

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	1402	Press Mis.
Dated October 13, 1897.		

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
from 5th to 21st October 1859.*

No. 95. Read the following letter from C. PELLY, Esq., Member of the Board of Revenue; to T. PYCROFT, Esq., Chief Secretary to Government; dated Fort Saint George, 10th October 1859.

1. I have the honor to submit my opinion on the provisions of the Bill for licensing of Trades and Professions, as directed in your letter No. 1292 of 21th ultimo.

2. The Bill is virtually a 3 per cent. Income tax. It taxes every one carrying on a trade or profession, whose net profits or gain exceed 5½ Rupees, but exempts all other traders and artizans and also all artificers or workmen for hire. It assesses all persons holding any office or employment whose salary, wages, &c., exceed 100 Rupees per month.

3. There will no doubt be very considerable difficulty in ascertaining the net profits of individuals engaged in trade or business, but I believe the difficulty may be surmounted, and the tax levied. But it will exempt many a poor artizan who now pays taxes, and whose net income does not now exceed 5½ Rupees, to say nothing of the difficulty of defining what net income is.

4. It is in my opinion an objectionable feature in the Bill that these artizans and shopmen, who with difficulty eke out a subsistence for their families on 5½ Rupees per month, should be assessed, while their fellow natives drawing salaries of 100, 50, 20 and 10 Rupees, and who are better off than the artizans, should be left untaxed. In England clerks and others drawing only 120£ or 100£ salary may be reasonably exempted from the tax; but in this country a Native clerk on 20 Rupees per month is as well off as a clerk in England on 100£ a year, and should be taxed as well as the artizan.

5. In respect to the Mercantile body of the country generally, (I do not allude to the Presidency towns), it would have been well if a provision had been introduced into the Bill allowing them to a great extent to assess themselves individually; the Government assessing a District, Talook, or Town in the aggregate, on the principle of the Veesabady system of the Ceded Districts of Bellary and Cuddapah. It may be urged that there are no data by which to fix an aggregate amount; but it was done 50 years ago in the Ceded Districts; and the accounts of trade existing previous to the abolition of the Land Customs Duties, might still be taken, and an approximate estimate framed with their assistance.

6. The Ceded Districts are fortunate in now possessing these data, by which the new tax will be adjusted with considerable facility on the mercantile community, and at the same time afford a proper relief to them, for it will be only a task of reducing the present assessment by 7 per cent. The Veesabady of the Ceded Districts was assessed in the aggregate on the principle of 10 per cent. on the profits of trade, and the sum to be paid by each individual was settled by the body of merchants aided by the Government officers. The Bill now provides for only a 3 per cent. impost, which can therefore be simply adjusted. I may observe that the Veesabady or tax on the trading community of the two Districts of Bellary and Cuddapah is about 1½ lac of Rupees. The result of the Bill will therefore be to reduce this impost to about half a lac, the loss being one lac. But this is but just to the merchants of the Ceded Districts who proportionately are far heavier taxed than their fellows in other Districts; and with respect to the Mohturfa or tax on artizans and professions in the Ceded Districts, there will I conceive be a considerable loss in the present taxation of this class, who are much heavier assessed than similar classes in other districts. They are I believe assessed on the principle of 5 per cent. on their income. The whole Mohturfa (including the Veesabady of the Ceded Districts) amounts for the whole Presidency to about 11 lacs; or, on an average, about ½ lac per District; but Bellary now pays nearly 2½ lacs and Cuddapah about 1½ lac, together 4 lacs instead of one. It is therefore reasonable to expect that the operation of the new Bill will effect a loss of from 2 to 3 lacs of Rupees in these two Districts, whatever increase to the revenue it may produce elsewhere.

Section VII. This Section which provides that the person licensed, should give notice of his intention to renew his license is not necessary. The Revenue officers should renew the license at fixed periods.

Section IX. Without the aid of the Panchayet, it will be impossible for the Collector to assess individuals. I see no valid objection to this mode of settling disputes as it is so much in accordance with native practice generally; but with the aid of the panchayet and all the other stringent machinery of the Act, there will be much difficulty in making a fair individual assessment, without the aid derived from fixing an aggregate sum on each locality, carefully calculated as the fair amount of assessment of each particular place.

Sections XII. and XIII. are necessary, but the punishment for giving false returns had better be made definite, fine or imprisonment, rather than the penalties for perjury.

Proceedings of the Madras Government, Revenue Department,
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Section XIV. There will not be any advantage gained by publishing Lists of assessment, and this Section may be left out, or modified to suit Section XV. which should be retained. I do not however participate in the alarm excited on the minds of some by the provisions of Section XIV. Every one interested in knowing the taxation of his neighbour will be able to find it out, whether made public or not, and no inconvenience has arisen from the virtual publicity of the individual tax in the Ceded Districts.

No. 96.

ORDER THEREON, 13th October 1859, No. 1402.

Ordered to lie over.

(Signed) T. PYCROFT,
Chief Secretary.

Revenue Board Office
Fort Saint George
10th October 1859.

From

C. Pelly Esq

To

Member of the Board of Revenue

T. Pycroft Esq

Chief Secretary to Government

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Revenue B^d Office,
Fort St. George,
10th October, 1859.

I have the honor to be,

Sir,

Your most obedient servant.

P
Levy
Mentur.

To

J. Pycroft Esq.

Chief Secretary to Government.

Col. James C. Carter to E.
H. H. Dec 27/1850. 1859

Dec. 1854. *Chas. Carter*
Grandson of 21st Dec 1854

J. 1860

James
H. Carter
Wholesale of the
Bond of the
to the Chief Justice
Government.

Dec 1854
Dec 1854
Dec 1854

J. 1860. 13th Dec 1854

Submitting two specimens
on the Bill for Learning
of Trade and Professions.

1895-1896

With an entry

Dec 1854
13th Dec 1854

Received by the owner

J. 1860

J. 1860