

MADRAS RECORD OFFICE.**Government of Madras.***Revenue* **DEPARTMENT.**

G.O. No.

1420

Press
Mis.

Dated

October 20, 1859.

Not to be folded or roughly handled

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

No. 130. Read the following letter From H. NEWILL, Esq., Director of Revenue Settlement; to J. D. BOURDILLON, Esq., Secretary to Government, Fort Saint George; dated Madras, 18th October 1859, No. 899.

I have the honor to acknowledge the receipt of your letter of 24th ultimo, calling for my opinion of the provisions of the "Bill for the licensing of Trades and Professions" now before the Legislative Council.

2. The licensing of Trades and Professions will I consider be unpopular among the masses of the people, who will not comprehend its objects, while the mode proposed for carrying out the same, is still more objectionable, and in a great measure I think impracticable. It seems practically impossible for the Collector to fairly apportion the tax on each individual liable to it, according to his income or profits, and on attempting to do so, even with the aid of Panchayets, he will be acting in direct interference with private concerns, and in direct antagonism to each individual. The public exposure of the classes in which persons are rated, and consequently of the amount of their income or profits, will be as intolerable to the Native as to the English mind.

3. The real object of the Bill is to tax the profits of Trades and Professions, and to secure this I consider it is far better to proceed upon the basis already existing in this Presidency in Regulation IV. of 1818, and Regulation V. of 1832, regarding the Veerasabuddy and Moturpha taxes. The former, it is true, applies only to the two Ceded Districts, but the practice of the division of the tax whether called Veerasabuddy or Moturpha, according to the process belonging to the former, exists in others also. If the provisions of these Regulations were expanded so as to include all the classes contemplated in the present Bill, the main object would be secured, and the measure would thus be in accordance with the usages of the country and the feelings of the people, without the irritation, misapprehension and other evils, which would be caused by the proposed new measure.

4. One eminent advantage of making the existing system of the Veerasabuddy and Moturpha taxes the basis of the new measure is, that instead of bringing the Collector in direct antagonism with each individual to be taxed, it leaves the amount of tax for each village to be apportioned by the people among themselves, and this share in the process of taxation of themselves must be far more satisfactory to them, and will go far to reconcile them to the tax itself.

5. What I have said above relates to the masses of the people in the Provinces. There seems no objection to persons in receipt of salaries direct from Government being taxed by the easy process of deducting a per centage of the same at the time of payment, while again in large towns where there are wealthy Mercantile Firms, and other circumstances differing materially from those which generally exist in the Provinces, the most suitable means of apportioning the tax may probably be through some such method as is employed in determining the Income tax in England. There seems no sound reason also why landed property should be exempted from the burden; and if a moderate tax were extended also to the Zemindars and Proprietors in this Presidency, it might be levied without much difficulty, though it would be manifestly unfair in the highest degree to place such a burden upon the loyal landholders in this Presidency, if those in the Provinces which have shared in the mutiny are allowed to escape.

6. In short, the tax should be put forward ostensibly as an *Income tax*, and made to embrace all classes, care being taken to accommodate the process of its application to the public state of mind, and customs prevailing among the numerous and varied communities of the country.

No. 131.

ORDER THEREON, 20th October 1859, No. 1420.

Ordered to lie over.

(Signed) J. D. BOURDILLON,
Secretary to Government.

Revenue Settlement Office,
Madras, 15 October 1859.

Revenue Settlement Office
No 899

From J. H. Nevill Esq.
Director of Revenue Settlement

To J. D. Bourdillon Esq.
Secretary to Government
Fort St. George

Sir,
I have the honor to acknowledge the receipt of your letter of 24th ultimo, calling for opinions of the provisions of the "Bill for the licensing of Trades and Professions," now before the Legislative Council.

2. The Licensing of Trades and Professions will I consider be unpopular among the masses of the people, who will not comprehend its objects, while the more proposed for carrying out the same, is still more objectionable, and in a great measure I think impracticable. It seems practically impossible for the collector to fairly apportion the tax on each individual liable to it, according to his income or profits, and on attempting to

to do so, even with the aid of Pinchayets, he will be acting in direct interference with private concerns, and in direct antagonism to each individual. The public exposure of the Classes in which persons are rated, and consequently of the amount of their income or profits, will be as intolerable to the Natives as to the English minds:—

3. The real object of the Bill is to tax the profits of trades and professions, and to secure this I consider it is far better to proceed upon the basis already existing in the Presidency in Reg. IV of 1818, and Reg. V of 1832, regarding the Vesabuddi and Motupha taxes. The former, it is true, applies only to the two Ceded Districts, but the practice of the division of the tax whether called Vesabuddi or Motupha, according to the process belonging to the former, exists in others also. If the provisions of these Regulations were expanded so as to include all the classes contemplated in the present Bill, the main object would be secured, and the measure would thus be in accordance with the usages of the Country and the feelings of the people, without the irritation, misapprehension and other evils, which would be caused by the proposed new measure.—

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4. One imminent advantage of making the existing system of the Vesabuddi and Motupha taxes the basis of the new measure is, that instead of bringing the Collector in direct antagonism with each individual to be taxed, it leaves the amount of tax for each Village to be apportioned by the people among themselves, and this share in the process of taxation of themselves must be far more satisfactory to them, and will go far to reconcile them to the tax itself.

5. What I have said above relates to the masses of the people in the Provinces. There seems no objection to persons in receipt of Salaries direct from Government being taxed by the easy process of deducting a percentage of the same at the time of payment, while again in large towns where there are wealthy mercantile firms, and other circumstances differing materially from those which generally exist in the Provinces, the most suitable means of apportioning the tax may probably be this: some such method as is employed in determining the Income tax in England. There seems no sound reason also why furnished property should be exempted from the burden, and

if

if a moderate tax were extended also to the
Trimmers and Proprietors in this Pro-
vince, it might be levied without much
difficulty, tho' it would be manifestly un-
fair in the highest degree to place such a
burden upon the loyal Landholders in
this Province, if those in the Provinces
which have rebelled in the Ministry are
allowed to escape.

6. In short, the tax should be put
forward ostensibly as an income tax, and
made to embrace all classes, care being taken
to accommodate the prices of its application
to the public state of mind, and Customs
prevailing among the numerous and varied
Communities of the Country.

I have the honor to be

Sr.

Your most Obedient Servant

Wm. M. W.

Director of Revenue Settlement

John as a letter to G.
11th Decr 1859. 1899

Revenue 1859 Decr 11
No. 930 21st Oct 1859.

11th Decr 1899

The Minister Revenue

Settlement

To the Secretary to Government

of the 11th Decr.

11th Decr 1859

11th Decr 1899

11th Decr 1899

11th Decr 1899

11th Decr 1899

Spring has of course in
the summer of the 11th
settled in 1859 for the
summer of 1859 & 1899
1899

With an order.

L

11th Decr 1899
20th Decr 1899

Ordered to be done

11th Decr 1899