(1)
31

Revenue Department

Minutes of Consultations

14th July 1857

Back Numbers 1–2

Order No. 684 dated 8th July 1857

பாதுகாப்பு பிரிவு-1

செப்பனிடுபவர் பெயர்

செப்பனிடுவதற்காக எடுத்துக் கொள்ளப்பட்ட நாள்

செப்பனிட்டு முடித்த நாள் 7/+/07

சரிபார்க்கும் முதல் மு. நி. பா. கையொப்பம்.

சரிபார்க்கும் பா. ஏ. கையொப்பம்.

ஆராய்ச்சி உதவியாளர் கையொப்பம்

No. 1. Read the following Extract from the Proceedings of the Board of Revenue dated 5th June 1857, No. 1906.

In. Cons. 5th June 1857. Read letter from the Acting Collector of Madura dated 18th April 1857.

(Here enter No. 76.)

With the foregoing letter, the Acting Collector submits the usual yearly accounts of receipts and expenditure on account of the town of Madura for 1856 with other Statements to shew the progress of improvement.

2. The total Receipts were Rs. 5,995-0-11, of which Rupees 2,067-9-6 were derived from the sale of building ground, and Rupees 3,611-4-5 from the rent of markets.

3. The aggregate expenses were Rs. 5,642-6-2 which sum comprized the wages of the market Establishments and Maistries, &c., employed in the town, the hire of Scavengers' carts and an item of Rupees 2,256-9-7 for gravelling streets.

4. The streets are represented to be all gravelled and in good repair; but the drains are stated in this, as in former Reports, to be defective in point of level, from which circumstance their contents stagnate. Mr. Sullivan attributes the severity of the cholera in the town in the present year, in a great measure to the want of sufficient rain which caused an accumulation of refuse, and he mentions that the execution of a work, commonly termed the "Water Project" which was devised for the purpose of bringing in water from the Vigay river to flush the drains has been stopped. In regard to his recommendation that a careful revision of the levels of the drains should be made from the funds in hands, the Board observe, that he will find from his records that as Magistrate he is vested with full authority to apply the town funds to this purpose if he deems it advisable, provided that his plans are approved by the District Engineer. In fact, it is seen that both in the year under report and in former years there are charges on this account.

5. The Report now before the Board supplies information with reference to remarks made in the Board's Proceedings of the 25th August last on a proposition made by the Collector, Mr. Parker,* "that the "inhabitants of the town of Madura, who pay a land tax for their house ground should be "allowed to redeem the same at the number of years purchase which may be considered suitable." In a marginal note it was explained that these chiefly belonged to the old ditch, and as the gentleman who made the suggestion is now an Acting Member of the Board, it is known to them that the other sites of houses paying tax are such as originally formed part of cultivated fields.

* *From Collector of Madura 8th March in Cons. 25th August* 1856, *para.* 3.

6. The ditch lands as they are commonly called, comprizing the area of the old fort ditch, glacis and ramparts, were appropriated to building purposes under the sanction of Government dated the 25th April 1842, D. P. W.† They were to be sold by auction (the proceeds of which have been applied to the improvement of the town) and moreover saddled with a quit rent equal to the average of the teerwa of high taxed Nunjah land. This teerwa was fixed eventually at 9 Rupees the cawny. The pretext for this yearly tax on land sold by Government, was the circumstance of the area of the ditch having been partially cultivated with Nunjah, and yielded Goverrment a yearly revenue of 150 Rupees.

† *In Cons. 28th April* 1842.

From Collector of Madura dated 4th in Cons. 24th March 1842 *D. P. W. para.* 4.
From Do. 3d March in Cons. 24th April 1854.

7. In a letter dated the 3d March 1854, the Collector made a suggestion, that the yearly tax on the ditch land taken for building purposes should be remitted or redeemed on the ground not only of the high price paid for it, but because the great number and small amount of the Puttahs rendered the trouble of collection quite out of proportion to the amount, and caused a large balance to be always outstanding in the accounts. It was shewn that the number of Puttahs was 1230, while the amount of assessment was only Rs. 533-10-6.

Pro. to Collector 24th April 1854.

8. The Board, in reply, expressed their opinion that the land was justly charged with a land tax which it was inexpedient to give up; and as regards the proposition to allow its redemption, stated that they were not prepared to entertain it at that time, as a similar suggestion for the Madras Collectorate had been recently abandoned, partly on account of the poverty of the parties and the nature of the tax, and partly because it would not be much relief to the business of the office. At the same time, it was stated, that if there was a desire among the people to redeem the tax on the site of houses, the Collector should again bring the subject under consideration.

From Collector of Madura 8th March in Consultation 25th August 1856.

9. In forwarding the town accounts for Fusly 1265 the Collector repeated his recommendation urging, in addition to the reason previously given, that with the view of promoting the growth of towns as essential to the prosperity of the country, it is desirable to free the people as much as possible from all troublesome interference, and that the inclusion of a larger number of petty Puttahs for house rent in the Government Rent Roll was calculated to lead to wrong statistical references. He argued that the redemption of the tax on arable land conquered from the country by the towns owing to the increase of the population and that of the land tax in general stood on a different footing, the amount of the former being too small to be liable to the objections which exist to an anticipation of the yearly revenue of the State, and he pointed out that the course he suggested was recommended not only as removing trouble and annoyance, but also as assimilating the new houses to the old built on the Grama Nuttum, which is exempted from tax by immemorial usage.

