M.R.O. 14—10,000—21-4-22

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. ~~167~~ 467 Press ~~Mis.~~

32.34

Dated 3 3 1862.

Not to be folded or roughly handled

M.R.O. 14—13,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 666-667 Press / Mis.

Dated August 19 1862

Not to be folded or roughly handled

Bellary Collector's Office
the 23d August 1852

No 40

From J. Thackeray Esqre
Collector of Bellary

To,
The Honble. F. Pyeroft,
Chief Secretary to Government
Fort St. George

Sir.

With reference to the Order
appointing me Sub Collector
and Joint Magistrate of Bellary
which appeared in the Fort St. George
Gazette, dated 12th instant, I have
the honor to inform you, that I have
assumed charge of the Sub Division on the
15th instant.

I have the honor &c
Sir,
Your Most Obedient
J. Thackeray
Collector

No 152

Sir

The Collector of Galle

in forwarding with reference
to his letter of the 23d of last month
that he need not have reported
= not to have the circumstance
of Mr Reid having resumed
charge of the Sub Division
on the 15th inst.

30 Aug 62

Pro: of Govt for Augt
Rev=
for Department
Pro: No. 2465.
Recd
The Collector of
Galle
&
The Chief Secretary to Govt
Incl 5 Papers

Dated 23
Recd 25 } August 1862
Rec 29th.

No 40

Respecting that Mr
Reid assumed charge
of the Sub Division on
the 15th inst.

Miscl 4668/62

William Orde

Proceedings of the Madras Government, Revenue Department, 3rd March 1862.

No. 32. Read the following letter from W. ARBUTHNOT, Esq., Chairman Chamber of Commerce, to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 2nd December 1861.

SIR,

1. The Chamber of Commerce has recently been engaged in a correspondence with the Board of Revenue on the subject of the new Stamp Rules as published in a notification dated 14th August last, under the signature of the Superintendent of Stamps.

2. The Chamber is well aware that the Government in a matter of this kind can have no other object in view than to consult the convenience of the community as far as possible with a due regard to the security of the Revenue. It is in the hope of procuring a more early amendment of the existing rules that the Chamber now addresses the Government direct, in lieu of prolonging its correspondence with the Board, and also because the retention of the counter-stamp is stated by the Board "to have been insisted on by the Government for the greater security of the Revenue." I may here observe that it was not so much to the counter stamp itself as to its impressment at a distant Office, and to the delay thereby involved, that the Chamber took exception. It seems unnecessary for me to go over the ground already traversed as in the Proceedings of the Board of Revenue, No. 6,364, of which I have the honor to forward herewith a copy, the views of the Chamber are I think set forth with sufficient distinctness, and I may sum them up in these words—"Let the practice be assimilated to that of Calcutta as shown in Mr. Wood's letter." Every thing for which the Chamber has contended is there conceded, without, it is reasonable to presume, any infraction of the Law on the part of the executive, and without danger to the security of the Revenue.

3. It is however necessary that I should notice very briefly some of the observations of the Board in its Proceedings, dated 18th November, above referred to.

4. The observations in question are divided into 10 paragraphs, but they appear to have reference to only two points.

1st. The determination of the Board not to permit plain paper to be stamped at the Head Stamp Office. The paragraphs which relate to this are 4, 6 and part of 9.

2nd. The rules of the Board as to the endorsement by Vendors on stamped paper supplied by them.

5. The Act itself in Section 21 is explicit on this last point, and the Board is merely carrying it out.

6. To revert therefore to the first division of the subject.

7. Paragraph 4. The Chamber dissents altogether from the Board's Statement that "the Law does not contemplate the stamping of private documents except under penalty."

8. On the contrary, the Law by Sections 12 and 13 contemplates the infliction of penalty *only* when Deeds or Documents are executed upon unstamped or insufficiently stamped paper, and nowhere throughout the Act can a single clause be found which is capable of being construed as interdicting the stamping of private blank materials by Government.

9. Paragraph 6. The opinion expressed in the first line and a half of this paragraph is correct, and has never so far as the Chamber is aware, been disputed. The remainder of the paragraph is based, I venture to submit, upon a misconception of the Act. The Chamber cannot admit the correctness of the proposition there put forward, that stamped paper *shall* be supplied to the public through the licensed Vendors *only*.

