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MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	875	Press Mis.
Dated	20-7-18	1807

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Public Department,
20th July 1867.*

No. 212. Read the following letter from the President of the Municipal Commissions, Vizagapatam District, to the Acting Chief Secretary to Government, Fort Saint George; dated Vizagapatam, 2nd July 1867, No. 209.

I have the honor to submit the following case, connected with municipal taxation at Bimlipatam, for the orders of Government.

2. Upon the introduction into that town of the Towns' Improvement Act for 1866-67, Messrs. Hyslop & Co., Agents for the British India Steam Navigation Company, were taxed as Agents of the said Company, and separately as Merchants. This was done with the approval of the late President, Mr. Carmichael, and no objection was started by the payers.

3. In issuing their bills for 1867-68 to this same firm, the Commissioners were met with opposition. Messrs. Hyslop & Co. refused to pay, saying that, under Section 48, they were exempted from double taxation.

4. The Commissioners remonstrated with them, but to no purpose. Messrs. Hyslop & Co. then complained to me. I pointed out to them that their proper course was first to pay, and then appeal, and that, as the Commissioners had offered to refer the question to Government, I would be glad to do so, should they still wish it.

5. They then paid their tax, as in the previous year, as Agents of the British India Steam Navigation Company and as Merchants. Messrs. Hyslop & Co. have now sent in their appeal, in the form of a Memorandum, which is herewith submitted*, together with two letters* from the Vice-President on the subject.

* In original.

6. I beg to observe that I quite agree with the Commissioners in their view of the case, seeing the many precedents they quote in illustration. However, as our procedure is objected to, I beg to submit the papers for the decision of Government.

7. I would only add that this course of referring the question to Government has been adopted upon the promise of the Commissioners to Messrs. Hyslop & Co. to do so. The ordinary course for disposing of appeals is laid down in Section 69 of the Act.

MEMORANDUM.

We pay the amount of this double tax on our firm under protest and appeal. The Agency of the British India Steam Navigation Company is part of our business. Our firm has been already taxed as Merchants; therefore, we are not liable to pay again, as we have now done, as Agents, B. I. S. N. Company. The 48th Section of the Act No. X of 1865 (an Act to provide Municipal Commissioners, &c.,) most distinctly says "a person who carries on several kinds of business, and "may come under more than one of the designations in Schedule A, shall be chargeable only "under one of such designations, at the discretion of the Municipal Commissioners."

2. The 1st Section explains a person to be any company, association, or body of persons, whether incorporated or not. We contend that these clauses are so clear that it is quite illegal to tax our firm as Merchants and as Agents of the British India Steam Navigation Company.

3. The Municipal Commissioners had the option, on first making out the lists, to charge us the higher rates, but did not do so.

4. Our establishment here is our own, and every expense, even office rent, paid by us. The agency (as we said before) part of our business is the British India Steam Navigation Company. They send steamers here, and do not trade in the town, but to the town, and for such privilege pay port dues like any other ships. Even if the British India Steam Navigation Company are liable, the

Proceedings of the Madras Government, Public Department,
20th July 1867.

manner in which our private office has been entered by the Inspector of Police and his peons, by the orders of the Municipal Commissioners at all hours, is, we think, quite unjustifiable.

5. It has been remarked that we paid this double tax last half-year. We did so in total ignorance of the Act, but since find we are not indebted.

BIMLIPATAM, 22nd June 1867.

(Signed) HYSLOP & Co.

To the Secretary to the Municipal Association, Bimlipatam.

From the Vice-President of the Municipal Commission, Bimlipatam, to the Acting Magistrate, Vizagapatam; dated Bimlipatam, 24th June 1867, No. 50.

