M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 2065 Press
Mis.

102-103

Dated 7—a— 1860.

Not to be folded or roughly handled

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

No. 102. Read the following letter from Lord H. ULICK BROWNE, Under Secretary to the Government of India, Home Department (Revenue), to J. D. BOURDILLON, Esq., Secretary to the Government of Fort Saint George, dated Fort William, 12th October 1860, No. 2,288 :—

SIR,

I am directed to transmit for the information of the Honorable the Governor in Council the accompanying copy of a Resolution No. A., dated the 22nd August, recorded by the Honorable the Lieutenant Governor of the North-Western Provinces, explaining the mode in which the Income Tax is to be brought into operation in those Provinces.

No. 103. ORDER THEREON, 7th November 1860, No. 2,065.

Ordered to be recorded.

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

RESOLUTION *of the Hon'ble the* LIEUTENANT GOVERNOR *of the North Western Provinces, in the Revenue Department, dated Nynee Tal, the* 22*nd August* 1860.

No. A.

READ *the Income Tax Act, No.* 32 *of* 1860, *passed by the Legislative Council, on the* 24*th July* 1860.

READ, *as annexed to this Resolution, the Letter No.* 1668, *dated the* 10*th instant, from the Secretary to the Government of India, enclosing "Instructions for the management and collection of the Income Tax."*

READ *also the following letter from the Secretary to this Government, No.* 1039 *A., of the* 31*st July, to the address of the Officiating Civil Auditor, North Western Provinces.*

"SIR,

"In continuation of my Telegram of yesterday's date, I am
Financial. "directed to inform you, that, under Section XXVI. of "the Income Tax Bill, which will become law on and after the 31st in- "stant, you are, Ex-officio, an Assessor for executing the Act for the "purpose of assessing all stipends and allowances payable to any person "in the Civil employ of Government under your audit. The duties under "the Act will be chargeable upon all official salaries and allowances for the "month of July, and thereafter, with certain limitations described below.

"2*nd*.—Persons in the Civil employment of the Government, the "aggregate amount of whose annual income or profits, as estimated un- "der the rules of the Act, is less than 200 Rs., are exempted from the "Tax altogether. Those, the aggregate amount of whose annual profits "or income, estimated as above, may, though amounting to Rs. 200, "be less than Rs. 500, are exempted from a Tax of more than 2 per cent. "of the annual value of their profits or income, and are exempted entirely "from the duty of 1 per cent. chargeable for local purposes under Section "III. of the Act; that is to say, persons having annual profits or income of "Rs. 200 and upwards, and less than Rs. 500, will be chargeable with "Income Tax at 2 per cent. on the annual value of their profit or income, "and no more. Those whose annual profits or income, estimated as above, "shall amount to Rupees 500 and upwards, will be chargeable with "Income Tax at 3 per cent. of the annual value thereof, and also with 1 "per centum under Section III. of the Act. Not only are official Civil "salaries to be assessed by you, but also, under Rule III. of Section XCIX. "*perquisites* of office, as therein defined, will be chargeable with Income "Tax at the above rates, calculated on the profits of the preceding "year.

"3*rd*.—The assessment on all allowances mentioned in Section "XXVI. must be made at the time of Audit.

"4*th*.—Under Rule XI. (Eleven) of Section XCIX. the sums assessed "will be stopped out of any money that shall be payable to the persons "assessed in respect of any official salaries and perquisites. And, under "Rule XII. of the same Section, all official deductions and payments made "upon the receipt of the salaries, perquisites, and profits of any Office, "will be deducted in estimating the duty payable for such Office. Thus, "for example, the retrenchments made from the salaries of Civil Servants, "on account of their contributions to the Annuity and Civil Funds, will "be first deducted, and the duty will be calculated at the prescribed rates, "on the amount of net receipts which may remain after such deduction.

"5*th*.—You are referred, for your guidance, to the provisions of "the Act, as amended by the Select Committee, and presented to the Legislative Council on the 26th May last, and particularly to Section XCIX. But lest a copy "of the Act should not be immediately available, copies [as noted in the "margin*] of those parts, which relate more particularly to your duties "as an Assessor under the Act, are enclosed.

* Section I. with Schedule No. IV.
Section III.
Section XXVI.
Rules I, II, III, XI, XII, XIII, XIV, XVII, and XVIII, of Section XCIX.
Sections CXV. and CXVI.

"6*th*.—You will note the necessity, under the provisions of Part "XVIII. of the Act, of *separately* assessing the 3 per cent. duty, and the 1 "per cent. duty leviable under Section III. of the Act. Unless this be done, "it will not be possible that the separate accounts of the sums paid "should be kept in the several Treasuries, as the Act requires."