10. The Board, on this occasion, were favorable to the proposal but required more information. They wished to know whether in Madura town there is any distinction between a cultivating and non-cultivating inhabitant in regard to taxation for his house ground, also on what principles and at what rates ground is taxed within the town of Madura; whether accurate Maps exist as well as Registers to shew the different holdings, and the terms on which the inhabitants are willing to redeem their quit rents.

11. These questions are partially answered in the present report, and any deficiency in the information therein contained is supplied by the Board's records, and from other sources within their reach.

12. There is no distinction between cultivating and non-cultivating ryots in Madura town as regards payment for house ground. All the land occupied by the old town is exempt from tax. That which is subject to it is the site of the old ditch, glacis and ramparts, and land newly taken for building purposes from the surrounding fields. The former as already stated are charged at the rate of 9 Rupees the Cawny. The latter at any rate of Nunjah, Garden or Poonjah Assessment which they have hitherto paid. There are no Maps shewing the holdings, but for the ditch land there are accurate Registers and Grants, and the sites taken from the arable land are of course included in Puttahs. The holdings of the rent free lands of the old town are no where separately shewn, but this is of no consequence as regards the particular purpose in view.

13. There would appear therefore to be no difficulty in carrying out the arrangement if sanctioned by Government.

3

14. Mr. Sullivan forwards a Mahazurnamah presented by several residents offering to pay 8 years' purchase in redemption of the tax, and he inserts a calculation in the margin of his letter to shew that Government will gain Rupees 354 annually by accepting the offer. He alludes to the ditch lands only. To the soundness of this calculation the Board cannot subscribe. To the redemption price offered for the land, the Acting Collector first adds the whole amount of tax since received, then charges interest thereon at 12 per cent. per annum, and afterwards comparing the amount of quit rent now received with the amount of interest, shews that the latter exceeds the former by the sum above mentioned. Obviously, however, for the purpose of ascertaining whether Government will or will not benefit by the redemption in a pecuniary point of view, part payments of tax should not be added to the price offered. And when Government can borrow money at 5 per cent., the interest on the redemption amount cannot be fairly reckoned at 12 per cent. In point of fact, Government will not gain in a pecuniary point of view, unless the tax is redeemed at more than 20 years' purchase of the net receipts, which at the market rate of 5 per cent. would yield a yearly income equal to the amount of the present tax.

15. The inhabitant, however, who can lend out his money at 12 per cent. evidently cannot afford to pay so high a rate of redemption as 20 years' purchase. It is probably this bazaar rate of interest which Mr. Sullivan had in view in his calculation.

16. If the arrangement therefore be considered desirable on other grounds, the Government must be contented to make some pecuniary sacrifice, and sufficient arguments have been adduced to lead the Board to recommend the Government to sanction the redemption of the ditch land on moderate terms.

17. While the income derived from these was formerly only 150 Rupees a year, the large sum of Rupees 17,107 is shewn by para. 4 of the Collector's letter of the 3d March 1854,* to have already been paid, or about to be paid as price, and the Board attach considerable value to the argument that collection of the sum of Rupees 500 per annum and odd, or more than 1,200 puttahs, occasions a disproportionate amount of trouble, and injures the value of the statistical accounts. It is true that in the town of Madras house grounds pay quit rent; but there is a special establishment for the collection; and as the nature of the revenue of the Madras Collectorate is well known, the small holdings appearing in its accounts lead to no wrong estimate of the effect of the ryotwary system. In Madura on the other hand, the accounts and puttahs for these twelve hundred and odd holdings have to be prepared, and the collections made by the ordinary village establishment on which, and frequently on that of the Tahsildar, on account of the balances which the weavers allow to lie over, it forms a heavy burden.

**In Consultation 24th April* 1857.

18. The question remains what is to be considered a fair redemption price. If the Government are willing to sacrifice something to avoid certain inconveniences experienced by them under the present system. So also the inhabitant may be reasonably expected to consent to pay for exemption from the trouble and interference to which he is now subject. The Board consider that 12 years' purchase would be a fairer price to both parties than eight, and resolve to solicit authority for the Collector to compound with the holders of ditch land if willing to pay at this rate.

19. The reasons assigned for this change, except that of the large price already paid, apply in a great degree to the ordinary cultivated Ayacut taken up for building, and the Board see much force in another argument made use of in support of the proposition; viz., that it will remove an impediment to the growth of towns, and that these re-act on the prosperity of the country. When a field adjacent to a town is required for a new street, the natural process under the proposed arrangement would be for the owner, to redeem the land tax, and then to parcel the land out in sites to parties, who after paying the price would have no further trouble. Now, after purchase they either have to procure a recognition of the transfer and a puttah from the Government officers at the commencement with a call for the tax every year, or if the puttah for the whole field remains with the former owner, they run the risk of being defrauded.

20. The question however is one of considerable magnitude, as the arrangement if sanctioned should not be confined to Madura, but applied to the Districts of the Presidency in general. The Board therefore will content themselves on the present occasion with the recommendation already made in regard to the building grounds obtained from the old ditch, glacis and ramparts of Madura, as a special case, and should Government view with favor an extension of the principle to assessed land in general when taken into towns or villages as sites of houses, they will take the subject into further consideration, after consulting some of the most experienced Collectors.

