M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 684 Press / Mis.

433-434

Dated 23-3-1864.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 23rd March 1861.

No. 433. Read the following Despatch from the Right Honorable Sir C. WOOD, Bart., Secretary of State for India (Financial Department), to His Excellency the Honorable the Governor in Council, Fort Saint George, dated India Office, London, 16th February 1861, No. 15:—

SIR,

1. I forward, in the Packet, copy of a letter from Mr. Stuart, Chief Manager of the Oriental Bank Corporation, transmitting copy of a Memorandum, issued by your Government, requiring the Agent of that Corporation at Madras to make a return, for the purposes of Income Tax, of the constituents of the Oriental Bank Corporation who have Deposit Accounts at that Agency.

2. The requisition referred to appears to H. M.'s Government to be open to serious objection. It is at variance with the practice which prevails at present in this country, and is stated by the Oriental Bank, to be contrary to the course pursued by the Governments of India and Bombay, and I th[illegible]re desire that it may be withdrawn.

From C. J. F. STUART, Esq., Chief Manager, to J. COSMO MELVILL, Esq., India Office, dated London, 23rd January 1861.

SIR,

1. Our Madras Agent has handed us copy of a Memorandum issued there by the local Government requiring him to make a return for the purposes of the Income Tax, of all the constituents who have Deposit Accounts with the Corporation at that Agency.

2. As such a return has never been required from Bankers or other Establishments taking deposits in this country, and as it appears most inquisitorial and calculated to strike at the root of that confidence which has always existed between them and their constituents, and to produce the greatest dissatisfaction, I venture to inquire whether this proceeding, on the part of the Madras Government, has been authorized by the Secretary of State for India in Council, especially as no similar demand has been made at either of the other Presidencies.

3. I annex for your information a copy of the Memorandum in question, and have the honor to remain.

MEMORANDUM.

You are to return under Form 9, all accounts of constituents when money has been deposited with you for a period not less than six months, or has remained at credit for a period not less than six months without operation thereon. No other accounts of this nature need be returned.

In cases when the parties are resident out of India, you will make the return at the time that you periodically credit the interest in your Account Current and pay the tax at 4 per cent., upon demand being made for it.

When the parties are residing in India you will merely make a return of the name and residence of the constituent, and of the amount of the income liable to be assessed, and leave the party so liable to pay the tax himself. The return to be made when the interest is allowed

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No. 434. ORDER THEREON, 23rd March 1861, No. 684.

Ordered to be communicated to the Income Tax Commissioners for their information and guidance.

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

Revenue Dept.

No. 684

Proceedings of the Madras Government

Under date the 23d March 1867.

Read the following Despatch from the Right Honble the Secretary of State for India in the Financial Dept.

Forwards copy of a letter from the Chief Manager of the Oriental Bank Corporation; observes that the requisition made by this Govt on the Agent of that Corporation at Madras for a return of their constituents for the purposes of Income Tax is open to objection, and desires that it may be withdrawn.

(Here enter 16th Feby 61 No. 15)

Ordered to be communicated to the Income Tax Commissioners for their information and guidance.

13 Copies
Income Tax Commissioners
13 do. Board of Revenue

Disp. 25
Lr. Immediate

Order on Fort St. Geo. Cy
16th Feby 1861 No 15

Revenue 1861 Departt
Pro: of Govt for March
No 684.

Pro: of the Madras
Government.

Dy 23 March 1861.

Home Despatch desiring that the requisition made by this Govt on the Agent of the Oriental Bank Corporation at Madras to make a return of constituents of that Corporation for the purposes of Income tax may be withdrawn, Communicated to the Income Tax Commissioners.

No 433 & 434.

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