1*st*.—This Act came into force from and after the 1st August 1860, and it is of the utmost importance that the official machinery, for the execution of its provisions, and all other preliminary arrangements for the same purpose, should be devised and completed with all practicable expedition. The first instalment will fall due on the 1st November next, and it is necessary that all assessments under the several Schedules of the Act should have been matured before that date.

2*nd*.—Wherefore, notwithstanding that the several forms to be prescribed by the Governor General in Council, under Section 246 of the Act, have not been received, the Lieutenant Governor thinks it undesirable to postpone the issue of such instructions as may tend to guide and assist the several Officers concerned in the execution of the duties which are entrusted to them by this Act.

3*rd*.—The Lieutenant Governor would first call the earnest attention of all the Officers in question to the "Instructions" which have been issued by His Excellency the Viceroy in Council, and which in some measure anticipate the directions the Local Government might otherwise have issued. His Honor is satisfied that the Collectors, to whom the administration of the Act is for the most part committed, and all those Officers, whom, in the discretion given to them by the Act, they may think fit to employ, will strive to fulfil the duty entrusted to them, in such a manner as to protect the interests of the State, and to secure the full measure of its dues, without other vexation, harassment, and irritation to the people than may be

absolutely unavoidable. At the same time, it must be remarked, there must be no shew of vacillation, hesitation, or undue concession. The demand must be made and enforced by the means, and in the manner appointed by the Law, with firmness; and the people must be made to understand, that, while on the one hand, ready and implicit obedience to the requirements of the Law will free the Tax-payer from all inquisition, inconvenient disclosures, and trouble, on the other, resistance, contumacy, evasion, and fraud, will be severely dealt with.

4*th*.—The Collectors have been already advised by the Sudder Board of Revenue, acting under the suggestion of the Lieutenant Governor, to "take every opportunity of communicating with the Heads of the "Native community, explaining to them the general provisions of the Act, "and inviting their co-operation in carrying its provisions into effect." The Lieutenant Governor does not doubt that this injunction has received proper attention; and he trusts that the people will be prepared, as soon as action is taken, to accept the measure as one in itself quite equitable, and to respond, in a proper spirit, to the requirements of the Law.

5*th*.—Every Collector, or other Officer employed in making any assessment under this Act, must, before entering upon his duties, take an oath, or solemn affirmation of Secrecy, as required by Section, XXXIII. in one or other of the forms hereto subjoined, the said forms having been prescribed by the Governor General in Council, and published in the *Calcutta Gazette* of the 8th August 1860.

No. 1.

OATH OF SECRECY.

(To be taken by the Commissioners, Collectors, or other Officers employed in making assessments under Act XXXII. of 1860.)

I, A. B., appointed to act as
under Act XXXII. of 1860, do hereby solemnly swear that I will not disclose any particular contained in any List, Return or Statement delivered with respect to any duties charged, or any profits or income chargeable under the Provisions and Rules of the said Act, or any Assessment made under the same, or any evidence or answers given by any person who shall be examined, or shall make any Affidavit, Deposition, or Statement respecting the same, in pursuance of the said Act, excepting to such persons only as shall be appointed for the due execution of the said Act, or where it shall be necessary to disclose the same for the purposes of the said Act, or in the course of a prosecution for perjury committed in such Examination, Affidavit, Deposition, or Statement.

So help me God.

Sworn before me.

No. 2.

AFFIRMATION OF SECRECY.

(To be made by any person employed as a Commissioner, or Collector, or other Officer employed in making assessments under Act XXXII.

of 1860, and entitled by law to make any affirmation in lieu of any Oath or Affidavit.)

I, A. B., appointed to act as under Act XXXII. of 1860, do hereby solemnly affirm and declare, that I will not disclose any particular contained in any List, Return or Statement, delivered with respect to any duties charged, or any profits or income chargeable under the Provisions and Rules of the said Act, or any assessment made under the same, or any evidence or answers given by any person who shall be examined, or shall make any Affidavit, Deposition, or Statement respecting the same, in pursuance of the said Act, excepting to such persons only as shall be appointed for the due execution of the said Act, or where it shall be necessary to disclose the same for the purposes of the said Act, or in the course of a prosecution for perjury committed in such Examination, Affidavit, Deposition, or Statement.

Solemnly affirmed before me.

6*th.*—It will be the duty of every Collector, at the earliest possible period, to nominate fit persons to act as Assessors, and to submit, for approval of the Lieutenant Governor, and for the ultimate sanction of the Government of India, Schedules of such ministerial and other establishments as may be necessary for carrying out the provisions of the Act. The Collector, in framing these establishments, will be careful not to overlook the injunction contained in Paragraph 12 of the "instructions," viz., to observe the strictest economy compatible with efficiency; and he will scrutinize, jealously, the character of every person whom he may entertain for the purposes of this Act.

