M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 2000	Press Mis.
493-494	
Dated 30—10— 1860.	

Not to be folded or roughly handled

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

No. 493. Read the following letter from T. PEACHEY, Esq., Auditor of the Municipal Accounts of the City of Madras, to J. D. BOURDILLON, Esq., Secretary to Government in the Revenue Department, dated Madras, 26th October 1860 :—

SIR,

1. I have the honor to request the decision of Government on the following point :—

2. For my services in having examined and verified the Accounts of Municipal Income and Expenditure of the year ended 31st December 1859, the Government were pleased to assign to me an honorarium of Rupees 500, the sum awarded to each of the two Auditors of the Municipal Accounts of 1857, and afterwards those of 1858. I was sole Auditor of those of 1859, and was assigned on this last occasion the fee I received as joint Auditor in the two preceding years.

3. My object in giving these particulars is to show that the payment of a fee (no matter what the amount) is customary : and in requital of work and labor done, there is of course no contract or agreement in the matter, but the office is not a sinecure and the honorarium is not a mere compliment. I have now held it for three consecutive years, and when first appointed had not the honor of being in the public service.

4. The cause of my troubling Government with this business is that the Civil Auditor conceives that this fee *for work done previous to 5th June* 1860, is liable to deduction of Income Tax, to this view I demur, and as it appears to me to involve a question of considerable interest and one which may be more easily settled once for all by Government than by a number of appeals to the Income Tax Commissioners. I have not realized the audited bill for Rupees 480 (Rupees 500—20) pending receipt of the opinion of Government upon the subject, for whose information I append copies of the audited bill and of the Civil Auditor's letter.

No. 494. ORDER THEREON, 30th October 1860, No. 2,000.

The Government are of opinion that the emolument referred in this letter is justly liable to Income Tax under Schedule 4.

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

Contingent Departt.

Fort Saint George
Civil Auditor Office
24th October 1860.

No. 769½

From
W. Balmain Esquire
Offg. Civil Auditor

To J. Peachey Esquire

Sir,

I have the honor to acknowledge your demi Official communication of today's date, and to state that the right to the fee in question appears to me to rest on the Government Order of October 20th, and as such to be liable to the tax. Should you consider it exempted as having been earned before the passing of the Act. I beg to suggest that you should obtain the sanction of Government to the exemption. The bill is returned.

I have the honor to be
Sir
Your most obedient servant
(signed) W. Balmain
Offg. Civil Auditor

True copy.
Thomas Peachey.

143/22/10/60.

Her Majesty's Government of India ——— D 3/4

To my Fee as Auditor of the Municipal Accounts for
1859 sanctioned by Government in Order No. 1529 dated
20th Instant Public Department ——— Rs. 500—"—"

(Signed) W. Brian

Company's Rupees Five
Hundred (500—"—")

(Signed) Thomas Peachey

Madras
22d October 1860

To The Sub Treasurer for the
Government of Fort Saint George.

Deduct Income Tax at 3 per Cent 15—"—
Do ——— at 1 do — 5—"—
20—"—

True copy
Thomas Peachey.

D
2388/60.

P 2388/60

Revenue 1860 Report
Pro: of Govt for October.

№ 2388

From the Auditor of the
Municipal Accounts
of the City of Madras.

Dated 26 October 1860.

Rec'd 2 Nov.

Complains of the deduction of Income Tax from his Fee as Auditor of the Municipal accounts for 1859, and submits copies of the audited Bill and of the Civil Auditor's letter on the subject.

№ 2000 & 2000

The Government are of opinion that the emolument referred in this letter is justly liable to income tax under schedule D.

Fort St. Geo.
30 Oct. 1860.

Copy to the Auditor of the M. A. of the City of Madras.
Do. to the Civil Auditor.
Do. to Dr. Taylor.

№ 2000. 30. October

With an order

№ 493 & 494.