21. One contingent objection occurs to the Board to the redemption of the ground rent even of the sites belonging to the Madura ditch lands. It may possibly be determined hereafter to introduce such ground rents generally and to appropriate them to municipal purposes. In such case the sale of the tax at the present time might present an obstacle to its re-imposition hereafter, and if any such measure as that alluded to is in prospect, the Board would wish to be understood to withdraw the recommendation submitted in a preceding para. If transferred to a town Fund, many of the objections to which the tax is now subject would be removed. The Puttahs would not be included in the general Revenue Rent Roll, and the labour of collection would fall upon a distinct Establishment organized for this and similar purposes.

22. In the Report for 1855* allusion was made to the nuisance arising from houses being left unfinished, and building sites unoccupied owing to the poverty or absence of the owners, and a wish expressed "that the Magistrate had power to put up such to auction, and to retain the sale proceeds in deposit on failure of the owner to occupy, or complete, as the case might be, within a moderate period after due notice."

* *Dated 8th March* 1856.

23. The Board expressed an opinion that the nuisance might be removed by enforcing Act XXI. of 1841, and suggested that if such grounds bear an assessment which is not paid they might be sold for the arrears, and that an assessment might be imposed on others, which could be either made over to claimants, or disposed of to the best advantage.

24. Adverting to these remarks, Mr. Sullivan states that the waste land in question does not pay assessment unless cultivated, and that as the plots have been purchased at fair prices he does not consider that a quit rent would be just; but that the nuisance may be removed by the application of Act XXI. of 1841.

25. It has been already explained that it is only the sites in the additions to the area of the town obtained from the ditch and surrounding fields that are subject to quit rent or tax, whereas the vacant spaces and half built houses occur in the old town as much as in the new portion. In the former to impose a quit rent would be opposed to the prevailing tenure of the ground in this and other Provincial towns. Where sites not belonging to Government in parts subject to assessment are left unoccupied by the owner, payment should be invariably enforced, and if necessary by sale of property under the Act recently passed. This proceeding however may fail to bring about the enclosure of the ground so as to prevent its being the cause of a nuisance, and the question will then remain in regard to such land, and also sites in the old town which are not subject to tax, as well as half finished houses whether Act XXI. of 1841 is applicable. That enactment enables Magistrates to remove unlawful obstructions and nuisances, and the word remove as well as the terms of Section II. of the Act would indicate that empty spaces were not within its purview. The only mode of suppressing a nuisance arising from such places would be to sell them to persons willing to enclose, and to try the question, it may be worth while for the Magistrate to do so in one or two instances, and to defend any suit which may be brought against him in consequence out of the town Funds, an unfinished building if in danger of falling can of course be removed under the Act quoted above.

26. At the conclusion of his Report, Mr. Sullivan informs the Board that he has endeavoured to introduce a system of municipal management on a small scale. Voluntary collections have been made to the extent of 32 Rupees and odd, which it appears to be intended to apply to

4

3.

watching and lighting the town. In regard to the town of Salem the Government have expressed themselves favorable to such efforts, but suggested that the Collector should endeavour to induce the Inhabitants to consent to apply for the introduction of Act XXVI. of 1850. Mr. Sullivan should keep the same object in view.

(A true Extract.)

(Signed) J. D. SIM, *Acting Secretary.*

No. 2. ORDER THEREON, No. 684; dated 8th July 1857.

The Government can pass no orders on the subject referred to in the above Proceedings until they receive the decision of the Government of India in respect to the abolition of Moturpha in the several Districts of the Madras Presidency.

(Signed) H. FORBES,
Acting Secretary to Government.

5/

Revenue Department

N° 822.

Extract from the Proceedings of the Board of Revenue dated 24th April 1854.

Read letter from the Collector in Ltr 24th April 1854. of Madura dated 3d March 1854.

/Recd enter N° 31/

1. As the land referred to in the foregoing letter is justly chargeable with the rent to Government, the Board do not think it is expedient to give it up. If the present rent is too high, the Collector should propose a reduction. nor can they sanction the giving up of the rent of Sheigal land alluded to in the last para of Mr Parker's letter.

2. As the suggestion for redeeming the land tax in the Madras Collectorate has been recently abandoned, partly on account of the poverty of the parties and the nature of the tax, and partly because it would not be much relief to the business of the Office, the Board are not prepared to entertain Mr Parker's project for the present. At the same time if there

is a general desire among the people to redeem the tax of land, used as the site of Houses or for other building, the Collector should again bring the subject under consideration and state what terms he would propose.

(A true Extract)

(Signed) W. R. Bayley
Secretary

To,
R. D. Parker Esq
Collector of Madura.

Revenue Department.

N° 2735.

Extract from the Proceedings of the Board of Revenue, dated 25th August, 1856.

Read the following letter from the Collector of Madura, dated 8th March 1856 forwarding a Statement of receipts and expenditure on account of the Madura Town Fund for 1855 and reiterating the recommendation contained in his letter of the 3d March 1854 in favor of the exemption of the land tax levied on House Ground.

In Con 25th Augt

In Con 24th April 56

(Here Entr N°53)

It appears from the above account

account current that during the years 1854 and 1855, the collections amounted to Company's Rupees 69,135-4-2 of which Rupees 63,501-4-5 were expended in various improvements of the Town, and that the Balance in hand at the close of the year was Rupees 3034-2-9 The number of substantial houses and Bagars built since 1842 was 3000, and 25 were in course of erection, which, it is stated, would be completed by the end of 1855. The improvements thus effected in the Town of Madura, in so comparatively short period, reflect much credit on Mr Parker's attention to the comfort and well-being of the residents; and it is hoped that he will be able soon to complete what he has hitherto so successfully carried on.

