

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	741	Press Mis.
68		
Dated	3-4	1865.

Not to be folded or roughly handled

Miscellaneous.

1. In 1861 the Government caused calculations to be made of the sum likely to be required for completing the roads in the Presidency, and for keeping them in repair after completion. The sum required for the purpose was then estimated at Rupees 212,80,338, viz., Rupees 101,76,650 for Imperial, and 111,03,688 for District roads. The annual charge for maintenance was estimated at 96 for the former, and 9,17,616 for the latter, or Rupees 22,79,112 in all.

Since this calculation was made a good deal has been done to both Imperial and Local roads, but on the other hand the rise in wages and prices has been so great that the same amount cannot be accomplished for the same outlay.

In round numbers a sum of two crores of Rupees must be provided to complete the roads of twenty-two lacs annually to maintain the roads required in this Presidency.

It is obvious that the resources of Government will be fully taxed to complete the main lines, which from their general importance should be made and maintained from the general revenue; the cost of the other roads must of necessity be defrayed by those who actually benefited by them.

Under present arrangements, which have been approved by the Secretary of State, a cess is being imposed in each District as its assessment is revised, and a fund is thus being created for this very important object. A Road Cess has been established in North and South Arcot as well as partially in some other Districts, and the great advantages which have resulted from the measure are unquestionable.

6. The cess, however, is levied only on Government land, and does not extend to Zemindaries, Mootahs, Shrotrahs, Ináms, or lands held on other favorable tenures. Thus though all benefit by the roads, the burden of making and maintaining them falls exclusively on a section of the community, and that the section which contributes most to the public finances.

7. Such an arrangement is evidently unjust, and it is incumbent on the Government to adopt measures without further delay for equally distributing the burden. There is no reason why a Ryot in a Zemindary or an Inámdar should not contribute equally with the Government Ryot or holder of fully assessed land for benefits which all enjoy alike.

8. As regards Inám, it may be remarked that there is nothing in the recent settlement of these favorable tenures to preclude the adoption of this course. That settlement was merely a commutation of the reversionary rights of the State to the land, and in no way affects the liability of the Inámdar to general local taxes, to which the community generally may be subject.

9. Zemindars occupy the position of the Government, and are therefore not liable to the cess, except in respect of lands cultivated by themselves; their Ryots and under-tenants, however, are in the same position as Government Ryots, and equally bound to contribute towards the advantages they will equally enjoy.

10. The Governor in Council resolves to instruct the Board of Revenue to lose no time in preparing the Draft of a Law, enabling the Government to levy a Road Cess on all land-holders (Zemindars and proprietors of lands assessed under Regulation XXV. of 1802 excepted) for the construction and maintenance of District roads.

11. In the case of Government Ryots, the cess will be in the form of a rate on the assessment of their lands, and the charge for water, where this is separate from the land assessment.

12. In the case of Inámdars, the cess will be on the assessment and water-rate which their land would pay, if it were not Inám.

13. In Zemindaries and estates held on similar tenures the rate will be on the rent which the Ryot pays to the Zemindar or proprietor, and power must be taken in the Act to ascertain this from the village Curnums, as well as the Ryots.

because the income

Revenue Department

5th April 1885

The maximum rate of the cess will be six Pice in each Rupee of assessment or proceeds will be exclusively applied to the maintenance and construction of communication in the District in which the cess is levied, under such rules as the Governor in Council may prescribe. The cess will be altogether distinct from the land assessment.

The measure now resolved upon is as necessary as it is just. The increasing demand for general revenue renders it hopeless to expect that the Government will ever be in a position to create and maintain the chief lines of communication. These without the aid of a comparatively limited benefit to the agricultural community, whose productivity is dependent on having ready access to markets for their surplus produce. The Government desire that the Board will give their immediate attention to the subject of the Draft Act.

(True Extract.)

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

To the Board of Revenue.

Exd. S. T. Augustin.

Mem.

As directed in
Council I beg to
circulate the
Roxburgh Cess paper
for final order
on the question of
making the pro-
posed law ob-
jective to Govern-
ment -

I suggested a se-
parate law on
this point - because
the present question
had been referred
to the Bd of Rev. in
the order on 18.2.
The first minute on
fairness is - and
because the inclu-

tion of Zemindars
may lead to
any other dis-
cussion & delay
in passing the
Law.

There can be
no doubt as to the expediency
necessity & justice
of taxing Zemindars
for the purpose
in common with
other landholders.
Some point how-
ever will need
consideration.