7*th.*—Section XIX. of the Act empowers the Collector to associate with himself one or more persons to assist him in making assessments. These should be ordinarily taken from among the Heads of the Native community, not being in the service of Government. They should be treated with consideration and respect, and should be encouraged by every means to place their personal knowledge freely and entirely at the disposal of the Collector. It is not contemplated by the Law that these associates should exercise independent authority, or take any action, except under the direction, and in concert with the Collector, who will be expected to use his own discretion in finally settling all assessments, whether they accord or not with the advice of those associated with him.

8*th.*—In the selection of Assessors the greatest circumspection will be needed. The introduction of the measure, with success and without harassment to the people, will depend very greatly on the character of these Officers, and the degree of vigilance with which they may be controlled by the Collectors. By Sections 20 to 23, a wide latitude of selection is given. Either the Deputy Collectors now in the service of Government may be employed for the purposes of the Act, or persons not belonging to the service of the Government may be specially employed; or servants of the Government, belonging to other Departments, may be taken [with the consent of the Head of the Department] should they be peculiarly fitted by personal character, activity, and official aptitude, for the duties devolving upon Assessors.

9*th.*—There are one or more Uncovenanted Deputy Collectors attached to every district of these Provinces, and such of these as may be entirely trustworthy, and may possess experience and personal influence, may be selected for the purposes of the Act, if the Collectors think fit,—their places, hereafter, being supplied by the best selections that can be made from among eligible candidates for the office, under the advice of the Sudder Board of Revenue, and with the sanction of Government.

10*th.*—It will probably be found necessary, if only for the purpose of assessing the duties on landholders, whether paying revenue to Government or not, to appoint most of the Tehseeldars in each district to be Assessors within their circles, their places being supplied by eligible candidates for the office. The Collectors alone can judge whether in some cases the Tehseeldars may not undertake the duties of assessors, in addition to the proper business of their office, and whether, in others, the Tehseeldars are qualified to discharge the functions of Assessor at all.

11*th.*—It may be noted that Deputy Collectors, whether employed as Assessors or not, may be empowered, under Section 22, to exercise the powers of a Collector in making assessments on profits or income not exceeding Rs. 1,000 per annum, and that in such cases they are permitted by Section 11 to deliver or transmit an abstract of their assessments to the Collector. In such case also the said Deputy Collector will have authority, under Section 102, to appoint the members of a Punchayut, should that mode of assessment be directed.

12*th.*—It should also be noted that, under Section 23, the Collector may, subject to conditions specified, delegate any of the powers or duties with which he is himself entrusted under the Act, to any Covenanted Officer, or any Deputy Collector subordinate to him.

13*th.*—Or should the Deputy Collectors on the establishment, whether Native or other, be for any reason unfit, or should they be numerically inadequate, the Collector will nominate any other persons to be Deputy Collectors for the work of the Income Tax Act, whom he may consider duly qualified; and he should select preferentially respectable persons of European extraction for this duty.

14*th.*—Adequate means are thus provided for supplying the Collector with competent and experienced assistance, and the Lieutenant Governor proceeds to add a few suggestions as to the manner in which the agency in question may be used to the best effect.

15*th.*—It seems to the Lieutenant Governor advisable that every district, to which a Covenanted Subordinate Officer of some standing and experience, or an Uncovenanted Deputy Collector of good qualification and undoubted character may be attached, should be divided into two or more parts, and that such Covenanted or Uncovenanted Officer should be entrusted, in a part of the district to be assigned to him, with all the powers possessed by the Collector under the Act, on the condition declared in Section 23. Under each Officer so empowered, one or more Assessors, as required, would be employed, and the assessments, under Schedules 1 and 2, and in respect of employments of profit, (not being Public Offices)

under Schedule 4, would be concluded by such Officer, as if by the Collector himself, under Section 52 of the Act. All assessments so made would be subject to the Collector's scrutiny and approval, and it would be within his authority to surcharge any person, assessed as above, under Section 54 *et seq.* of the Act. The Officer on such separate charge of a portion of any district will, in respect thereof, perform all and every the duties entrusted to the Collector under this Act, and the instructions contained in this Resolution, relative to the duties of the Collector, must be regarded as equally applicable to an Officer empowered under Section 23.

