaces in the market occupied by petty dealers, and kept open or enclosed and covered with temporary structures of tatties, made by the renters themselves. Before I took charge in the middle of December the only thing done to recover these arrears was to issue bills to some of the defaulters. Of course Market-fee Collectors and the Market Inspector were understood to be going round to collect as much as possible. When I thought of taking

coercive measures under the act, I met with a difficulty under Sec. 26 viz that I could not treat the rent on the buildings demised under Sec. 17 as taxes recoverable under the act. After some consideration, I thought the proper course to follow would be to issue warrants of distraint for the rents on open spaces, treating them as market-fees and to reserve the recovery of rents on godowns to be made by civil suits, where that course was found advisable under all the circumstances of each particular case. I have accordingly issued warrants for the rents due for the open spaces in cases in which the service of the bills and other essential preliminaries were tolerably established, but the result has not been very satisfactory, as

many renters have ceased to trade, and no property of theirs has been detected. I may mention here that in addition to the recoveries shown in the statements above given, Rs. 71-6-0 has been recovered during the current month under this head. As regards the rents on godowns inquiries made by me tend to show that in most cases they are not recoverable and I am trying to place before the Council, if possible, a list of those cases in which civil suits may be advisable, for sanction for the institution of the same. In several cases both of godowns and open spaces, there have been abandonments, and relinquishments, but the demand covers the whole rent due till the end of 1896-97. It is necessary to know what exactly the terms of the occupation were, but there are

no written agreements taken and nothing else in the office records to show whether the occupation is for the whole year or terminable on notice. This circumstance will substantially affect the position of the Council in a civil suit. As markets have been leased out by auction to a contractor for the ensuing year 1898-99 there is no possibility of a recurrence of such disorder for that year.

(7) Slaughter-house fees.

No remarks necessary.

(8) Private Scavenging fees.

Coercive measures cannot be taken (vide G. O. No. 1647-M dated 5th Decr 1889); civil suits are not desirable, because the amounts are small, and many of the defaulters, I hear, have left the town. The amounts will have to be written off

(9) Rents of Lands.

No remarks necessary.

(10) Rent of buildings. Rs 165 are due from the District Medical and Sanitary officer, Thistava, as rent of the Police Hospital building for April, May & June/94 ~~209~~ IV. A letter has been written to that officer for the transmission of the amount without further delay.

(11) Cesspool fees. The arrears remaining under this head are Rs 33-12-0. These are irrecoverable as the cesspools were closed and the houses to which these cesspools attached have been vacated.

(12) Water supply to private parties.

This will have to be written off as time-barred. The arrears appertain to the years 1891-92 and 1892-93.

6. I venture to think that the accumulation of arrears is due not entirely to lascity in collection, but in some measure to an excessive assessment and to the fact of irrecoverable arrears not being regularly written off year after year. The lascity in the collection

arose, as disclosed in the enquiry that I made, from coercive measures being usually avoided, and the practice gaining ground of the tax Collectors simply going round with bills and warrants in their hands, and collecting day after day as much as they could get from the rate-payers by their voluntary payment. The tax Collectors admitted this to have been the fact. I also came to know that not only bills were not served in numerous cases especially of land-tax, but in the case of many bills served the proof of service was not adequate, so that in case of opposition by civil suit or otherwise, the Municipality IV could not might show IV a justification for taking further coercive steps. I found that under these circumstances warrants of distraint could not

be issued in every case, and I directed warrants to issue, as far as possible, only in those cases in which proof of service was at least tolerably satisfactory. I found further that numerous bundles of warrants issued by my predecessors remained unexecuted and I have ordered that these should be executed whenever possible. I have issued instructions in writing to the bill-Collectors and office clerks as to how bills should be served and warrants should be executed, so that Collection might be made with facility and the provisions of the Act on that behalf might be utilized effectually as much as possible. But when the work of Collecting the arrears on these lines had to be added to the work of Collecting the current year's revenue, the work on the whole

5

became rather too much for the bill Collectors, and that is also a reason why the work has not proceeded very rapidly, though the staff has been strengthened by the addition of two temporary bill-Collectors and three peons. I also had to employ temporarily two clerks on Rs. 10 and 7 respectively for a month to prepare bills and warrants at the office. It appears to me necessary however to employ three or four additional hands for another month or so until the work of these arrears is brought to some kind of termination. The course that I have been trying to follow has been to issue bills in all cases in which they were not served, to issue warrants in all cases where the necessary preliminaries of the Act have been sh-

to be complied with, to collect as much as possible, to get reports of bill Collectors as to irrecoverability of the taxes which are not recovered, to have those reports checked by Councillors as to their veracity and to get the irrecoverable arrears written off with the sanction of the Council, and thus to get a clear balance sheet. This work would naturally take some time, and more especially as it has to be done as far as possible, in such a way as not to meddle with the Collection of the current revenue.

7. The Municipal Council, took these things into Consideration in its meeting of 28th and while directing the time-barred arrears to be written off resolved to request the Government to be pleased to extend the time for the collection of the arrears till the end of April next. The resolution is as follows:-

(3) "Read chairman's memo requesting to write off the arrears outstanding for more than three years.

Read also extract from the audit notes of the Municipal accounts for 1896-97 from the Assistant Inspector of L. G. accounts on the same subject.

Resolved to write off all the arrears which are more than 3 years old as per lists now read to the Council viz:

	1890-91.	1891-92.	1892-93	1893-94	Total
Profession tax	3-0-0	14-0-0	175-0-0	761-0-0	953-0-0
House tax	1-11-0	94-6-1	231-12-6	541-4-2	869-14-9
water tax	"	"	"	177-8-5	177-8-5
Land tax	30-9-11	114-5-10	314-6-3	346-9-2	805-11-2
					2805-9-4

A report is to be submitted to Government reporting on the state of collection of arrears and asking for an extension till the end of April."

8. In conclusion I request that the extension applied for may be granted. I beg to state however that there does not seem to exist much hope of a large proportion of the outstanding arrears being collected. The Council will make their last endeavours and collect as much as possible. A satisfactory report of irrecoverable arrears, it is hoped, will be ready in a short time; and that when those arrears are written off, the obstruction that is now caused to the rapid recovery of current taxes will cease to exist, and a better state of things will prevail. I might here beg leave to point out that the arrears now outstanding under all heads taken together, are but a small fraction being 5 percent of the demand for the years they relate to viz 1894-95, 1895-96 and 1896-97.

9. I herewith submit a copy of an extract from the audit notes sent to me by the Assistant Inspector of L. F. accounts, as it throws some light on the subject in hand.

I have the honor to be,
Sir,
Your most obedient Servant

P. Venkatappayya.
Chairman
M.C
Masulipatam.

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