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MADRAS RECORD OFFICE.

Government of Madras.

Public DEPARTMENT.

G.O. No.	1389	Press ~~Min.~~
Dated	28-11-	1870.

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Department,
28th October 1870.

No. 210. Proceedings of Government, dated 28th October 1870, No. 1389.

His Excellency the Governor in Council desires to be furnished with the opinions of the Board of Revenue and of the several Collectors of Districts on the Local Funds' Bill* as amended by the Select Committee, and resolves to direct their particular attention to the following points.

* Published in the Fort Saint George Gazette Supplement of 26th July 1870.

2. The recommendation made by the Select Committee that, except in the case of Zemindaries, each Local Fund Circle should be conterminous with a Revenue Taluq, requires to be very carefully considered. It has been objected that the provision in question will be found inconvenient in its practical working, and that it will considerably enhance the labour of carrying out the Act. Under this provision it may be necessary to appoint two Committees for each Circle, one for Roads and the other for Education, a course which, in some districts, may be attended with difficulty, while the multiplication of separate Budget Estimates to be considered by the Board of Revenue and the Government will seriously increase the labour of controlling the operation of the new Law. Against these objections, it has been urged that the localization of the expenditure to the taluqs where the funds are raised will satisfy the rate-payers that they are deriving immediate advantages from the taxes which they are paying, and thus render the taxation less unpopular. The Government desire that each Collector will state his opinion as to the probable working of this provision, and, if he does not approve of it, will specify what, in his opinion, should constitute a Local Fund Circle—whether it should be conterminous with the district, or whether the district should be divided into two or more Circles. In the latter case, the boundaries of the several proposed Circles should be specified. The Collector will also state whether, in his opinion, it will be found possible to select in his district a sufficient number of persons qualified to serve as members of the several Local Fund Committees.

3. The question whether the duties of the Local Committees should be of an administrative character, or whether, as recommended by the majority of the Select Committee, they should be confined to advice and criticism, should also be considered and reported on. Any officers who may be of opinion that the Committees ought to be invested with larger powers should define accurately and in detail what those powers should be, and in what manner and under what conditions or restrictions they should be exercised.

4. The scheme of local taxation as provided for in the amended Bill will need very careful consideration, both from the Board of Revenue and from the several Collectors of Districts. In connexion with the rate on land, two important questions have been mooted, on which considerable dissidence of opinion prevails:—

1st.—As to the mode of assessing the annual rent value which forms the basis for assessing the rate.

2nd.—As to the assessment of the rate in Zemindaries.

On the first point, the Governor in Council entertains a strong impression that the rule at present in force under the District Road Cess Act, under which the assessment payable to the Government is taken to be the annual rent value of the land for the purposes of the Act, ought not to be departed from, and that the plan,

*Proceedings of the Madras Government, Public Department,
28th October 1870.*

which has been advocated in one or two quarters, of taking the estimated money value of the ryots' share of the produce as the basis of taxation, would seriously add to the unpopularity of the rate. The latter proposal appears to be open to all the objections urged against the income-tax, on the ground of its inquisitorial character and the powers of oppression to which such inquiries afford facility, *plus* the danger of producing, in the minds of the ryots, unfounded apprehensions of an enhancement of the land assessment; but, as the plan has been advocated by a Member of the Board of Revenue and by more than one Collector, it is desirable that it should undergo further discussion, and that those who support it should state definitely how they would meet the objections to which reference has been made, and in what manner the money value of the ryots' share of the produce should be estimated.

5. The other question of the incidence of the rate in Zemindaries is one of even greater difficulty, and should be fully reported on by the Board of Revenue and by the Collectors of all Districts which contain land held on other than ryotwary tenure. This question was briefly alluded to by the Board of Revenue in their letter of the 20th May last, but no suggestions were offered as to the mode in which, or the extent to which, the Zemindars should be compelled to contribute to the local taxation of their respective districts. The Board will now be requested to give their attention to the subject and to state whether or not they approve of the provisions which have been inserted in the amended Bill, under which a moiety of the rate will be payable by the Zemindar and a moiety by his tenants. If not, they will submit a draft of the provisions they would recommend.