16*th.*—The Collector must, as a matter of course, keep in his own hands the most important part of his district, which will ordinarily be that containing the City at the Sudder Station. The city, if large and populous, may be divided [as advised above in regard to Districts] into sections, composed of one or more mohullahs, and one section should be assigned to each of those whom the Collector may employ under Sections 20, 21 and 22 of the Act. It will be in the option of the Collector, and it will be desirable that he should keep in his own hands, the assessments on the incomes of the superior Bankers and Traders of the city, and the larger towns in the district, as he is authorized to do in general terms by Section 25 of the Act.

17*th.*—Having apportioned his district in the manner above indicated, and having assigned to each Assessor a specific portion thereof, as directed by Section 36 of the Act, the Collector will proceed to issue the General notice prescribed by Section 37, as soon as ever the form of *Return**, therein referred to, shall be published in the *Calcutta Gazette*, or shall be otherwise made known. This will be the first step in the process of assessment; and after the appearance of the Form above-mentioned, no delay whatever should be permitted, nor should any means be neglected of giving the utmost publicity to the notice. The term of this notice will vary with place and circumstances. It should not generally exceed three weeks.

* See Form No. 4, in *Calcutta Gazette*, dated 14th August 1860, since received.

18*th.*—In districts which may be divided for the purposes of the Act, and in which Officers subordinate to the Collector may be entrusted with the powers described in Section 23, the general notice will be issued in each portion of the district by the Officer to whom it may have been assigned. In other districts the Collector will issue the said notice in all parts of the district.

19*th.*—This general notice having been published in all parts of the district, the several Assessors will be required, each in the circle assigned to him, to serve a special notice,* with the form of Return attached to it, upon every person "whom he may consider to be liable to the duties imposed by this Act," under Schedules 1, 2, and 4.

* See Forms Nos. 6 and 7, Parts 1, 2, 3, and No. 8, in *Calcutta Gazette*, dated 14th August 1860, since received.

20*th.*—It will be necessary, in the first place, that each Assessor should be furnished by the Collector, or should obtain from the Collector's

records, a complete list of the Towns and Villages comprised within the circle assigned to him. The list should be prepared in the following form, so far as existing records will permit, the Towns and Villages being entered, not in Alphabetical order, but in order of their proximity to the place where the Assessor may hold his office.

1.	2.	3.	4.	5.	6.	7.
No.	Name of Town or Village.	Pergunnah.	Names of Headmen.	Juma.	Number of Houses and Shops.	Remarks.

21*st.*—As to the serving of notice, the Lieutenant Governor would direct the attention of the Collectors, and all the Officers concerned, to Paragraph 13 of the instructions of His Excellency the Viceroy in Council; no *personal* or *detailed* enquiry is to be made for the purpose of ascertaining who are liable to the Tax. The Assessor must trust to his own local knowledge, and to the information which he may be able to collect from the various sources indicated in the instructions, to guide him in the serving of the special notice. In cities, and in large towns, to which Act XX. of 1856 has been extended, the Assessor will derive assistance from inspection of the Chowkeedaree Assessment books, and from the persons, whose duty it is to collect and account for the taxes under the assessment in question. In lesser towns, and agricultural villages, the Headmen, the Putwarees, the Chowdrees, and the Chowkeedars, will always be able to give the names of all resident traders, professional men, and others, who in general estimation are thought to be in comfortable circumstances. The information gathered from these parties, in respect of any particular town or village, may be tested, and deficiencies supplied by means of a few interrogatories addressed to the like parties of adjacent villages, and also by the information which the Officers of the Tehseeldaree will possess. In many parts of the country there will be respectable Native gentlemen, well acquainted with the circumstances of those who reside in their neighbourhood; and they may be expected, generally, to give their aid willingly to the Government Assessor. General report, too, will be a guide in some measure to the Assessor in this stage of his proceedings.

22*nd.*—The Assessor having by these means, and any other lawful means within his reach, ascertained, to the best of his ability, the names of those, who are *primâ facie* liable to the duties imposed by the Act, will proceed to serve the special notice, as above directed, on every such person, bearing in mind that no person should be excepted by reason of *doubt* as to his liability, because, as observed in the "Instructions," "the party, if in truth he be not liable, can shew thereafter that such "is the fact." It will be noted that Section 213 exempts from penalties for failure to deliver Returns all persons upon whom special notice, as above, has not been served.

23*rd.*—It is required by Section 38 that the special notice to be served shall specify the *date*, on or before which the Return of profits or

income is to be delivered. This date will correspond with that on which the term of the general notice will expire.