10. On the contrary the Chamber affirms, and the Calcutta and Bombay Stamp Offices by their practice attest, that so far as the Act is concerned, the Stamp Collector may under Section 19, stamp any plain paper presented to him, so long as the money is paid for it.

11. Section 19 clearly contemplates the existence of two classes of Stamp Offices, firstly, the Head Stamp Officer, who stamps all papers presented to him, settles penalties on insufficiently stamped ones, and issues Stamps to the 2nd class, viz., licensed Vendors, who are to be distri-

buted as in England throughout the country or District, and who only sell the Stamps issued to them.

12. By the introduction of paper of suitable sizes and qualities some of the objections previously urged by the Chamber have been removed.

13. The "endorsement" however still remains, and there are many persons who would prefer to spend twenty minutes if necessary at the Head Office, in order to procure their stamped paper undefaced to spending half that time at the Stamp Vendors to receive a document disfigured by the endorsement.

14. The Board starts with the assumption that the *Law* contemplates only the purchase of Stamps through licensed Vendors. Upon that hypothesis its arguments are perhaps correct. But the hypothesis itself is not a just one. General opinion is opposed to it, the practice in Calcutta and Bombay is opposed to it. The English practice is also opposed to it. Should however the Government still entertain any doubts on the subject, I am requested to ask that its Law Officers be consulted for whether the view taken by the Chamber be the right or the wrong one, it seems desirable that any subsidiary regulations should be framed in consonance with the spirit and intention of the Act, as far as they may be ascertainable.

No. 33. ORDER THEREON, 3rd March 1862, No. 466.

The question will be referred to the Supreme Government.

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

Ordered that the follwing letter be despatched.

No. 34. From J. D. SIM, Esq., Secretary to the Government of Fort Saint George, to the Secretary to the Government of India, dated 3rd March 1862, No. 467.

SIR,

1. I am directed by the Honorable the Governor in Council to request that you will inform me whether at Calcutta, perfectly blank paper tendered by a private individual is stamped on payment of the value of the Stamp, and if so, whether such paper on issue after being stamped is endorsed under Section 21 of the Stamp Act XXXVI of 1860.

2. In this Presidency blank stamped papers of all values and of various description are kept ready for sale by and are immediately procurable from the licensed Vendors of Stamps, and it is held that the public must supply themselves with the stamped papers they require from these persons.

3. Bills of Lading and printed forms brought by private individuals are stamped and issued without endorsement, but the Mercantile community desire the privilege of having any perfectly blank material brought by them, stamped and issued without endorsement.

4. I am to request the favor of an early reply.

Certified that the accompanying
stamped */which may be destroyed*
before the fresh Stamps are issued of the value
of Rupees

belonging to
having accidentally become unfit for use, the
same under the provisions of Clause first Section
32 Act XXXVI of 1860
to be renewed by the Superintendent of Stamps
for the like or fresh Stamps of equivalent value
without any further charge whatsoever, on his
being furnished with the necessary blank
materials of that purpose by the party

Given under my Official Signature and
Seal this *day of* *186*

Coll.r of Stamps

"Certified that the sum of Rupees _____
having been paid into this Treasury on account of _____ Stamps the same to be
granted by the Superintendent of Stamps to the undermentioned individual on providing
the requisite material number and value subjoined

By whom required	No. of Stamps	Description of materials	Value Rs.	a	Amount Rs.	a	

Regd as No. of 18 /

Given under my hand at the Calcutta
Stamps Office this day of
18

Collector of Stamps

No. 6,364.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 18th November 1861.

Read again Board's Proceedings, dated 27th August and 17th September 1861, Nos. 4,672 and 5,047.

Read also the following letter from the Chairman of the Chamber of Commerce, dated 12th November 1861 :—

(In Cons. 13th November 1861, No. 7,220.)

I have delayed replying to the Board's communication of the 17th September, until I should be in possession of an answer from the Bengal Chamber of Commerce to a reference which this Chamber thought it advisable to make on the subject of the Stamp regulations.