2. The Board think that the nuisance complained of in Para: 2 of the letter recorded above may be effectually removed by enforcing the

provisions of Act XXI of 1841.

3. With reference to the unoccupied pieces of ground alluded to in Para 2, some explanation is needed and the Board resolve to call upon the Collector to report whether the pieces of ground in question bear an assessment; and if so whether it has been duly paid and at what rates. But if it has not been paid, and private parties have come forward to claim the lands, they should be sold at once for the arrears. In case they bear no assessment the Collector will fix such Quit Rent on them as may seem fair and either make them over to claimants if their claims can be substantiated, or dispose of them to the best advantage.

4. In Para 3. the Collector suggests that the inhabitants of the Town of Madura and other Towns and Villages should be allowed to redeem

the

7.

the land tax levied on their house ground. This proposal, as applied to the areas of Towns and Villages seems to the Board to be a good one, when it can be properly carried out. But the Board had lately occasion to point out to the Collector the difficulty that exists as to Villages at least from the rule by which a cultivating inhabitant is not taxed for his house and back-yard, while a non-cultivating inhabitant is taxed - what the practice in Madura Town may be in this respect is not shown. The Collector is requested to supply information on this subject and also to explain on what principle and at what rate ground is taxed within the Town of Madura, and whether accurate Maps exist as well as Registers to show the different holdings. The wishes of the inhabitants on the subject of redeeming the ground rent and the terms they would be willing to pay should

also

also be ascertained, because the measure could only be carried out by voluntary agreement, and unless the great mass of the residents are in its favor, it would be useless to recommend the plan to Government.

/ A true Extract /

/ signed / C. S. Forbes

Secretary.

To, K. D Parker Esq
Collector of Madura.

/ True Copies /

Acting Secretary.

Revenue Department

9

Enclosure

9/

In an Extract from the Proceedings of the Board of Revenue to the Acting Secretary to Government Revenue Department dated 5th June 1857 No.

A

Re 655/54

Copies

of Board's Proceedings to Madura dated 24th April 1854 No 822 and 25th August 1856 No 2735.-

Regarding the resumption of Land tax levied on Rent Ground.-

also be ascertained because the mea-

Revenue Department

9

Extract from the Minutes of Revenue Letter dated 5th June 1857

No. 1906

Extract from the Proceedings of the Board of Revenue dated 5th June 1857. No 1906

Read letter from the Acting Collector
In Cons. 5th June 1857. of Madura dated 18th April 1857.

(Here enter No 78)

With the foregoing letter the Acting Collector submits the usual yearly accounts of receipts and expenditure on account of the Town of Madura for 1856 with other statements to shew the progress of improvement.

2. The total Receipts were 5995-.-11 of which Rupees 2007-9-6 were derived from the sale of building ground, and Rupees 3087-4-5 from the Rent of Markets.

3. The aggregate expenses were 5052-6-2. which sum comprized the wages of the Market Establishments and Mais-tries &c employed in the Town, the hire of Scavengers Carts and an Item of 2236-9-7 for gravelling Streets.

4. The Streets are represented to be all gravelled and in good repair but the

Drains

Drains are stated in this, as in former Reports, to be defective in point of level, from which circumstance their contents stagnate. Mr. Sullivan attributes the severity of the Cholera in the Town in the present year, in a great measure to the want of sufficient rain which caused an accumulation of refuse and he mentions that the execution of a Work, commonly termed the "Water Project" which was devised for the purpose of bringing in water from the Vigay River to flush the Drains has been stopped. In regard to his recommendation that a careful revision of the levels of the Drains should be made from the Funds in hands, the Board observe, that he will find from his Records that as Magistrate he is vested with full authority to apply the Town funds to this purpose if he deems it advisable; provided that his plans are approved by the District Engineer. In fact it is seen that both in the year under Report and in former years these are charges on this account.

5. The Report now before the Board supplies information with reference

to remarks made in the Board's Proceedings of the 25th August last on a proposition made by the Collector, Mr. Parker, "that the "inhabitants of the Town of Madura, who "pay a Land Tax for their House Ground "should be allowed to redeem the same at "the number of years purchase which may "be considered suitable". In a Marginal Note it was explained that these chiefly belonged to the old Ditch, and as the Gentleman who made the suggestion is now an Acting Member of the Board, it is known to them that the other sites of Houses paying Tax are such as originally formed part of cultivated fields.

From Collector of Madura 8th March & 25th August 1856 Para 3.

