

Public Works (1898) Department.

RAILWAY BRANCH.

G.O., No. 945. *By*

DATED 22nd July 1898

[Despatch Abstract.]

Tax on Rents

Pres. L. & M. Dept. stating with remarks, that
the — cannot be imposed on the L. & M. Ry Coys
by the Exor. Municipality without the previous
sanction of the Govt of India, & that it is not
considered ~~desirable~~ ^{desirable} to apply at present & that
Govt for sanction to the levy of the proposed tax,
Committee to the Agents of the Ry Coys concerned

Indexed. 29/7/98.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

CURRENT No. 829

From The Social Annual. Sept. 11.

Order -
Communicated to
the Agents Madras and South
Indian Railways.

No. 1201 *in vivo*.

Dated 6-7-98.

Received } 8.7.98
Registered }

Enclosures

Spare copies

SUBJECT.

Tax on arts.

Stating with remarks, that the
— cannot be imposed on the
South Indian and Madras
Railway Companies by the
Coke Municipality without the
previous sanction of the
Govt of India, and that
it is not considered desirable
to apply at present to the
Govt of India for sanction
to the levy of the proposed
tax.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

From the Chairman, Municipal Council, Erode, No. 750/M.G.,
dated 11th March 1898.

dated 11th March 1898.

Under the provisions of section 62 of Act IV of 1884 as amended by Act III of 1897, I requested the Madras and South Indian Railway authorities at Madras and Trichinopoly respectively to let me have the monthly income of the respective companies from the Erode Railway station for purposes of assessing them to profession tax. The Agent and Manager of the Madras Railway Company has not as yet sent in any reply; but the Agent of the South India Railway Company writes to me to say that he considers it unnecessary to furnish the information I required as by notifications No. 270 and 136 dated 12th June 1890 and 5th April 1893 respectively, the Governor-General in Council has under the authority of section 135 of Act IX of 1890 (The Indian Railways Act) declared that every Railway Administration shall be liable to pay only such taxes as it was lawfully required to pay during the year ended 30th April 1890. He also says that he is unable to accept any demand for profession tax in as much as the South Indian Railway was on 30th April only liable to pay profession tax in one municipality (ie) Trichinopoly. The Amended Act clearly says that if any person is engaged in profession

tax in as

liable to pay profession tax in one municipality

Section 600 of the Amended Act clearly says that if any person exercises in more than one municipality any such art, profession, trade or calling or holds any such office or appointment he shall be liable subject to the provisions of section 55, in each of such municipalities.

tax payable in each municipality shall be

Provided that the tax payable in each municipality shall be fixed with reference to the income derived from the business carried on or the appointment held therein.

The Railway Company comes under illustration 3 of section 60 of the Act and I am therefore led to think that the Company is ~~lia~~ liable

liable to pay the tax on the income which it gets from the business carried on in the Erode Railway station.

The whole correspondence was placed before the Council at its meeting held on the 2nd Instant and the Council resolved to refer the matter to Government for favour of instructions. I have therefore the honour to request that you will be pleased to favour me with the instructions of Government as to how far the views held by me are correct or otherwise.

A copy of the resolution of the Council on the subject is herein enclosed.

Endorsement of the Collector of Coimbatore, N. Dis. No. 707/cur.R, dated 6th April 1898.

Forwarded.

2. The provisions of the Municipal Act cannot override section 135 of the Railway Act.

3. Notification No. 270, dated 12th June 1890, in the Gazette of India permits the levy from Railway Companies of all taxes lawfully demanded during the year ended on the 30th April 1890. *Flag N*

4. As professional tax was but recently introduced in Erode, there is no authority for levying it from the Railway Company.

Order No. 1201 M.Mis., dated 6th July 1898.

In the opinion of Government the tax on arts cannot be imposed on the Railway companies referred to without the previous sanction of the Government of India; but as it is under contemplation to abandon schedule A of the Madras District Municipalities Act IV of 1884 as amended by Act III of 1897, in favour of the schedule annexed to the Act of 1884, under which the tax was imposed on professions and not on incomes, the Government does not consider it desirable to apply at present to the Government of India for sanction to levy the proposed tax on the railway companies in question.
(True extract)

A. K. M. S.

for Secretary to Government.

To
The Chairman, Municipal Council, Erode,
thro' the Collector of Coimbatore.
,, Public Works (Railway) Department.