24*th*.—The Lieutenant Governor thinks it important, that simultaneously with the issue of the special notice, or as soon after as possible, notice in the form to be prescribed by the Governor General in Council should issue under Section 42 of the Act to all persons, in whose dwelling-house, it may be reasonably expected, that persons liable to Income Tax may be resident. It will be observed that the person served will be required to give not only the name and residence of "every lodger or inmate resident in his dwelling-house," but also the name of every person in his employ, who may be in the receipt of wages not less than Rs. 200 per annum, as well as the place of residence of such of the latter as do not reside in his dwelling-house. The importance of this provision will be apparent, when it is borne in mind that there is hardly a Banking or a Mercantile Firm, which does not employ Gomashtahs and other servants, both at its chief place of business, and in distant localities; that almost all large landholders also employ Agents, and that the wages received by these are generally such as to bring them within the provisions of the Act.

25*th*.—The Assessor having, by the various means and processes above indicated, ascertained the names, professions, and residences of all the persons within his circle, upon whom, in his judgment, special notice should be served, will prepare a List of the same in the subjoined form :—

1	2	3	4	5	6	7	8
Pergunnah.	No.	Name of Town or Village.	No.	Name of each person liable to Tax.	Date on which special notice was served.	Due date for delivery of Return in each case.	Date of delivery of Return.

The first three columns will be filled up, in the first instance, from the list with which the Assessor will be furnished from the Collector's office. In the fourth and fifth columns the entries will be made from time to time as the Assessor ascertains the names of the persons, who may be considered *primâ facie* liable to the Tax. The 6th and 7th columns will be filled up simultaneously with the issue of notice, and the last, on the receipt of the Returns called for. This list will be closed on the latest of the dates severally appointed for delivery of the Returns.

26*th*.—Similarly, the Assessor will open another Statement for registration of the names of those, who may be found from the Returns to the notice issuable under Section 42 to be liable to Income Tax. The form of this Statement may best be settled, after the form to be prescribed by the Governor General in Council for the Return in question shall have been determined and published in the *Government Gazette*.* The Assessor will make the assessment on such of these as may be properly assessable, or being liable to assessment elsewhere, may elect to be so assessed in his circle. In regard to those who may desire to be assessed in their place of ordinary residence, notice will be sent to the Collector of the district in which such residence may be situated.

* See Forms Nos. 9, 10 and 11 in *Calcutta Gazette*, dated 14th August 1880, since received.

27*th*.—As soon as the several Returns to the notices shall have been received, or as soon as the latest day for the delivery of the required Returns shall have passed, it will be the duty of the Assessor to follow the course laid down in Sections 46 to 51 of the Act. The directions therein contained call for little other explanation or comment than that contained in Paragraphs 14 and 15 of the "Instructions" before referred to.

28*th*.—The form of the "Abstract"* will be prescribed by the Governor General in Council, and the Assessor, once in possession of all the Returns to be expected, will lose no time in computing the duties chargeable on each person, who has been served with a notice, whether such person has made any Return or not, and will not delay in completing his "Abstract," as well as the two lists required by Sections 48 and 49;—the one of persons who have omitted to furnish Returns; the other of persons who may have applied, under Section 44, to be assessed by the Collector. The first of these will be compiled without any difficulty from the list prescribed in Paragraph 25 of this Resolution. The blanks in Column 8 thereof will at once indicate the defaulters. The other will be compiled in any convenient form as the applications in question come in.

* See Forms Nos. 13 and 14 in *Calcutta Gazette*, dated 14th August, since received.

29*th*.—It may be that the Returns, when rendered, may be incomplete, details being wanting, or the declaration unattested. Insuch case, it will be in the spirit of the Act to accept the Returns *quantum valeant;* and it will be the duty of the Assessor, in forwarding the Returns, as he is required to do by Section 51, with his "Abstract" and Lists, to note the fact of incompleteness, defect, or error, for the information and the consideration of the Collector.

30*th*.—Every Assessor will carefully attend to the injunctions conveyed in Paragraphs 14 and 15 of the "Instructions" attached to this Resolution; that he "is on *no account* to make individual or particular "enquiries" respecting the Returns which he may receive; and that he is "conscientiously and without hesitation, and with due regard to the in-"terests of the State," to note in his "General Abstract Return the sum at "which he supposes each party ought to be assessed." The principle upon which the Act seems to proceed is, that every person, in obedience to the Law, shall *himself* deliver a true and faithful account of his profits or income, and that if he neglect to do this, or wilfully evade the legal obligation, or if the Collector, on reasonable ground, distrust his Return, the *onus probandi* shall rest upon the said person, and it shall be in his option to produce, or not to produce, documentary or oral evidence in support of his Returns, and against any charge or surcharge which may have been made under Sections 48 or 54 of the Act,—taking of course the consequences of the course which he may think fit to follow.