6. The remaining sections of the Bill which relate to taxation should be fully reported on. Each Collector will submit a rough estimate of the probable receipts in his district from each tax, furnishing, at the same time, such information as will enable the Government to determine how far it will be expedient to levy the new taxes in each district. Each Collector should state whether he would advocate a house-tax or a tax on trades in the case of the non-agricultural classes, and what would be the probable receipts from these taxes respectively. The question of tolls should receive careful consideration. A map should be furnished for each district, showing on what roads and at what places tolls might be at once imposed and the probable receipts. In framing the estimates of receipts, it should be borne in mind that the rates of taxes and tolls provided for in the Bill are all maximum rates, and that it may be expedient in some districts, or parts of districts, to levy rates lower than the maximum rates, in order to prevent undue pressure upon the rate-payers.

7. The reports now called for from the several Collectors of Districts should be addressed to the Board of Revenue, and will be forwarded by the Board with their report.

(True Extract.)

Chief Secretary.

To the Board of Revenue.

„ Collector of

Exd. J. H. Burns.

Public Department

PROCEEDINGS of the MADRAS GOVERNMENT.

~~Read the following letter~~

28 October 1870 N^o 1389-

His Excellency the Governor in Council desires to be furnished with the opinions of the Board of Revenue, and of the several Collectors of Districts on the Local Funds Bill as amended by the Select Committee, and resolves to direct their particular attention to the following points.

2. The recommendation made by the Select Committee that, except in the case of Zeminaries, each Local Fund Circle should be coterminous with a Revenue Talook, requires to be very carefully

considered

Gobt. of 1870, Madras.

PUBLIC.

THE BOARD OF REVENUE.

Dated October, 28th.

Recd.

G. O., 28th October 1870, No. 1389.

OCTOBER
No. 210.

Requesting the opinions of the Board of Revenue and of the several Collectors of Districts on the Local Funds Bill as amended by the Select Committee, and directing their particular attention to certain points.

considered. His Excellency
in Council apprehends
that the provision in
question, if it be retained,
will be found very incon-
venient in its practical
working, and that it
will enormously enhance
the labor of carrying out
the Act. The fact that
it will necessitate the
preparation and the con-
sideration by the Board
of Revenue and by Govern-
ment of at least 156
Budget Estimates, not
improbably of double that
number, if, as is probable,
it shall be found expedient
to appoint two Committees
for each Circle, one for
Roads and Sanitation
and the other for Education,
constitutes in the judgment
of

His Excellency that

might be found

and that it might
enhance

It has been objected that the
provision in question will be
found inconvenient in its
practical working and that
it will considerably enhance the
labor of carrying out the Act.
Under this provision
it may be necessary to appoint
two Committees for each circle
one for Roads and the other
for Education, and the number
of which in some Districts may
be attended with difficulty - while
the multiplication of Budget
Estimates to be considered by
the Board of Revenue and the
Government may with
the labor of controlling

the operations of the new Law.
Against these objections, it
has been urged that the localization
of the expenditure to the Taluqs
where the funds are raised
will satisfy the rate payers
that they are deriving im-
mediate advantages from
the taxes which they are
paying and render the
tax more popular.
The objection

I have no objection to
the above Mr. [unclear] [unclear]
[unclear] [unclear] [unclear]
[unclear] [unclear] [unclear]

The collector will also state
whether in his opinion it
will be found possible to
select a sufficient number of
persons for the purpose to serve as
members of the several local

of His Excellency in Council
a very serious objection
to the provision in ques-
tion. * The Government
desire that each Collector
will state his opinion
as to the probable working
of this provision, and if
he does not approve of
it, will specify what in
his opinion should con-
stitute a local Fund Cir-
cle, whether it should
be coterminous with
the District or whether the
District should be divided
into two or more Circles.
In the latter case the
boundaries of the several
proposed Circles should
be specified. Lists of the
persons whom the Collector
would propose to appoint
as members of the several
local Fund Committees
should

should also be furnished, ^{and} Fund Committees

accompanied by such information as can be given regarding the qualifications of the several persons named, their places of residence, &c. &c.

I prefer the text of the
draft here, but if
Lord has a better
idea than the other then
I will say nothing. I
think however the text of
the draft will elicit more
definite information.

