M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.C. No.	1494	Press ~~Mis.~~
35-36		
Dated	3 - 11 - 1859	

Not to be folded or roughly handled

No. 35. Read the following letter from T. CLARKE, Esq.; to J. D. BOURDILLON, Esq., Secretary to Government, Fort Saint George; dated Madura, 25th October 1859, No. 1145

I have the honor to acknowledge the receipt of your letter of the 24th ultimo, calling for my opinion of the provisions of the Bill for the Licensing of Trades and Professions and of your letter of the 17th instant, calling for an immediate answer to the former letter.

2. I am sorry there has been any delay on my part. I can command so little leisure that I have not been able to give the subject the consideration its importance demands. I have not, however, lost sight of it. I have sought to obtain from the people their views on the Bill, and I am able to say,—

The tax is very unpopular. The Natives here feel and assert that the necessity for it has been created by misconduct in which they had no share and that, while rebels and traitors have in many instances profited by anarchy, they have contributed men and means to restore order and quiet and that, therefore, they should not be called on to share in bearing the present burthen.

3. It appears to me that all the objections which are urged against the imposition of an income or property tax in England tell, with intensely increased force, against such a tax in this country, and that a further objection may be taken to the Bill in question, on account of its inequality in exempting funded and realized property from its operation. I fear too it will be difficult to carry out the provisions of the Bill without an expensive establishment and that its forfeitures and penalties will prove the ruin of many.

4. In the very low state of public morality in this country it will be most difficult, if not impossible, to ascertain the real income of contributors; and the machinery by which the tax is to be collected will add to the difficulty and will often be made use of by ill-disposed and malevolent persons to inflict disgrace and injury on their fellow-countrymen.

5. Again, the Natives, especially Traders and Bankers and wealthy persons have many well-founded as well as superstitious objections to disclose the amount of their incomes. This Act requires the utmost publicity. But no amount of inquisitional powers will enable the Revenue officers to assess the tax from actual knowledge of the circumstances of the contributors; for, the variable gains of Professions and Trades are not always clearly known to the persons most interested, much less can they be estimated with any approach to fairness by the Collector. The main reliance must therefore be placed on the returns made by the person himself; and how many of these returns will be true it will not be difficult to guess. The means provided to prevent frauds will throw difficulties in the way of the Collector, but, I fear, will not enable him to arrive at a very satisfactory conclusion. Perjury and false testimony will be greatly increased; every means of combination and secret confederacy will be resorted to by the rich to evade the tax, while the poor will perhaps be too highly rated. Ill-blood and revenge will be fostered and increased, and the system of double and false accounts will be very extensively brought into operation.

Sections XII. and XIV.

6. If the Collector is unable to arrive at the truth in regard to a man's property, the summary and large powers he is vested with will only be the means by which he will be made to appear in the eyes of the people a dispenser of injustice and wrong. It may be said that the means at his disposal for correcting errors are those which he employs on ordinary occasions to arrive at truth, and generally they are found sufficient for the object in view; but, how often is the ablest baffled, especially in cases of extensive combination and well-laid conspiracy, and this will be the character of the cases he will have to deal with, and that, not in one or two instances with ample time at his disposal, but in innumerable cases where promptitude and rapidity will be of the utmost importance.

7. There will too be a great diversity in the manner in which this tax will be levied in different Districts. In some, there will be a strained stringency, in others, a large latitude in the approximation declared in Section IX.

8. It is required by Section VIII. that the sums made payable shall be paid either in two half yearly instalments or on the taking out the license; but, no provision is made for cases where any sudden and unforeseen loss shall occur shortly after the payment of the tax nor even for any alteration in the amount of the second instalment, should losses be proved to have occurred in the first six months.

9. The effect of our rule has been to increase very greatly the incomes of the permanently assessed landlords or Zemindars and to give them a greater amount and a greater proportion of the wealth of the community, independently of any trouble or outlay incurred by themselves. These persons do not appear to me to possess any just claim for exemption from taxation, at least, on such part of their income as exceeds the amount accruing to them at the time of the settlement: and I think the manner in which this accession to their wealth is dissipated and squandered is a strong plea in favor of the suggestion that they should be taxed.

10. In the provision of Section XXIV. it appears to me that "per mensem" or "per annum," after one hundred Rupees, is required to define the intention of the Legislature.

11. In Section XXV. "staff," appears needed, before pay, to explain what part of the pay is liable to the tax.

No. 36. ORDER THEREON, 3rd November 1859, No. 1494.

Ordered to lie over.

(Signed) J. D. BOURDILLON.

Secretary to Government.

No. 1145

Madura 25th Oct. 1859

From

F. Clarke Esq.

Collector of Madura

To

J. D. Bourdillon Esq.

Secretary to Government

Fort St George

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-lected will add to the difficulty & will often be made use of by ill-disposed & malevolent persons to inflict disgrace & injury on their fellow Countrymen.

5. Again, the Natives, especially traders & bankers & wealthy persons have many well-founded as well as superstiti-
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Sec. XII & XN

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I have the honor to be
Sir
Your most obed. Servant

Comp.d
A. Leeds
as H.d Clerk

J. Clarke
Collector

1859 Nov. 3. par. 11.
Pro. of Govt. 10th November
Proms. £ 2000.
Acc. Collection of
Madeira
To The Secretary to the
Government
Fort St. George

Dated 25th
Rec.d 31st October 1859

No. 1149 - 3d November
A.L. 1145

Offering remarks on
a Bill for the Licensing
of Traders and Pro-
fessions.

With an Order 2

Copy sent in a letter to C
dy 10th Dec.r 1859 No. 79

No. 3536-

No. 1149.

Ordered to lie over.

Fort St. Geo.
3d November 1859.