31*st*.—The Assessor will not fail to note that the Returns made to the special notice are not binding upon him; that he is left free to compute the duties chargeable, as the Collector is left free to determine the assessment, according to his own judgement, attaching to the Returns only so much weight as they may be thought to deserve. Vigilance and firmness, no less than due deliberation in execution of the duty imposed

upon Assessors and Collectors respectively by Sections 47, 48 and Section 54 of the Act, are to*essential* the protection of the interest of the State, and the financial success of the measure; and it should always be borne in mind on this point, that there is very little chance of any person submitting to an overcharge, when he is in a position, without making any disclosures injurious to himself, to prove that he is not, in point of fact, liable to so large an assessment as has been laid upon him.

32*nd.*—It may be noted that Section 210 attaches a penalty to *refusal* or *wilful* neglect, or *wilful* delay in delivering any Lists, Returns, or Declarations required by the Act. It will rest with the Collector, or other Officer exercising the powers of a Collector, only, to enforce this penalty or not as he may think fit; and a careful discretion needs to be used in the matter, so that ignorance, inadvertence, or accidental omission, shall not fall into the same category with deliberate recusancy, *wilful* neglect, and *wilful* delay. If however the Collector, or other Officer, shall deem it necessary in any case to enforce the penalty, he will be at liberty to summon the party before him for that purpose.

33*rd.*—The duties of the Collector, in the assessment of the Tax, are described in Sections 52 to 60 of the Act, and the most noteable of these provisions is impressed upon his careful attention emphatically by the 17th, 18th and 19th paragraphs of the "instructions." Due regard must be given to those injunctions which are true to the principle of the Act, as described in a preceding paragraph of this Resolution.

34*th.*—It may be well, however, to notice one or two points which may possibly escape observation, or which call for regulation:—

1*st.*—There is a probability, that, from one cause or another, the Returns made on the first introduction fo the Act will be frequently, if not generally, inadequate, and that the Collector will find it necessary to use the power given to him under Section 54 of the Act. The Collector, whenever he has good reason for dissatisfaction, should surcharge to the best of his judgment, bearing in mind, however, the direction of the Governor General in Council, that the power to surcharge "should not be exercised on *mere surmise*," but should be used only when the Assessor or Collector may have reliable information that the Return is materially unfair, or manifestly inconsistent with the known position and means of the party rendering it. On the one hand relief from surcharge, if inequitable, can be easily obtained. On the other hand, the importance of effectually carrying out the intentions of the Act in the first year of its currency, and realizing, in fair measure, the just dues of the State, cannot be over-estimated. If refusal or neglect to deliver Returns, or if fraudulent or incomplete Returns should be successful in the first year, the difficulty of contesting them thereafter will be greatly enhanced.

2*ndly.*—Section 55, while it prescribes a notice* of surcharge, or of charge on an assessment made under Section 48, expressly declares that no person, assessed under the last-named Section, shall be heard against such charge, except on the condition specified *in*

* For Form see Nos. 15 and 16 in *Calcutta Gazette*, dated 14th August 1860, since received.

loco. This provision should be carefully observed, as calculated to enforce a due attention on the part of the people, in future years, to the requirements of the law, by making them feel that their interests will suffer by disregarding those requirements.

3*rdly.*—The injunction to secrecy, contained in Section 56, (as well as in other Sections of the Act specified in Paragraph 20 of the "Instructions") will of course be literally obeyed. The Section in question (56) declares, that while an oath or affirmation may be administered to a witness, the person heard against a surcharge, or a charge under Section 48, "shall not be sworn, unless he shall desire it." It is therefore well to point out, that the penalty enacted by Section 209 cannot be adjudged against any person heard in his own behalf, but only against such witness or other person as shall be duly summoned to appear before the Collector, and shall refuse to be sworn, or, having sworn, to reply to the questions which may be addressed to him on the matters depending before the Collector.

35*th.*—It will be observed that, under Clause 2, Section 56, the Collector's assessment can be revised by the superior Revenue Authorities, but *only* when a mistake in Law has been made, or when a question may be specially referred by the Collector himself. It is solely to cure a misapplication of the Law, not to correct an error of fact, that an assessment made by the Collector can be brought under review. It will be the proper duty of the Sudder Board of Revenue to lay down, without delay, the Rules for revision of assessments under Clause 2, Section 56, and to promulgate the same for general information.

36*th.*—The Collectors, in hearing cases under Clause 1, Section 56, and on all other like occasions, will be careful to enforce the provisions of Section 64, which prohibits the appearance of any person practising the Law in behalf of any other person, and demands either the personal attendance of the interested party, or, alternatively, the attendance of "a servant, agent, or relation."