This Chamber forwarded to Bengal copies of the correspondence that had passed between it and the Revenue Board, and requested to be informed if the rules under which the Act is administered in Calcutta were similar to those lately introduced here, or in what respects they differed.

The reply of the Bengal Chamber was received yesterday, and I have now the honor to enclose a copy of it, and of the forms of Certificate which accompanied it. I would respectfully request the attention of the Board to the simple and expeditious manner in which the business of the Department is conducted in Calcutta, and would solicit that a similar system may be introduced here, and that the counter-stamp now impressed at the Mint be dispensed with.

It will be observed that the view taken by this Chamber in regard to the stamping of blank papers is fully borne out by the practice of Calcutta, and from the *distinct official authority* which accompanies, it seems clear that whatever the intention of the Legislature, the principle of issuing blank papers to private persons, although characterized in the Board's Proceedings as "a lax system which has been allowed to grow up," has in Calcutta been abundantly recognized.

In the first paragraph of the Board's communication of 17th September, it is affirmed broadly that "the argument adduced by the Chamber in support of its position on the blank paper "question does not apply," in proof of which the Chamber is referred to Section 5 of Act XL of 1860. In reply to this I must observe that the Board has altogether misunderstood the intention of the illustration from the case of "inland and foreign bills," of which I made use. Another glance at my letter will show you that in the passage referred to, I was endeavoring to combat the opinion advanced by the Board in their communication of 27th August, that "the proposed arrange-"ments for stamping private documents concede much more than the Law contemplates, which "proceeds throughout on the understanding that documents are to be executed on stamped paper "sold by Government, and not that such documents are to be brought to the Stamp Office to be "impressed with a stamp."

The Chamber was perfectly aware that in the case of stamps used for Bills of Lading and for the other documents specified in Section 5 of Act XL no Vendor's endorsement was required, but as I was treating of another branch of the subject altogether my illustration was strictly applicable, and I have nothing to alter or retract.

The legality or otherwise of the special fee for prompt issue is perhaps a question better suited for the Law Officers of the Government, than either for the Chamber of Commerce or the Board. I may observe, however, that the Chamber did not hazard an opinion without first ascertaining that more than one distinguished Member of the Supreme Court concurred with it in regarding the charge as an unconstitutional encroachment.

The Board comments with some severity upon the Chamber having expressed itself "aggrieved because it was not consulted prior to the adoption of the recently adopted arrangements "for the preparation of stamped paper, and reminds it that because on a former occasion infor-

" mation was sought from it on certain specified points, it by no means follows that the Chamber " has a right to expect that it shall be consulted in the detailed arrangements for the internal " management of the Stamp Department."

It is the Chamber's anxious desire to have as little as possible to do with the detailed arrangements referred to by which I mean that it desires to see the Department so regulated as to leave to the community no just cause for complaint on the score of any delays or obstructions to business that may be avoided. The Chamber entered into no minute details, but limited itself to an opinion, concurred in, it has reason to know, by the Superintendent of Stamps, that the business of the Department might by a proper organization be efficiently conducted (as in Calcutta) under one roof, thereby greatly expediting the issue of stamps to the public and rendering unnecessary the trouble and expense of sending two messengers instead of one into the fort whenever a stamp might be required. The Chamber arrogates to itself no special rights or privileges. It submits, however, that it is not desirable that such changes as have lately been introduced should be put into operation (to quote from a letter of 31st August 1860, addressed by the Chamber to the Secretary to Government upon a question of certain proposed changes in the internal economy of the Sea Custom House), without any previous consultation with the mercantile interests, and merely on the recommendation of public officers who have no practical experience of the requirements of trade.

I take this opportunity to acknowledge the receipt of your letter of the 8th October, No. 5,469, inviting suggestions from the Chamber in regard to any alterations of the Stamp Law that may be considered desirable. I purpose to address you on this subject, which is now under consideration, in a few days.

ENCLOSURE No. 1.

From H. J. W. WOOD, Esq., Secretary Chamber of Commerce, Bengal, to W. R. ARBUTHNOT, Esq., Chairman Chamber of Commerce, Madras, dated Calcutta, 23rd October 1861.

