

(1) Number of pages 5

(2) Date of repair Apr 1st 1966

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Public works DEPARTMENT.

G.O. No. 152	Press
311-312	Mis.
Dated 12 — 1 —	18 66 .

Not to be folded or roughly handled

[Handwritten signature]

*Proceedings of the Madras Government, Public Works Department,
12th January 1866.*

No. 311. Read the following Proceedings of the Madras Government in the
Revenue Department:—

Referring, to the Government of India, the
question raised by the Income Tax Commis-
sioners, and the Consulting Engineer for
Railways, relative to the payment of Income
Tax by the Officers and employes of the
Madras Railway upon their salaries for the
month of July 1865. } (Here enter 22nd December 1865, No. 3,103.)

No. 312. ORDER THEREON, 12th January 1866, No. 152.

RAILWAY, No. 32.

Communicated to the Consulting
Engineer for Railways.

(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,

Secretary to Government.

To the Consulting Engineer for Railways.

Exd. S. T. Augustin.

31

*Proceedings of the Madras Government, Revenue Department,
22nd December 1865.*

No. 241. Read the following Endorsement of the Consulting Engineer for Railways, dated Madras, 30th November 1865, No. 591.

Read the following letter from the Agent and Manager, Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 29th November 1865, No. 842 :—

1. I have the honor to submit, for the views of His Excellency the Governor in Council, a copy of some correspondence which has passed between the Income Tax Commissioners and myself, regarding the payment of Income Tax by the officers and employes of this Railway, upon their salaries for the month of July 1865, which, in ordinary course, were not paid until the second week in August, and which under the provisions of the Notification of the Government of India, published at page 1,155 of the "Fort Saint George Gazette," dated 6th June 1865, No. 3,967, are not liable to such tax.

2. Mr. Morison in his letter of the 13th instant, No. 230, explains that the Notification of the Government of India, alluded to by me, is applicable only in cases where the salaries for July 1860 were taxed, but inasmuch as it appears from the Return furnished by this Company, at the commencement of the Income Tax, that the salaries of their employes for that month, had not been assessed, it is necessary for me to remit the tax for the month of July 1865.

3. With regard to this, I would simply remark, that there does not appear to me to be any connection between July 1860 and July 1865, from the fact that our staff of employes now is totally different to what it was when the Income Tax came into force years ago, and that it would be manifestly unfair to tax men who have joined the service since July 1860, because the Income Tax Commissioners failed to collect the tax, at the time it was due in 1860.

4. I shall be glad, therefore, to be favored with an expression of opinion by His Excellency the Governor in Council for my guidance.

1. I submit this letter and the correspondence sent with it for the orders of Government.

2. The Consulting Engineer was appointed a special Assessor under Act XXXII. of 1860, in Order of Government, Revenue Department, No. 77, dated 11th January 1861; and in Order of the 18th idem, No. 135, the appointment was cancelled.

3. Had the Consulting Engineer been an Assessor in conformity with the provisions of the Act, he would have deducted the Income Tax from the Pay Bills audited by him, in the same manner as the Civil Auditor deducted it from the salaries of the servants of Government. But this was not done. The Commissioners appointed for the Town of Madras dealt with the tax, and I presume that they are merely asking Mr. Elwin to conform to the same terms which the merchants and residents in Madras have conformed to.

4. The tax was enforced for five years. The servants of Government paid it from the 1st of July 1860 to the 30th June 1865. It is shewn in Mr. Morison's letter to Mr. Elwin, dated the 13th instant, No. 230, that the tax on the incomes of the Railway employes for July 1860, was not paid. Mr. Elwin admits this, but argues that there is no connection between July 1860 and July 1865. The connection, is, I think, clearly formed by the Act referred to.

*Proceedings of the Madras Government, Revenue Department,
22nd December 1865.*

5. It seems but fair that all those servants of the Railway Company sent out to India after the introduction of Act XXXII. of 1860, should be exempted, in common with Mr. Elwin, from the payment of tax from their incomes for July 1865.

(Signed) J. C. ANDERSON, Lieut.-Colonel, R. E.,
Consulting Engineer for Railways.

Referred to the Revenue Department.

FORT SAINT GEORGE,
2nd December 1865.

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government, P.W.D.

No. 242.

ORDER THEREON, 22nd December 1865, No. 3,103.

Miscellaneous.

Ordered that the question raised in the foregoing correspondence be referred to the Government of India.

(True Extract.)

J. C. Anderson

Secretary to Government.

To the Public Works Department.

Exd. S. T. Augustin.

*Fort St George
12th Jan'y 1866*

*So
The Consulting Engineer
for Railways
13
15th January
1866
With an Order*

75/1 1865
 (Ad. of Govt. for Lawns,
 70.000 1865
 Revenue Dept.
 20/12/65
 Rd 8. 1865

Referred to the
 Govt. of India the question
 raised between the Income
 Tax Commissioners and
 the Govt. Comptroller for Railways
 relative to the payment
 of Income Tax by the
 Officers and employees of
 the Madras Railway for
 upon their salaries for
 the month of July 1865.
 No. 152 - 12/12/65
 With an Order

No. 311. 312