37*th.*—Section 57 must be read in connection with Section 143 of the Act. The Collecting Officers will in every district be those who are now charged with the collection of the Land Revenue; that is to say, the Collector and the Tehseeldars, assisted by their respective establishments. The Collector, having in his custody the "Abstract" of the assessments for the whole district, will deliver, or transmit to each Tehseeldar, as Collecting Officer, a duplicate of so much of the General "Abstract" as relates to his circle, distinguishing the duties charged under each Schedule. These duplicates will be a sufficient warrant to the several Collecting Officers, for the levying and realizing the duties specified in the said duplicates.

38*th.*—As noted in the "Instructions" relative to Part V. of the Act, composition should be encouraged. It will, in all probability, be much availed of, especially by large Banking and Commercial Firms, and by Native Gentlemen of station and considerable means, as exempting them from all further requisitions for Returns. The Collector should endeavour to make the provisions of this part known as widely as possible, and particularly in cities and large towns, where the classes of persons most likely to com-

pound for the duties will be resident. The duties under Schedule 2 only, it will be observed, can be compounded for. Another reason for encouraging composition is the fact, that if it be availed of to any considerable extent, the labor of the Assessor and the Collector will be to the same extent diminished. The assessment will be made once for all, and will continue during the whole currency of the Act, unless the contract should be extinguished by the death, or bankruptcy, or insolvency, or fraud of the compounder.*

* For Form of Contract of Composition, see Form No. 18 in *Calcutta Gazette*, dated 14th August, since received.

39*th*.—Part VI. containing "provisions as to Trustees and special classes of persons chargeable," does not seem to call for particular remark. These provisions must be read in connection with Section 40 of the Act, and must be taken to illustrate the intention thereof. As therein directed, special notice will be served on all the persons and parties enumerated in this Part VI., just as if they were in their own persons liable for the duties chargeable on the property which they hold and administer in behalf of others; and the said persons or parties will be liable to surcharge, and to all processes, for the collection of the duties chargeable on their principals under this Act, excepting only in the case specially provided for by Section 80 of the same.*

* See Forms Nos. 19 and 20, in *Calcutta Gazette*, dated 14th August, since received.

40*th*.—Among the parties to whom reference is made in Sections 84, 87 and 93 of the Act, are included all Curators appointed under Act XIX. of 1841, as well as the persons to whom Certificates may be granted by any Civil Court under Act XXVII. of 1860, and Trustees, who may be from time to time appointed by Government under Section 9 of the same Act.

41*st*.—By Regulation LII. of 1803, the Sudder Board of Revenue is constituted the Court-of-Wards; but the management of the property, placed under the superintendence of the Court, is entrusted directly to the Collector of the district in which the said property is situate; and it will, therefore, be more convenient that the Collector should be answerable for doing what is required by Sections 87 and 93 of the Act. Every Collector having property, profits or income in his care, in behalf of the Court-of-Wards, will hold himself charged with this duty accordingly.

42*nd*.—It is only necessary further to note, in respect of this part, that every body corporate, every Company, and every Society, who may be chargeable with any of the duties imposed by the Act, is, under Rule 34 of Section 98, to be charged to the said duties by "the Collector for the place, where the *Head Office* in India of such body corporate, Company or Society is situate;" that in assessing the duties under Schedule 2 upon such bodies corporate, Companies and Societies, regard should be had to Rules 3, 4 and 5, of Section 98, and in respect of the duties chargeable under Schedule 4, to Rules 4 *et seq*. of Section 100 of the Act.*

* For Form of Return, see No. 21 in *Calcutta Gazette*, dated 14th August 1860, since received.

43*rd*.—Part VII. contains the Rules to be observed in assessing and charging the duties to be levied under Schedule 1; that is to

say, "for, and in respect of the property in, and profits arising from, all lands and houses in India."

The three first rules will govern the assessment of the duties under this Act, on profits accruing to the proprietors, lessees, and farmers of land, and to mortgagees in possession, paying revenue direct to the Government in all parts of these Provinces, excepting only in those districts, and parts of districts, which are under permanent settlement, such as the districts of the Benares Province Proper, and the Pergunnah of Sikundurpoor, in the district of Azimgurh.

44*th*.—The profits arising from land paying revenue to Government will, in all the districts under this Government, save as above excepted, be assessed to the duties chargeable under the Act, by the Tehseeldars, who will be appointed to be Assessors specially for that purpose, whether or not they be appointed Assessors for the purposes of the Act generally.