In Con 28th April 1842

6. The Ditch lands as they are commonly called, comprizing the area of the old Fort Ditch, Glacis and Ramparts, were appropriated to building purposes under the Sanction of Government dated the 25th April 1842 D.P.W. They were to be sold by auction (the proceeds of which have been applied to the improvement of the Town and moreover saddled with a Quit Rent equal to the average of the teerwa of high

taxed

taxd Nunjah land. This Teerwa was fixed eventually at 9 Rupees the Cawny- The pretext for this yearly tax on land sold by Government, was the circumstance of the area of the Ditch having been partially cultivated with Nunjah, and yielded Government a yearly revenue of 150 Rupees-

From Collector of Madura dated 4th inst. 25th March 1852 D.P.R. Para 4. From 3d March in Con 28th April 1854-

In a letter dated the 3d March 1854 7- the Collector made a suggestion, that the yearly tax on the Ditch land taken for building purposes should be remitted or redeemed on the Ground not only of the light price paid for it, but because the great number and small amount of the Puttahs rendered the trouble of collection quite out of proportion to the amount: and caused a large Balance to be always outstanding in the accounts- It was shewn that the number of Puttahs was 1230 while the amount of Assessment was only 533-10-6-

Ltr to Collector 24th April 1854-

8- The Board, on reply, expressed their opinion that the land was justly charged with a land tax which it was inexpedient to give up; and as regards the proposition to allow its redemption, stated that

that they were not prepared to entertain it at that time, as a similar suggestion for the Madras Collectorate had been recently abandoned- partly on account of the poverty of the parties and the nature of the tax, and partly because it would not be much relief to the business of the office- At the same time, it was stated, that if there was a desire among the people to redeem the tax on the Site of Houses the Collector should again bring the subject under consideration.

From Collector of Madura 3d March in Cons 25th August 1855-

9- In forwarding the Town accounts for Fasly 1268 the Collector repeated his recommendation urging, in addition to the reason previously given, that with the view of promoting the growth of Towns as essential to the prosperity of the Country, it is desirable to free the people as much as possible from all troublesome interference, and that the inclusion of a large number of Petty Puttahs for Ryoti Rents in the Government Rent Rolls was calculated to lead to wrong Statistical references. He argued that the redemption of the Tax on arable land conquered from the

the Country by the Towns owing to the increase of the population, and that of the land tax in general stood on a different footing- the amount of the former being too small to be liable to the objections which exist to an anticipation of the yearly Revenue of the State- and he pointed out that the course he suggested was recommended not only as removing trouble and annoyance, but also as assimilating the new houses to the old built on the Gramanattum, which is exempted from tax by immemorial usage-

10. The Board, on this occasion were favorable to the proposal but required more information- They wished to know whether in Madura Town there was any distinction between a cultivating and non cultivating Inhabitant in regard to taxation for his house ground. also on what principles and at what rates ground is taxed within the Town of Madura. Whether accurate Maps exist as well as Registers to shew the different holdings, and the terms on which the Inhabitants are willing to redeem their

Dues

Dues Rents. 12

11. These questions are partially answered in the present report, and any deficiency in the information therein contained is supplied by the Board's Records, and from other sources within their reach-

12. There is no distinction between Cultivating and non cultivating Ryots in Madura Town as regards payment for House ground- All the land occupied by the old Town is exempt from Tax- That which is subject to it is the Site of the old Ditch- Glacis and Ramparts and land newly taken for building purposes from the surrounding fields. The former as already stated are charged at the rate of 9 Rupees the Cawny. The latter at any rate of Nunjah, Garden or Poonjah Assessment which they have hitherto paid. There are no Maps shewing the holdings, but for the Ditch land there are accurate Registers and Grants, and the sites taken from the arable land are of course included in Pottahs. The holdings of the Rent free lands of the old Town are no where separately

shewn

shewn, but this is of no consequence as re-
gards the particular purpose in view.

13. There would appear therefore to
be no difficulty in carrying out the arrange-
ment if sanctioned by Government.

14. Mr Sullivan forwards a Ma-
hazurnamah presented by several residents
offering to pay 8 years purchase in redemp-
tion of the Tax and he invest a calculation
in the margin of his letter to shew that
Government will gain Rs 354 annually by ac-
cepting the offer. He alludes to the Ditch
lands only. To the soundness of this calcu-
lation the Board cannot subscribe. To
the redemption price offered for the land,
the Acting Collector first adds the whole
amount of Tax since received, then charges
Interest thereon at 12 per cent per annum,
and afterwards comparing the amount of
Quit Rent now received with the amount
of Interest, shews that the latter exceeds
the former by the sum above mentioned.
Obviously however, for the purpose of ascer-
taining whether Government will or will
not benefit by the redemption in a pecuniary

point

point of view, part payments of tax should
not be added to the price offered. and when
Government can borrow money at 5 per cent,
the interest on the redemption amount can-
not be fairly reckoned at 12 per cent. In
point of fact Government will not gain in
a pecuniary point of view, unless the Tax is
redeemed at more than 20 years purchase of
the net receipts which at the Market rate of
5 per cent would yield a yearly income equal
to the amount of the present Tax.

15. The Inhabitants however who can
lend out his money at 12 per cent evidently
cannot afford to pay so high a rate of redemp-
tion as 20 years' purchase. It is probably
the Bazar rate of Interest which Mr Sullivan
had in view in his calculation.

16. If the arrangement therefore be
considered desirable on other grounds the Go-
vernment must be contented to make some
pecuniary Sacrifice. and sufficient arguments
have been adduced to lead the Board to re-
commend the Government to sanction the
redemption of the Ditch land on moderate
terms.