A. P.
I prefer the new draft.
M. P.

3. The question whether the duties of the local Committees should be of an administrative character, or whether, as recommended by the majority of the Select Committee, they should be confined to advice and criticism, should also be considered and reported on. Any officers who may be of opinion that the Committees ought to be invested with larger powers should define accurately and in detail what those powers should be, and in what manner and

and under what conditions or restrictions they should be exercised.

4. The scheme of local taxation, as provided for in the amended Bill, will need very careful consideration both from the Board of Revenue and from the several Collectors of Districts. In connection with the rate on land two important questions have been mooted, on which considerable difference of opinion prevails

1st as to the mode of assessing the annual rent value which forms the basis for assessing the rate.

2d, as to the assessment of the rate in Zemindari.

On the first point the Governor in Council entertains

a strong impression that the rule at present in force under the District Road Cess Act, under which the Assessment payable to the Government is taken to be the annual rent value of the land for the purposes of the Act, ought not to be departed from; and that the plan which has been advocated in one or two quarters of taking the estimated money value of the Ryots' share of the produce as the basis of taxation would seriously add to the unpopularity of the rate. The latter proposal appears to be open to all the objections urged against the income tax on the ground of its inquisitorial character and

such enquiries afford
facility.

W.A.
J.H.

and the powers of oppression which it confers on un-
trustworthy subordinate
officials) plus the danger
of producing in the minds
of the Ryots unfounded
apprehensions of an
enhancement of the land
assessment; but as the
plan has been advocated
by a member of the
Board of Revenue and
by more than one Collector,
it is desirable that it
should undergo further
discussion, and that
those who support it
should state definitely
how they would meet
the objections to which
reference has been made
and in what manner
the money value of the
Ryots' share of the produce
should be estimated.

The

5. The other question of the incidence of the rate in Zemindaries is one of even greater difficulty and should be fully reported on by the Board of Revenue and by the Collectors of all Districts which contain land held on other than Ryotwary tenure. This question was briefly alluded to by the Board of Revenue in their letter of the 20th May last, but no suggestions were offered as to the mode in which, or the extent to which the Zemindars should be compelled to contribute to the local taxation of their respective Districts. The Board will now be requested to give their attention to the subject and

and to state whether or not they approve of the provisions which have been inserted in the amended Bill, under which a moiety of the rate will be payable by the Zemindar and a moiety by his tenants. If not, they will submit a draft of the provisions they would recommend.

6 The remaining Sections of the Bill which relate to taxation should be fully reported on. Each Collector will submit a rough estimate of the probable receipts in his District from each tax, furnishing at the same time such information as will enable the Govt. to determine how far

it will be expedient to
levy the new taxes in
each District. Each Col-
lector should state whether
he would advocate a
house tax or a tax on
trades in the case of
the non-agricultural
classes and what would
be the probable receipts
from these taxes respec-
tively. The question of
tolls should receive
careful consideration.
A Map should be fur-
nished for each District
showing on what roads
and at what places tolls
might be at once imposed. In framing the estimates
of receipts it should be
borne in mind that the
rates of taxes and tolls
provided for in the Bill
are all maximum rates

and
(Note. In every District
a general system of tolls
is quite in accordance
with the circumstances
and is for the benefit
consideration of the
people.)

15
and that it may be ex-
pedient in some Districts,
or parts of Districts, to
levy rates lower than
the maximum rates, in
order to prevent undue
pressure upon the rate-
payers.

7. The reports now called
for from the several
Collectors of Districts
should be addressed to
the Board of Revenue,
and will be forwarded
by the Board with
their report.

Board of Revenue ^{21/10}
Collectors of ~~the~~ several Districts } ^{21/10}
Commissioner, Madras }
Collector, Madras }
Collector, Tanjore }
Collector, Coimbatore }
Collector, Salem }
Collector, Tirupur }
Collector, Tiruchirappalli }
Collector, Karaikal }

Vol. of 18 3 Murray.

To
The B. of Agric
Can.

Dated 28 Dec
Recd. 1870, No. 1587.

No. 210

Respecting the opinion
of the B. of Agric. by the
General Comtee. on
the Steel Road Bill as
amended by the Select
Committee, and Ministry
their particular attention
to certain points -