M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1998 Press ~~Mis.~~

489-490

Dated 30-10-1860.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 30th October 1860.

No. 489. Read the following letter from ARTHUR HALL, Esq., President to the Income Tax Commission, to J. D. BOURDILLON, Esq., Secretary to Government, Revenue Department, dated Madras, 23rd October 1860, No. 17:—

SIR,

1. At a Meeting of the Board of Commissioners for the Income Tax, held on the 17th instant, it was resolved that the following question, connected with Section 139 of Act XXXII of 1860, should be laid before the proper Law Officer of the Crown, in order that his reading of the parts and rules referring thereto, might be obtained.

2. I, therefore, have the honor to request that you will be good enough to move Government to obtain the opinion of the Advocate General in order that the point may be ruled authoritatively.

"Is it intended by Act XXXII of 1860 that parties making Returns may claim "abatement on the profits of the year of assessment, at the expiration of that year, or is it "meant that the abatement to be made applies to the profits of preceding year, as per example:

"A makes his Return of profits for 1859-60 upon which the assessment for 1860-61 is "made by the Commissioners. Can he claim a reduction on the Return for 1859-60 if he dis- "covers that it was higher than it should have been, or may he only claim an abatement of "assessment for 1860-61 if he finds his profits for *that year* fall below the Return of profits "for 1859-60."

Ordered that the following letter be despatched.

No. 490. From J. D. BOURDILLON, Esq., Secretary to the Government of Fort Saint George, to the Secretary to the Government of India, Financial Department, dated 30th October 1860, No. 1,998.

SIR,

1. I am directed to forward for the orders of the Government of India copy of a letter from the President of the Madras Income Tax Commission, asking for an exposition of the meaning of the Act on a point specified.

2. The duties under Schedule 2 are assessed on the profits of the year preceding that in which the assessment is made. The point now referred is whether the falling short of profits spoken of in Section 139, refers to the year in which the assessment is made, or to that on the profits of which it is made. It appears to this Government that the former can hardly be intended, because such a provision would put the Government under a constant disadvantage; inasmuch as while assessment would be reduced when the current year's income fell below that of the preceding year, it would never be raised in the contrary case.

3. The intention, however, is not plain from the terms of the Act; and as the same case has probably arisen in Calcutta, and as uniformity of practice is desirable, I am directed to solicit the orders of the Government of India on the point.

Schedule

R D

No. 1998

To The Secretary to the
Government of India
Fmil. Deptt.

Sir,

I am directed to forward for the orders of the Govt. of India copy of a letter from the President of the Madras Income tax Commission, asking for an exposition of the meaning of the Act on a point specified.—

2.— The Parties under Schedule

schedule 2 are assessed on the profits of the year preceding that in which the assessment is made. The point now referred is whether the falling short of profits spoken of in Section 129, refers to the year in which the assessment is made, or to that on the profits of which it is made. It appears to this Govt. that the former can hardly be intended, because such a provision would

would put the Govt. under a constant disadvantage; inasmuch as while assessment would be reduced when the current year's income fell below that of the preceding year, it would never be raised in the contrary case.

3. — The intention, however, is not plain from the terms of the Act; and as the same case has probably arisen in Calcutta, and as uniformity

To The Govt. of India.-

Asking exposition on a specified point of the Income tax Act.-

uniformity of practice is desirable, I am directed to solicit the orders of the Government of India on the point.—

Fort St. George 30 Oct. 1860

13 Copies to the Sd. of the Income Tax Commr. Dispatch

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Revenue 1860 Departt.
Pro: of Govt. for October.

No 1998

To
The Secretary to the
Govt. of India in the
Financial Deptt.
dy 30th October 1860.

From Do D/17th Decr/60
C.d No 2924 in Pro 12th Jany 61.

Forwarding a letter
from the President of the
Income Tax Commission
asking for an exposition of
the meaning of the Act on a
certain point.

No 489 to 490.

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