White

17. While the Income derived from
these was formerly only 150 Rupees a year,
13. the large sum of 1707 Rs is shewn by Para 4.
of the Collectors letter of the 3d March 1854 In Con 24th April 1858
to have already been paid, or about to be
paid as price and the Board attach consider-
able value to the argument that collection
of the sum of 500 Rs per annum and odd, or more
than 1200 Puttahs, occasions a disproportionate
amount of trouble, and injures the value
of the Statistical accounts. It is true that
in the Town of Madras house Grounds pay
Quit Rent, but there is a Special Establish-
ment for the collection, and as the nature
of the Revenues of the Madras Collectorate
is well known, the small holdings appearing
in its accounts lead to no wrong Estimate
of the effect of the Ryotwaree System. In
Madura on the other hand the accounts
and Puttahs for these twelve hundred and
odd holdings have to be prepared, and
the collections made by the ordinary Village
Establishment on which, and frequently on
that of the Tahsildar, on account of the Ba-
lances which the Weavers allow to lie over

it

Tenure &c

it forms a heavy burden.

18. The question remains what is to
be considered a fair redemption price. If the
Government are willing to sacrifice something
to avoid certain inconveniences experienced by
them under the present System. & also the
Inhabitant may be reasonably expected to
consent to pay for exemption from the trouble
and interference to which he is now subject.
The Board consider that 12 years' purchase
would be a fairer price to both parties than
eight and resolve to solicit authority for the
Collector to compound with the holders of
Ditch land if willing to pay at this rate.

19. The reasons assigned for this
charge, except that of the large price al-
ready paid, apply in a great degree to the
ordinary cultivated Ayacut taken up for
building. and the Board see much force
in another argument made use of in
support of the proposition, viz, that it will
remove an impediment to the growth of
Towns, and that these react on the pros-
perity of the Country. When a field
adjacent to a Town is required for a new

street

Street, the natural process under the proposed arrangement would be for the owner to redeem the land tax, and then to parcel the land out in sites to parties, who after paying the price would have no further trouble. Now, after purchase they either have to procure a recognition of the transfer and a Puttah from the Government officers at the commencement with a call for the Tax every year, or if the Puttah for the whole field remains with the former owner, they run the risk if being defrauded.

20. The question however is one of considerable magnitude, as the arrangement if sanctioned should not be confined to Madura but applied to the Districts of the Presidency in general. The Board therefore will content themselves on the present occasion with the recommendation already made in regard to the building grounds obtained from the old Ditch, Glacis and Ramparts of Madura, as a special case, and should Government view with favor an extension of the principle to assessed land in general when taken into

Towns

15

Towns or Villages as sites of Houses, they will take the subject into further consideration, after consulting some of the most experienced Collectors.

21. One contingent objection occurs to the Board to the redemption of the Ground Rent even of the sites belonging to the Madura Ditch lands. It may possibly be determined hereafter to introduce such Ground Rents generally and to appropriate them to municipal purposes. In such case the sale of the tax at the present time might present a obstacle to its reimposition hereafter and of any such measure as that alluded to is in prospect, the Board would wish to be understood to withdraw the recommendation submitted in a preceding Para. If transferred to the Town Fund, many of the objections to which the tax is now subject would be removed. The Puttahs would not be included in the general Revenue Rent Roll and the labour of collection would fall upon a distinct Establishment organized for this and similar purposes.

In the Report for 1855 allusion was

Dated 5th March 1856.

22.

was made to the nuisance arising from houses being left unfinished and building sites unoccupied owing to the poverty or absence of the owners and a wish expressed that the Magistrate had power to put up such to auction, and to retain the sale proceeds in deposit on failure of the owner to occupy or complete, as the case might be, within a moderate period after due notice."

23. The Board expressed an opinion that the nuisance might be removed by enforcing Act XXI of 1841 and suggested that if such grounds bear an assessment which is not paid they might be sold for the arrears. and that an assessment might be imposed on others, which could be either made over to claimants or disposed of to the best advantage.

24. Adverting to these remarks Mr Sullivan states that the waste land in question does not pay assessment unless cultivated, and that as the plots have been purchased at fair prices he does not consider that a Quit Rent would be just, but that the nuisance may be removed by the application of Act XXI of 1841.

16

25. It has been already explained that it is only the sites in the additions to the area of the Town obtained from the Ditch and surrounding fields that are subject to Quit rent or Tax - whereas the vacant spaces and half built houses in the old Town as much as in the new portion - & the former to impose a Quit Rent would be opposed to the general principle of taxing land and the sites not belonging to Government. If the sites not belonging to Government were to be subject to assessment it would be impossible to enforce it properly under the Act. This proceeding would be very unpopular and the enforcement of it would tend to prevent its adoption by the people, and the question being the cause of a nuisance, and the question will be how to obtain payment in regard to such lands and the sites in the old Town which are not subject to Tax, as well as half finished houses whether Act XXI of 1841 is sufficient. That Enactment enables the Magistrate

[illegible] to move in the

Magistrates to remove unlawful obstruc-
tions and Nuisances. and the word remove
as well as the terms of Section II of the Act
would indicate that empty spaces were
not within its purview. The only mode of
suppressing a nuisance arising from such
places would be to sell them to persons wil-
ling to enclose, and to try the question it
may be worth while for the Magistrate to
do so in one or two instances and to defend
any Suit which may be brought against
him in consequence out of the Town Funds.
An unfinished building is in danger of
falling can of course be removed under
the Act quoted above.