I. Is the Zemindar
to pay or the Ryot.
The Zemindar will
probably argue that
he stands simply

I do not see my way
to leaving a land cess
in Zemindaries &
think that this burden
better lie on
the Ryot or the
Zemindar his share

When the law is made property would
be direct on the land for benefit; and
if it would not

WDA

and the law creating
permanent tenure
Reg. & V. 1802 state
that by Perpetual
rights the Ryot to be
inherited under any
circumstances, &
that it is that this
pledge has not pre-
-vented him from
being attached with
income tax any
more than fundhol-
-ders at home & abroad
have paid & except
but in such cases the
tax is not on the Ryot
-cess or fund, but
on his means & income
wherever derived.

Thus not leaving the
Ryot to pay the fund
would argue that any
thing taken from
him for tax or
contribution is from
his property to his
share.

At all events he
would not be likely
to help in leaving
the cess on his ryots,
and with one hand
and information

in the position of Ryot
and that as the
cess is not
paid by the Ryot,
it is not to
be paid by him -

II. If the Zemindar
is to pay - is the
cess to be on his
share -

Perpetual - Ryot
or the area.

III. If the Ryot is
to pay - is he to
pay for the fund or
for the area.

IV. Is the cess to
be paid by the Ryot
or by the Zemindar.

V. Is the cess to
be paid by the Ryot
or by the Zemindar.

VI. Is the cess to
be paid by the Ryot
or by the Zemindar.

blunder. It is, they
 ordered a Dr. Wright
 is being taken of
 the revision of a
 settlement to impose
 a land tax on all
 rights in land. It
 was estimated in
 1863, that the con-
 struction of the re-
 district
 district would cost
 \$100,000 of the
 and the annual
 maintenance of
 the estimate was a
 moderate one and
 owing to the rise in
 the cost of labor the
 the same outlay
 would not now pro-
 duce the estimate

result. But the
rate of road cess
now being imposed
would not suffice
even for the main-
tenance of the
roads ~~now~~ deemed
necessary, sup-
posing them to be
already constructed.

Under these
circumstances
the full exponents
that the Cess should
be raised from
2. to 3 ^{per cent.} - the latter
rate being ^{per cent.} ~~per cent.~~
back to 6 pice in
each ^{per cent.} ~~per cent.~~
settlement. There
can be no doubt
of the ability of the

aid from
Imperial funds
is not to be expected
as the construction
& maintenance
of Imperial lines
will fully tax the
resources of Govt.

land holders to pay
this moderate rate,
or of the great ad-
vantage which
they will derive
from the extension
& improvement
of the means of com-
munication. The
results which have
followed the estab-
lishment of a road
cess in S. Aust-
ralia & in which
it now first in tro-
duced place beyond
question the advantage
of the cess - raised
and administered
entirely for local
works is evident.

The ~~fact~~ ^{fact} therefore
dictates that the rate
of 3 ^{per cent.} ~~per cent.~~ be

adopted in future
in the revised assessment
of ~~each~~ ^{each} districts.

~~of the~~ ^{revised}
The ^{revised} assessments

of the Trincomalee,

Kurukh & his two

districts - which are

now in course of in-

troduction - include

a cess of 2 per cent.

There will, as we

find the first two

districts, be some

inconvenience in

now altering the rate

into the advantages

of having a suffi-

ciency of funds

for local roads &

our balance this.

A cess of 3 pice in

the present rate

therefore be added

$$\begin{array}{rcl} 4 \text{ per cent} & = & \text{pice } 7.00 - \\ 3\% & = & \text{pice } 6. - \\ 2\% & = & 3.04. \end{array}$$

$$\begin{array}{rcl} 2 \text{ per cent} & \} & 6.04. \\ + 3 \text{ pice} & \} & \end{array}$$

$$\begin{array}{rcl} 2 \text{ per cent} & \} & 7.04. \\ + 4 \text{ pice} & \} & \end{array}$$

to each rate of
assessment - thus
making the road
cess - including the
2 per cent already
merged in the as-
sessment - as little
more than 3% - the
proper addition is?
the ^{pice} 2.16 - but the
practice would be
inconvenient.

The cess imposed
under this order will
in all cases be ad-
ditional to the as-
sessment - instead
of being included
or merged in it -
The fact further
shows that up to
the present time the

holders of farms
& favorably assessed
lands have not
been required to
bear their share
of the burden.