I regret your letter of the 21st ultimo has not had an earlier reply, and I have to apologize for the delay which has been occasioned by the loss of its enclosure, and the long close vacation which followed shortly after its receipt.

I have since obtained from the Government of India a copy of the *Fort Saint George Gazette*, containing the Notification of the Superintendent of Stamps, to which you draw my attention, and I have now the pleasure to communicate what I understand to be the practice in Calcutta.

There is a material difference in the practice here and at Madras, and the great advantage we have lies in the *concentration* of ALL the stamp business under one roof, which affords the utmost facility to those who require Stamps.

The process is very simple and expeditious, no applicant being detained more than ten minutes for a stamp; indeed he is frequently supplied with what he wants in half that time.

The application may be verbal, or in writing, the particulars are taken down at once in a register which is signed by the Collector, who simultaneously issues a counterpart (of which the enclosed is a form) on the presentation of which at the Stamp Office the required Stamp is at once impressed. Supposing a case involving say a dozen Policies of Insurance of *varying* values, I do not think the entire process will detain a person more than ten minutes; the detention depends, however, upon the number of forms to be stamped, but as the machinery by which Stamps are impressed is worked by a small five horse power engine, the work is done with a very satisfactory rapidity.

With regard to the Notification of the Superintendent of Stamps at Madras, the first paragraph would appear to call for something similar to the registry I have spoken of as part of the system here, but the second paragraph provides for what is altogether unknown in Calcutta,

for stamps are here impressed on "papers perfectly blank, produced by private persons," and *blank* papers for stamps of the value of one Anna and half Anna are similarly treated: indeed the Collector has always in store a quantity of *blank* stamped papers of values varying from four Annas to 500 Rupees, so that you can imagine the facility with which any application for any such paper can be complied with.

The plan here is to pay the value of the stamp to the Collector, and not to the Sub-Treasurer, and with his receipt in hand you step into an adjoining Department where you get your paper stamped.

Sending papers to the Mint and incurring the expense of special messengers in cases of emergency are here obviated by the circumstances of the whole business being transacted under one roof.

The second enclosure herein is a form of Certificate by which the value of a spoiled Stamp is restored, not in cash, however, but in stamps; and I send it just to draw your attention to the distinct official authority it contains to stamp any *blank* material which may be presented for that purpose.

ENCLOSURES Nos. 2 and 3.—Certificates.

1. The points on which the Chairman lays stress are—

First.—The use of a counterstamp and its impressment at the Mint, which he suggests may be abolished, and the whole work of the stamping conducted in the Superintendent's Office, as at Calcutta;

Second.—The stamping of perfectly blank materials for private parties, in support of the legality of which concession, he cites the Calcutta practice.

2. The Board observe that the retention of the Counterstamp was insisted on by Government for the greater security of the revenue, and the arrangement for the distribution of the stamping between two Offices was deliberately recommended by the Board as an additional safeguard, which recent experience goes to show is by no means unnecessary.

3. The whole of the arrangements had in view the manufacture of stamped paper for supply to the public through the licensed Vendors, and for this purpose could be productive of no inconvenience while greater security was obtained.

4. The Law does not contemplate the stamping of private documents except under penalty, or the stamping of private blank materials at all.

5. The former arrangement was conceded to the public convenience, and complaint is now made of the delay involved in the transmission of the documents to the Mint where the value Stamp is impressed.

6. The Board see no reason whatever to modify their opinion that the Law requires every document needing a Stamp to be executed on paper already stamped, that such paper shall be supplied to the public through the licensed Vendors only, and that on every stamped paper sold, with certain expressed exceptions, the Vendor shall endorse the name of the purchaser, the date of sale, and his own signature.

7. In consideration of the difficulty which existed in the way of supplying the Vendors with stamped paper of the quality suited to the varied requirements of the Legal and Commercial Community at the Presidency, the Board conceded the privilege of having private documents partly drawn stamped prior to execution, and also all blank forms.

8. As the endorsement required by the Law was not compatible with this arrangement, one material safeguard against the introduction of forged paper was lost, but from the same considera-

tions which induced its first adoption the Board desire to maintain it, at least till water-marked paper of unexceptionable quality shall have been received from England for the manufacture of Stamps.