At the conclusion of his Report

26-

Mr. Sullivan informs the Board that he
has endeavoured to introduce a system of
Municipal management on a small scale.
Voluntary collections have been made to
the extent of 32 Rupees and odd which it
appears to be intended to apply to watching
and lighting the Town. In regard to the
Town of Salem the Government have expressed
themselves favorable to such efforts but
suggested

17 17 16

suggested that the Collector should en-
deavour to induce the Inhabitants to
consent to apply for the introduction of
Act XXVI of 1850. Mr. Sullivan should keep
the same object in view.

(True Extract)

Sd G. Sir
Ag Secretary.

To
A. Forbes Esq.
Ag Secretary to Government
Revenue Department.

Rec: Dep: No 655. 17.

18/

A reply to Rec: No.

to affect any alteration
this the Govt of India
may make, & thereby the
deficit, which leads
-lation of the Notwithst
day in Madras will
cause -

The Board refer
Resolution in para
21, and deduce to
it from their proceed

recommendation in
the event of its being
considered that they
may clash with any
measure that may
here after be proposed
regarding provincial
Contracts.

I think that it will
be better not to
mention any thing

9°

Extract from the Minutes Consultation

Read Extract from the Proceedings of the Board of Revenue dated 5 June 1855

1. In Para 3 of his letter & the Board of Revenue dated 8 March 1856, wherein reporting upon the Expenditure of the Madura Town Funds during 1855, the Collector of Madura suggested that the inhabitants of Madura itself and of other Towns and Villages should be allowed to redeem the Land Tax levied on their house ground. The information then before the Board was insufficient to enable them to move in the

Proc. of Madura No 2735
May 25. 1856.

[illegible] it is recommended that
Copies of the Letter
[illegible] Collector
[illegible]
[illegible]

Secretary with the
Minutes.

[illegible]

matter, but the deficiency is supplied in the Ag. Collectors letter of 8 April 1859

2. Appears that in 1842, it having been decided that, on sanitary grounds the walls of the old Fort at Gwadur should be demolished, the Fort ordered that the lands where the ditch, glacis & rampart were situated should be sold by Auction to individuals for building purposes; and the proceeds applied to the improvements of the Town. The ground so sold, (Rs. 6/) was to be saddled

Extl 25 April 1862 Pd. para 6.

with a small quit rent of Equal to the average of highly taxed wet land, this quit rent was fixed ultimately at 9 Rupees per C.

3. The subject had been on a previous occasion brought to the Boards notice by the Collector; his reason for so doing, as at first alleged, for recommending the redemption of the land tax, were, that the price paid for it was very high, and that the great number and small amount of the Puttahs rendered the trouble of collection quite out of proportion to the profit to Govt. Subsequently the Collector brought forward

Rs. 7.
Rem Coll. Gwad. 5 Pd.
5th March 1854

+ more than 17000 Rs.

another argument - viz:
that as the prosperity of
Town was essential
to the well being of the
Country, it was desirous
to free those who wished
to build, & take up
land for building in
or near a Town as
much as possible from
all troublesome inter-
ference; Mr Parker
further shewed that
the inclusion of large
"number of petty Puttahs
"in House rents in
"the Govt. rent roll was
"a Calculated Blead
"Disney statistical
"results; and again
that the redemption
was not only advise-
able because it
removed trouble and

Coll. Mad: 8th
March 1856.
No. 69.

annoyance, but also inas-
much as new Houses would
be on an equality with
the old built on the frame
Nuttum which is Exempt-
ted from tax by immem-
orial usage.

4. The Board thus describe the system of taxation obtaining in the Town of Madura.

"There is no distinction
"between Cultivating and
"non cultivating Lyots
"as regards payment
"for House ground. All
"the land occupied by
"the old Town is Exempt
"from Tax. That which
"is subject to it is the
"site of the old Ditch
"Glacis, and Ramparts,
"and land newly taken
"for building purposes
"from the surrounding

No 2/12.

B2. f 16. 5. Under all the circumstances of the case the Board recommend the Govt. Sanction the redemption of the Ditch lands at a moderate rate; making due allowance for pecuniary sacrifices; on account of the concomitant advantages of the plan. The Govt should not gain by the transaction unless the lands are redeemed at 20 years purchase. which

B2 f 15. the inhabitants cannot afford to pay. But the selection of 500

B2 f. 17 end. Rupees from more than 1200 individuals and the occupancy portion of the account, and Puttahs by the ordinary village Establishment and

"fields. The former as
"already stated are
"charged at 4 Rs. per
"C. the latter at any
"rate of Rupy:, Rupy:,
"a garden Aspect. which
"they have hitherto paid.
"There are no maps shew-
"ing the holding but
"for the Ditch land
"there are accurate re-
"gisters and maps
"and the sites taken
"from the arable land
"are of course included
"in the Puttahs. The
"holdings of the Govt
"lie lands of the old
"town are no where
"separately shewn; but
"this is of no consequence
"as regards the particu-
"lar purpose in view".

that of the Tahsildar seems
in the opinion of the
Board a burden on
the Public service so
disproportionately great
when compared with the
advantage at
present accruing to
the State, that
some pecuniary sacri-
fice is not to be regretted.
The S. in C fully agrees
with the argument
the Board have
adduced, and pro-
ceeds to consider the
number of year pur-
chase which must
be taken to consti-
tute a fair redemp-
tion price.
6. Inasmuch as
the inhabitant

Rd. 6 8.

as well as the Govt. will be
benefitted by the proposed
measure, for he will be
exempted from all vexa
tious interference, and
when a field is required
for a new street, the natu
ral process under the
proposed arrangement
would be for the owner
to redeem the land tax
and then to parcel
out the land in site
& parties who after paying
the price would be
subject to no further
interference; therefore
it is just that some
sacrifice should be
made by the inhabitant.
Now 20 year purchase
would save the Govt
from loss and the
Board propose that
eight years purchase

shall be given up, and that 12 years purchase shall be fixed as the Redemption rate.