There is nothing
in the terms of the
Indiana Settlement
to warrant this
exemption - that
settlement being
no more than a
commutation of
the various
rights of the State.
The exemption is
wholly uncalled
for, in as much as
such lands share
equally in the ad-
vantages of good
roads - and it is

unjust to the rest
of the community.
The Bd of Revenue
will accordingly
submit the draft of
a local act - to
take effect from the
commencement
of next July - de-
claring that in
any district or
part of a district
where a road
does or may here-
after be opened, the
like case shall be
levied on land
wholly or partially
exempt from ad-
valorem tax. The as-
sessing for local pur-
poses beneficial
to the land, &c.

exceptions - on the
plea of the lands
being held on service
or any special
tenure can be
admitted.

Where the cess
is in the form of
a rate on the assess-
ment, it will be
considered as being
on the assess ment
which the land
should pay if it
has not been
and if this has
not already been
fixed or declared
the case - subject
to the final decision
of the V.C. on appeal
must determine
the assess ment with

reference to that
on lands of simi-
lar quality in the
same neighbour-
hood.

Provision for
the levy & adminis-
tration of the present
cess may also be
included in the
Act, so as to give
more clear laws for
regulating this im-
portant subject -

The proposed
Law will apply
to lands held on
feudal or
tenure which will
be separately con-
sidered as the receipt
of the local collector

Supposition of Road
Cost.

The recent action
of the Sup: fut.
cutting down the
W. W. Budget
part and their
intimation that
hereafter he may
get even less, un-
ders it ^{that} of con-
siderable ~~the~~ ^{the} means
of raising money
for roads - as one
of a yearly increa-
sing drain on the
Budget part & shall
be considered as
soon as possible.

The Pt. of Road
has been desired
to report on the ex-
pense of charging

a small sum
on the coasting trade
as suggested by
Mr. Minchin of
Aska - if levy
any tolls be levied
It will be some
time perhaps
before their report
is received - I
say therefore to
draw attention
at once to the
district road
cess - as some
districts are now
being settled &
others taken in
hand -

This cess has
just been introduced
in S. West - where
it took the

The District
Road Cess
has been levied
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It will be some
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say therefore to
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at once to the
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cess - as some
districts are now
being settled &
others taken in
hand -

I conceive that we must,
anyhow, have tolls on
some roads - The question
is on what roads. JP

There will be many
few, I apprehend, who
when the levy will be
imposed without great
irregularities & the greatest
difficulty in bringing the
road account - what will the
charge be out of the purposes
of road cesses. WDM

containing
undoubtedly
WDM JP WD

form of a charge of
one anna per Caurin
It was next started
in North West where
it took the form of
a charge of 2 per cent
on the assessment
which made of
length - subsequently
adopted for general
application -
No doubt the latter
is the best principle
because the assess-
ment is to the com-
puted value of
the price of each
acre of land &
a cess on it falls
heavier - as it should
be - on the more pro-
ductive - than on
the poorer soils - The
late adopted - 2 per
cent - is so light

that this argument
is practically of
no very great weight.

The cess was, of
course, intended
to be in addition
to the ~~cess~~ ad-
dressment - but
this has not been
closely adhered to.
The $\frac{1}{2}$ per cent. share - which
 $\frac{1}{2}$ the net or $\frac{1}{3}$ of
the gross - comes out
a fraction - this
is commuted to the
nearest quarter or
half pence -
& the result is said
to include a road
cess of 2 per cent.
Very often the com-
mutation is a few

pence & even an-
nas below the pro-
per $\frac{1}{2}$ per cent. share -

Our repairs -
men to in the way
of District Roads
here estimated in
1863 at 100 lacs to
make and 9 lacs
to maintain them.
The estimate was
moderate & the
money will not go
so far now. The
road cess at the
rate of 2 pence will
not produce more
than 7 lacs now,
if universally in-
troduced - which
it cannot yet be.

It can only be I presume
in those districts of which
the assessment has to
be revised &c.

I should hope therefore
to urge that it be

raised at once in
 all new districts
 to at least $3\frac{1}{8}$ per
 cent - which is
 6 pice in each
 Rupee of assess-
 ment. This rate
 would add five
 annas to each
 acre of 10 R. Min-
 -ish - less than the
 toll on a couple
 of Baudies - four
 days labor of a
 coolie would yield
 it - Taking the
 Presidency as
 large (excepting
 Malabar & S. Canara)
 he should get about
 10 lacs - every penny
 of which will be
 needed - and will

I see no objection Mr.
 W. H.

It will not be felt, or generally
 speaking to know to exist -
 when imposed to undertake
 - only with the new assess-
 -ment & as an appendage
 to it - Mr. W. H.