With reference to our correspondence on the subject of a municipal license tax being claimed from the British India Steam Navigation Company, "Limited," I have now the honor to report that the Agents of the Company have paid the demand, but appealed against it. The Commissioners, feeling that there is some ground for doubt, would be obliged, if you see fit, by the point being referred to Government. It stands, as you already know, in this way: Hyslop & Co. are Merchants and Commission Agents in this place, and at the same time represent the Bimlipatam Branch of the Steam Company. It was the late Collector's opinion that they should pay in their capacity as Merchants, and that the Steam Company should likewise pay as a Joint Stock Company. In this opinion, the Commissioners concurred, feeling it only right that a Company deriving so large a benefit as this Company does from the town should contribute to the town's conservancy. Hyslop & Co.'s objection to taxing them and the Company is based under Section 48 of the Act—"persons chargeable under one designation only." We trust the objection will not hold, and we would point out that the Agent of the Madras Bank (who no doubt has good advice) though circumstanced as Hyslop & Co., pays without demur as Agent to the Bank, and also for the Bank as a Joint Stock Company.

From the Vice-President of the Municipal Commission, Bimlipatam, to the Acting Magistrate, Vizagapatam; dated Bimlipatam, 26th June 1867, No. 51.

In forwarding Messrs. Hyslop & Co.'s appeal, as requested in your communication of yesterday, I may be permitted to make one or two remarks upon it.

2. The Commissioners had no intention of imposing a double tax on Messrs. Hyslop & Co. They simply hold that Messrs. Hyslop & Co. should pay as Merchants, and that the Steam Company, doing a large and distinct business in Bimlipatam, should pay too. The head quarters of the Company are in Glasgow. The Calcutta Agents pay municipal tax for the Company and for themselves as Merchants; so, we are assured, do the Madras Agents. We do not demand a tax from Messrs. Hyslop & Co., as owners of a Cotton Screw, or as Agents for the Standard Assurance Company, or Liverpool and London Lloyd's, because these form part of their general business; but this Steam Company seems to us to stand on different ground: it has a recognized office at this place—whether kept up by means of salaries or commissions on earnings matters little.

3. As to the argument about port dues,--if that held good, the Calcutta and Madras Agencies would pay no license tax.

No. 213.

ORDER THEREON, 20th July 1867, No. 875.

The Government decline to express any opinion on the subject. The President and Commissioners must exercise their own discretion in disposing of the matter, in accordance with the provisions and intention of the Act, which cannot be contravened on the ground of a promise made by the Municipal Commissioners to a recurrent rate-payer.

(True Extract).

Acting Chief Secretary.

To the President of the Municipal Commissions in Vizagapatam,
with two enclosures returned.

Exd. J. H. Burns.

Vizagapatam 2nd July 1867

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From

J. H. Master Esquire
Actg Magistrate

To

The Honorable R. S. Ellis C.B.
Chief Secretary to Government
Fort St. George

For

I have the honor to submit the following case connected with Municipal taxation at Bimlipatam for the orders of Government.

2. Upon the introduction into that town, of the Town Improvement Act for 1866-67 Messrs. Hyslop & Co., Agents for the B. & S. N. Co. were taxed as Agents of the said Company, and separately as merchants. This was done with the approval of the late President, Mr. Carmichael, and no objection was stated by the payers.

3. In issuing their Bill for 1866-67 to this firm, the Commissioners were met with opposition. Messrs. Hyslop & Co. refused to pay saying that under Section 48, they were exempted from double taxation.

4. The Commissioners remonstrated with

them, but to no purpose. Messrs. Hyslop & Co. then complained to me. I pointed out to them that their proper course was first to pay and then appeal, and that as the Commissioners had offered to refer the question to Government, I would be glad to do so, should they still wish it.

5. They then paid their tax as in the previous year as Agents of the B. & M. Co. and as merchants. Messrs. Hyslop & Co. have now sent in their appeal in the form of a Memo. which is herewith submitted together with two letters from the Vice President on the subject. ^{* in original.}

6. I beg to observe that I quite agree with the Commissioners in their view of the case, seeing the many precedents they quote in illustration. However, as our procedure is objected to, I beg to submit the papers for the decision of Government.

7. I would only add that this course of referring the question to Government, has been adopted upon the promise of the Commissioners to Messrs. Hyslop & Co. to do so. The ordinary course for disposing of appeals is laid down in Section 69 of the Act. I have the honor to be

Sir,
Yours most obedient servant

W. Master
Actg. Magistrate

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properly
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the law
W. M.

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with 2 Suetos 20/10

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John B. King
3:2 July 1867

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