B. & B.

7 The Sec. C. looks upon this as a perfectly fair arrangement. Mutual Concessions are made & secure mutual advantages. The Govt. give up 8 years purchase. 20 years purchase is what would yield at 5 per cent, the rate at which Govt. can borrow money a sum Equal to the present Quit rent.

8. The Basis on rate of interest is 12 per cent. & the individual who can lend his money at this rate cannot in the Board's opinion afford to pay Less than a rate as 20 years

23

purchase which would only secure him 5 per cent return; in proposing 12 years purchase therefore the Board have apparently fixed upon a mean between what would be profitable Govt. and what w'd. Suit the monetary views of the purchaser, and have proposed to secure the inhabitant a return of 8⅓ per cent for his money. The Sec. C. accordingly attempts the Collector of Madura to allow the Redemption of the Land tax of any Land of the "Ditch "Land" at Madura "Lands" by payment of 12 years purchase.

24

9 The Govt. will be glad to be informed what advantage has been taken of this order when the Boards receive the Collectors report of the collections & disbursements of the Govt funds for the current year.

10. The Govt. are fully persuaded of the advantage that will follow the Extension of this privilege to other districts, and they will await the result of the Call which the Board propose to make upon the several Collectors as to the applicability of the principle to their

Bd. 6 20.

districts

11. In Para 21 the Board state that as the reduction of the Land tax at the present time would be an obstacle to its diminution hereafter should a position hereafter should be determined to reduce such ground rents generally and Govt. to appropriate them to municipal purposes, they will withdraw their recommendation, "in case "any such measure "as that alluded to is "in prospect

12. It is observed that the Hon Court of Directors have certainly directed the attention of the Supreme Govt to the necessity of supplying the financial deficiency

which will be
caused by the abolition
of the Mutiny Acts,
by another and a fairer
and more general
impost;- which will
very likely take the
form of a House Tax
against rent or House
ground; But under
present circumstances
the abolition of the
Mutiny Acts is not an
event that can be
calculated upon with
certainty for some
time at least; and
it would be highly
undesirable to defer
the introduction of
a useful reform because
of a somewhat vague
anticipation of its
being found incon-
venient hereafter.
13. In the concluding

W. p. 22.-25.

Paragraphs of their Proceedings the Board of Revenue discuss the point as to whether nuisances caused by unoccupied sites in parts of the Town not subject to Assessment, as well as in parts liable to this payment, and by half finished houses are remediable by Act XX of 1871. It appears that to enforce the payment of the Assessment does not always have the required effect, still less is there a remedy in cases where no assessment is payable; The Board recommend that with a view to stop- ping the nuisances existing from such places they should be sold Properties with any Enclosure and

any suit that might
arise out of such an act
be defended out of the
Town funds. The Govt.
are not sanguine as
to the result of such
a scheme but they
will not object to
its being tried in one
or two instances as
the Board propose.
A house likely to fall
can certainly be removed
by the Magr under
Act xx of 1841 but
it does not appear
that where this is
not the case a half
finished building
could be termed a
nuisance within the
meaning of the act.

14. In Para 2 of the Boards

proceedings, Rs 3611. 4. 5
are mentioned as having
been derived during 1856
from the Rent of Markets.

There can be no doubt
of the benefit accruing to
the people as well as
to trade from these
Markets; that they
are profitable is equally
beyond question; and
it were consequently
worthwhile to consider
whether it would not
be desirable to establish
them in all large
Towns throughout the
Presidency: the money
for their construction
being in the first instance
advanced by Govt and
the funds derived from
the rent of the Stalls being
applied to municipal

improvements after reimbursing the State for its outlay. Among other market servants supported from the funds would be one whose duty it would be to prepare and forward to the Collectors office a weekly & monthly report of the prices of all grain and other commodities sold; this information would be supplied by the Collects & the Pres.ts and disseminated throughout the Dist.ts by means of the District Gazette or a price current attached to it; thereby greatly facilitating mercantile speculations.

29

15. The Board of Revenue will be good enough to furnish a list of the places where they would propose to establish these markets and a design for a building, after communication with the several Collectors & the Chief Engineer respectively.

J.M.K
June 10.

Revenue 1857 Dept.
Dt. Cus. 14th July

No. 655

Extract from the Proceedings
of the Board of Revenue.

Dated 5th
Rec.d 6th } June 1857.

Sec. A + I / Returned
Letters 1906
Extract from B.d 29th April last
No. 666 dated 25 May

Reviewing the Reports
made by the Collector and Acting
Collector of Madura on the Manage-
of the Madura Town Fund for
the years 1853 and 1854 and
suggesting the introduction of Act
XXVI. of 1850.

With an order.
No. 684. 8th July

The Government Proceedings noted on the subject referred
to in the above Proceedings of the Board of Revenue
bearing until they receive the decision of the Government
of the abolition of all Municipal Committees in the several Districts
to the Madras Presidency.

From W. Oliphant Esqr.
8th July 1857

To the Chief Secretary to Government.

No. 1742.