

GOVERNMENT OF MADRAS.
REVENUE DEPARTMENT.

READ—the following letter from J. F. FINLAY, Esq., Officiating Under Secretary to the Government of India, Department of Finance and Commerce (Separate Revenue, &c.,—Assessed Taxes), to the Accountant-General, Bengal, dated Simla, 26th April 1886, No. 391 :—

I am directed to acknowledge the receipt of your letter No. 937-E., dated the 25th March 1886, requesting, with reference to Act II of 1886 and the rules framed thereunder, that authoritative rulings may be laid down in the following cases :—

- A.—Whether sums earned by licensed pilots during March 1886, which represent payments for and on account of particular work done, are liable to the tax under the Act.
- B.—Whether, for the purposes of assessment, the commission which is paid twice a year to zilladars and certain other amlah of the Opium Department, and without which their salaries would not become liable to the tax, should be considered with reference to the month in which the commission is declared, or distributed in six equal portions over the months for which it is declared, and then added to the salary.
- C.—Whether the following allowances are liable to the tax :—
 - (1) Special maintenance allowance, family maintenance allowance, and education allowance granted to establishments required to accompany the Government of India to Simla.
 - (2) The allowances granted under the Darjeeling Allowance Code to establishments accompanying the Government of Bengal to Darjeeling.
 - (3) Presidency allowance to officers in the Survey and Public Works Departments, and the local allowance of the Accountant-General, Bengal.
 - (4) Rewards for passing examination.
 - (5) Scholarships held by students of the University.

2. In reply, I am to communicate the following orders of the Government of India on the several points raised :—

- A.—Any sums due and ordinarily payable in March 1886 are not liable to the tax, even though the payment thereof be not taken until April 1886. Your provisional ruling on this point is approved.
- B.—The tax should be levied with reference to the salary drawn in each month; that is to say, the tax in the case referred to should be levied on the salary *plus* the commission paid to the employés of the Opium Department in the month in which the commission is paid, and no account taken of the commission in other months.
- C. (1) and (2).—The various allowances granted under the several Hill Allowance Codes are liable to or exempt from the tax according as they are granted to meet general or specific expenditure.

This principle being applied to the two Hill Allowance Codes to which you refer, the reply to your inquiries is as follows :—

The education allowance under section 23, the house-rent under sections 24 to 28, and the value of free quarters under section 36 of the Simla Allowance Code are granted to meet specific expenditure, and are exempt under the terms of section 3 (4) of the Act.

B5

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The special maintenance allowances under sections 15 and 16, the family maintenance allowances under sections 17 to 22, the deputation allowance under sections 34 and 35, and the consolidated salary and the extra allowance of 15 per cent. under section 36 of the Simla Allowance Code are granted to meet general and not specific expenditure, and are therefore not exempt. Similarly, the extra allowances under part II, D and F, and the charge allowance under part III of the Darjeeling Allowance Code are not exempt.

- C. (3) Presidency allowances and the local allowance of the Accountant-General, Bengal, are for the same reason liable to the tax. Presidency house-rent, however, is exempt, as granted to meet specific expenditure.
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(By Order.)

(Signed) J. F. FINLAY,
Offg. Under-Secy. to the Govt. of India.

ORDER—dated 12th May 1886, No. 336, Revenue.

Miscellaneous.

Communicated to the departments of
the Secretariat, the Board of Revenue,
and the Accountant-General.

(True Extract.)

Redmisch

Acting Secretary to Government.

To the Public, &c., Departments.
„ the Military Department.
„ the Public Works Department.
„ the Board of Revenue.
„ the Accountant-General.
„ the Private Secretary to the Right Honorable the Governor.

Exd. W. H. French.

120 Copies.

1886-4011 ✓
Govt. of (1886) Madras.

REVENUE.

No. 1341 Wd/27 May 1886
Communicated to
officers of the P.W. Dept.
for information.

Issued

Recd. 27/5/86

Encl.

G.O., 12th May 1886, No. 336.

MAY.

Income Tax Act, 1886.

Communicating to certain authorities orders of
the Government of India, regarding the liability
of certain cases to tax under the Act.

12TH MAY 1886, No. 336, REVENUE.

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twice a year to zilladars and certain other amlah of the Opium Depart-
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Ch. Engr. for Irri.

Comdg. Engr. for Rys.

Supdg. Engrs.

Supt. of Works J. M. S.

C. A. to Govt.

Supt. in H. Works

Exr. P.W. Accts.

Exr. Gr. Ry Accts.

Exr. State Ry Accts.

Engr. in ch. in S. Ry Survey

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(True Extract.)

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 „ the Board of Revenue.
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Exd. W. H. French.

120 Copies.

No. 1341 W. d/ 29 May 1886
 Communicated to
 officers of the P. W.
 Dept. for information.
 (sd) J. S. S.

Govt. of 1886 Madras.
REVENUE.

Issued

Recd.

Encl.

G.O., 12th May 1886, No. 336.

B. No. 1341 W. d/ 29 May 1886.

To.
 The Ld. Engr. for Irriga
 " Consgr. Engr. for Rys
 " Suptg. Engrs
 " Supt. of Works I. W. Scheme
 " C. A. to Govt.
 " Supt. in H. Works.
 " Exr. P. W. Accts.
 " Exr. Gr. Ry. Accts.
 " Exr. St. Ry. Accts.
 " Engr. in Ch. in St. Ry.
 Surveys

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Public Works Department
Pros of the Madras Govt.
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P. W. D.

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derthereons N. 134/W.d/29 May 1886.

Communicated to
Officers of the Public Works
Department, for information.

(Enclosed)

Sgt. D. M. Chinnell Major R.E.
Under Secy to Govt. P.W.D.

Chief Engr for Engrs.
Engrs for Dyos.
Engrs
Sgt for the D. M. S.
Engrs: Archt to Govt
Engr in Works

Engrs: P. W. Accs

Engrs: Gr. Ry. Accounts

Engrs: Stat. Ry. Accounts

Engr in Chief M. S. Ry. Engrs

Issued

Recd.

Encl.

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B. No. 134/W.d/29 May 1886

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Written order.

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