17

benefit the country
 immensely. I should
 myself like to see
 $6\frac{1}{4}$ made the rate
 which is one anna
 in each Rupee - le-
 leaving that the Ryot
 would largely gain
 by it - This would
 be 15% in the £ - &

better not go beyond $3\frac{1}{8}$ per cent - this is too
 other assess. police - con. much to see & know
 - cation & munici-
 - pal coming in the
 distance. Mr. W. H.

For the I should
 suggest that this
 should invariably
 be added to the

assessment - to as
 to keep it from
 the front of the
 Superintendent and
 to a third as the
 means of raising
 it hereafter - as
 matters stand I

do

from he should be
hard pushed to
prove our 2 per cent
a really additional
asset which
do not see why as
roads are made
then a drain takes off
-preciated by the 2%
he should not be
able to raise it -
he cannot do this so
well when it is in-
cluded in the asset.

The District
Settlement cannot
be immediately car-
ried out - owing to
loss of records &c
by the inundation.
It also includes
2 per cent - which
will only yield Rs
13,000 - a manifestly

I do not see why we should not
lay our argument upon the
whole State - we shall have to do
this in other districts - the fact
is that in a Municipality district
the roads are more expensive
to maintain, and I
should not allow the fact of the
splitting up of the settlement into
two parts to stand in our way.
WD

inadequate sum -
There is a peculiarity
in this district - viz
the road cess falls
only on the land as-
sessment - he can't
take any of the
water cess - Harry
said that the as-
sessment includes
2 per cent - he can-
not well say now
that this shall be
added to each
rate of assess-
ment - But as money
must be got for the
rates - (except a few
for the land & drills -)
are moderate, might
not put direct one
anna per acre, to

he added Black
 rate - the reason
 the assigned being
 that the rate of
 2 per cent is too
 low to meet the
 expenses of the
 district - or if
 it be deemed
 undesirable then
 to mix up the cases
 to direct that a
 further rate of $3\frac{1}{8}$
 be added - The
 assessment would
 not be a bit lower
 if the work cost had
 never been thought
 of, so that it is a
 fiction to say it
 is included - This
 would yield about

This note is better I
 think. you WD

I think the whole thing
 will be to
 add $3\frac{1}{8}$ to the rate for
 the new building and in
 the other cases to
 raise the already existing
 2% to $3\frac{1}{8}$ or add
 two pence to the four
 they now pay WD

I don't understand
 this - Where will the
 odd 10,000 or 15,000
 come? gp

Now see above - How much
 this increased can out of
 the clutch of the Superintendent
 as imperial revenue
 which it really would
 be. gp

we cannot do this. The simplest
 plan would be to levy a local
 rate for the maintenance of roads
 and as the Govt of India is doing
 the best to relieve the local
 charges & make them local this
 will probably be adopted. WD

20,000 Rs. & also -
 If then we should
 have some 30 or 35
 thousand Rupees.
 It will be much
 easier to do this
 now - than at any
 future time -
 A still better
 plan would be
 to add 8 pence
 to each Rupee
 which with the
 2 per cent - "in-
 cluded" would
 be just one anna
 in each Rupee -
 of which, in fact
 just would contri-
 bute 4 to the 24 of
 8 pence - This would
 facilitate the
 accounting greatly.

The Kurnool
Settlement 2 was
being carried out
also includes 2
per cent. which
will yield Rs. 14,000 Rupees.
If put a phine of
the suffer too a line
made. I do not
think it is too
late to carry it
out.

Order requested

J. D. S.

This rate includes the pre-
sent 2 percent of you
like - 1

Very well go W.D.

W.D.

... would be better
well to go straight to the Govt.
and ask for power to levy a
rate for Roads to the extent of
5 1/2 per cent. - W.D.

Revenue Department
No. 744-
Proceedings of the Madras Government
Under date the 5th April 1865.

... In 1861 the Govt.
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In round numbers
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Under present arrange-
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bound to contribute
towards the adven-
-tages they will equally
enjoy. It is true to
think the Zemindars
will also benefit largely
by the construction
and maintenance of good
roads through their
estates - but under
the circumstances
above

above stated no contri-
bution will be
claimed from them.

The Governor
in Council resolves
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road cess on all

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(Zamindars & pro-
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pay, if it were not Sudam-
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In Zamindaries &
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cultural com-
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A light cess - equally
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any way by the
arrangement.

The Govt desire
that the Govt will
give them immediate

In
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