M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 2060 Press ~~Mis.~~

93-91

Dated 7—11— 1860.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 7th November 1860.

No. 93. Read the following letter from W. E. UNDERWOOD, Esq., to T. PYCROFT, Esq., Chief Secretary to Government, dated Coonoor, 19th October 1860:—

SIR,

1. The *Sub-Treasurer* has stopped the Income tax from my Annuity for the quarter ending 31st July, and as I respectfully submit I am amenable to pay Income Tax, if at all, to the Collector of Coimbatore, I request the favor of your obtaining an order in Council to the Sub-Treasurer to refund the money, as he was not authorized to stop the Income Tax from my Annuity under Section XXVI Act XXXII of 1860; it not being paid from "the Public Revenue of the Government Treasury." The Sub-Treasurer is by permission the Custodian of the funds of the Trustees of the Civil Fund and which money is not the property of Government but of the Trustees, which he pays to their order.

2. I have further the honor to request that the matter may be referred to the Law Officers of Government as to whether I am liable to pay Income Tax on my Annuity on three grounds:

(1.) That it is not derived from the Public Revenue.

(2.) That it is purchased from Government, and the Privy Council have decided that it is payable under a contract between me and the Government, consequent upon the payment of a sum of money, and therefore the contract would be violated if Government demands the return of any portion thereof.

(3.) The Law Courts in England have decided that the East India Company must pay the Income Tax on the Annuity and by posity of reasoning the Government in India must pay it to the Income Tax Commissioner.

3. If the Law Officers of Government on the other hand decide I am liable to pay I am prepared to do so.

No. 94. ORDER THEREON, 7th November 1860, No. 2,060.

1. The Government resolve to inform Mr. Underwood that his pension is certainly liable to Income Tax under Schedule 4 Section 1 Act 32 of 1860. The Tax was stopped not under Section 26, but under Section 30 and Rule 1, Section 100.

2. The Government feel no doubt on the point raised by Mr. Underwood, and therefore decline to take a legal opinion upon it.

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

Coonoor Nilgherries 19 Oct 1860

To The Chief Secretary to Government

Sir The Sub Treasurer has stopped the Income Tax from my Annuity for the Quarter ending 31 July last & respectfully submit how amenable to pay Income Tax - if not do - to the Collector of Nonconformist I request the favor of your obtaining an order in Council to the Sub Treasurer to refund the money as he was not authorized to stop the Income Tax from my Annuity under Section XXVI Act XXXII of 1860 it not being found from the Public Revenues of the Govt to the Sub Treasurer is by Treasury.

permission the Custodian of the per
of the Trustees of the Court Fund
which money is not the property of
Govt but of the Trustees, which he
pays to their or

I therefore the honor to
request that the matter may be
referred to the Law Officers of Govt
as to whether I am liable to pay
Income Tax on my Annuity on
three grounds

First that it is not derived fr
the Public Revenue

Second that it is purchased for
Govt & the Privy Council have

decided that it is payable under
a Contract between me and the
Govt consequent upon the
payment of a sum of money
& therefore the Contract would be
violated if Govt demand the
Return of any portion thereof

Thirdly the Law Courts in
England have decided that the East
Indian Company must pay the
Income Tax on the Annuity they
possess of restoring the Govt
in India must pay it to the

—

Income Tax Commissioners

If the Law Officers of the Crown do not think Town liable to pay I am prepared to do so.

I have the honor to be

Sir

Your most obedient Servant

Wm Ellis Eastlake Landlord

Rev: 1860 Depart.
Proc: of Govt for Nov.

No. 2355.

From W. E. Underwood Esqr.

Dated 19th } Octr. 1860.
Received 23rd? }

No.

From Dr. 1/2 Jany/61
C. No 232 in Proc. Journ. No 489

For reasons assigned states that he is not liable to the Income tax, and requests that orders may be issued to the Sub-Treasurer to refund the money already deducted from his Annuity.—

No 2060 - 7 Nov.

Write an Order.