9. The Board take this opportunity of recording that it was never their intention to sanction the stamping for private parties of ordinary paper totally blank save for the inscription of a single word such as "receipt," "deed" in small characters on the extreme edge of the paper. This practice is a mere evasion of the objection to stamping perfectly blank paper, and should not be admitted by the Superintendent. The Vendors are now well supplied with Stampt papers of signs and qualities suitable for ordinary purposes, and there is no reason why the public should not be required in accordance with the law to procure the Stampt paper they may require from the licensed dealers. The stamping of private materials must be limited to blank forms, legal written documents, and to instruments requiring a peculiar description of paper not procurable from the Vendors, in which two last cases the documents must be so far drawn as clearly and fully to exhibit their nature, as an indenture, a settlement, an agreement, and so forth.

10. The Chamber have never distinctly informed the Board that the present arrangements are found in practice to involve inconvenient delay, or of the nature of the objection to purchasing paper already stamped from the Vendors for all ordinary purposes, and now that the places of sale have been increased in number, and that the Vendors have been supplied with paper of suitable quality, size and value for almost every purpose, the Board do not understand in what this objection consists.

(True Copies and Extract.)

(Signed) W. HUDLESTON,
Secretary.

To W. R. Arbuthnot, Esq., Chairman of the Chamber of Commerce.

Copy to W. Babnic, Esq., Superintendent of Stamps.

Exd. J. Wright.

Recording observations on certain points on the subject of the Stamp Regulations.

No. 6304.

Dated 18th November 1861.

PROCEEDINGS OF THE BOARD OF REVENUE,

No.

1861 Department.

D 2819/61

Vendors. Upon that hypothesis its arguments are perhaps correct. But the hypothesis itself is not a just one. General opinion is opposed to it, the practice in Calcutta and Bombay is opposed to it. The English practice is also opposed to it. Should however the Government still entertain any doubts on the subject, I am requested to ask that its Law Officers be consulted for whether the view taken by the Chamber be the right or the wrong one; & it seems desirable that any subsidiary regulations should be framed in consonance with the spirit and intention of the Act, as far as they may be ascertainable.

I have the honor to be,
Sir,
Your most obedient Servant
W. R. Arbuthnot
Chairman

7

Revenue Returns

No 1654

Sir, Secretary to Abo. Government

of Indian

Sir—

I am directed by Abo to

inform the Governor in Council

for transmission Abo to Calcutta

to request that he will move

Government at Calcutta that

from and after the 1st January next

perfectly blank Bank Notes

by an Act passed in the present Session

Stamped on Assignment of Bills

notice of the Stamp to be made

to be the like mark & colour on them

of the Stamp Duty to be imposed

under Section XXI of Act VIII

of 1860.

I am &c

Sd/ Illegible

Secretary

Revenue 1861 Dep.t

Pro: of Govt for March

No 2819

From Chairman

Chamber of Commerce

Dated 22nd December/61

Received 3rd — do

Taking certain exceptions

to the Stamp Rules of the

Superintendent of Stamps

and requesting that if

Govt do not agree with

them the matter may

be referred to the

Law officers.

No 456 3 Jan.y

62

No 32 & 33.

No 456

I / The question will be

referred to the Legislative Dept

S M S

Fort St. George

3 July 62

Copy to the Chamber of Comce Cuss.s

Vendors of Stamps and it
is held that the publick
must supply themselves with
the stamped papers they
require from these persons.
Bills of Sadings and print-
ed forms brought by pri-
vate individuals are stamped
and if found without endorse-
ment, but the Mercantile
Community desire the privi-
lege of having any perfectly
blank material brought by
them, stamped and issued
without endorsement.
I am to request the favor of
an early reply.

I have &c

Port of Spain
3d March 182

Revenue 1862 Deptt.
Secret. Govt. of India.

No. 1246 /1.

To the Secretary to the
Govt. of India.
Dated 3d March 1862.

Requesting to be informed whether a Calcutta pocket book ruled by a private individual is stamped on part of the value of the Stamp Act, or whether such paper on issue after being stamped is endorsed under Sec. XXIV of the Stamp Act XXXVI of 1860.

C. V. 34.