45*th*.—As the annual profits are to be estimated at one-third of the revenue payable to Government, and as profits or income, not exceeding Rs. 200 per annum, are entirely exempted by Section 116 from the duties imposed by the Act, it follows that no proprietor, or lessee, or farmer, or mortgagee in possession, who individually pays to the Government a less amount than Rs. 600 as land revenue, will be chargeable with duty in respect of the profits arising from the land in his possession.

46*th*.—The records of the Tehseeldaree afford the greatest facilities for the assessment of the duties in question. The Tehseeldar will excerpt* from his registers the names of all proprietors, lessees, farmers, and mortgagees in possession, who are individually liable for the payment of Rs. 600 per annum or upwards, as Land Revenue, and he will then calculate the Annual profits of each at one-third of the amount in question, whatever that may be. He will then compute the duties chargeable on each, as directed in Sections 1, 3, 4, 116 and 117, &c. of the Act. In calculating the amount of Rs. 600 Jumma, reference should be had to all lands in possession of the landholder, whether within the Tehseelee, or beyond its limits.

47*th*.—If any person, assessed to the duties in the manner above prescribed should be dissatisfied as to the estimate of profits, he will be at liberty, under Rule 2 of Section 97, to contest it before the Collector, who, in the case of an application to contest, will call upon the applicant for the Returns

* FORM OF STATEMENT.

1	2	3	4	5	6	7	8	9
Pergunnah.	Number.	Name of Village.	Name of Proprietor, Lessee, Farmer or Mortgagee in possession.	Jumma for which individually liable.	Amount of profits estimated at one-third of Jumma.	Amount of Duties computed on profits.	Amount of proposed assessment.	REMARKS.

and Declarations required by the 4th and following rules of the same Section, and on receipt thereof will decide the point; bearing in mind, that if the profits receivable by the applicant should prove to be in excess of one-third of the jumma, double duty will be chargeable.

48*th.*—The profits arising from lands held in *rent-free* tenure, whether for life or in perpetuity, will be assessed to the duties chargeable under the Act, in conformity with Rules 4, 5 and 6 of Section 97. It will be the duty of the Tehseeldar, in his capacity of Assessor, to issue a special notice, with form of return attached, to all Rent-free holders, whom he may have reason to consider liable to Income Tax, and to compute the duties on the profits accruing to such rent-free holders, according to the rates, and in the manner prescribed in the Act. Individual profits, not amounting to Rs. 200 per annum, it will be remembered, are exempt, provided that, in this case, and the case of proprietors, lessees, farmers, and mortgagees in possession, who pay a less jumma to Government than Rs. 600, income derived from other sources, such as property in houses, trade or employment of profit, do not make up the total annual profits or income to Rs. 200 per annum. Should the annual receipts of any proprietor or holder of land, from land and *other sources* combined, amount to Rs. 200, he will be chargeable to the duties under the respective Schedules.

49*th.*—In the permanently settled districts of the Benares Province Proper, and in such Pergunnahs, and parts of the said Province Proper, as, though permanently settled, have been from time to time attached to districts not permanently settled, the duties on profits arising from land will be assessed under the Rules, and in conformity to the directions contained in the preceding paragraph. Every Tehseeldar, who bears a good character, and possesses the requisite intelligence, activity, local knowledge, and personal influence, should be appointed an Assessor, specially for the purpose of assessing the duties on profits and rents arising from land and houses in the Benares Province, whether or not he be employed as an Assessor for the general purposes of the Act in his circle.

50*th.*—In the cases of Rent-free lands, and lands under permanent settlement, the assessment will be laid on the actual profits, as for the Revenue year, immediately preceding the year of assessment, and will be so laid or charged, whether the rent or profits *were received or not.* Rule 6, Clause 1.)

51*st.*—Persons failing, or wilfully neglecting or delaying to make returns, as required under Rules 4, 5 and 6 of Section 97, will be liable to be assessed under Section 48 of the Act at the discretion of the Assessor and the Collector, and persons whose returns may be under-stated, will be subject to the Rule laid down in Section 47 of the Act, and to surcharge under Section 54 *et seq.*

52*nd.*—It is important to notice, and to make known to all concerned, that the returns and rent-rolls, which rent-free holders, and the proprietors and holders of land paying revenue to Government in the Benares Province Proper, are required by the Rules under notice to deliver, will be filed in the Collector's office, and will be conclusive evidence in suits for the recovery of rent, and in all other actions whatever, unless it be proved, to

the satisfaction of the Court or Officer trying the suit, that the return or rent-roll in question was erroneously prepared from accident, and not from any fraudulent intention.

53*rd.*—Rule 6 of this Section (97) may perhaps be best illustrated by an example or two.

Clause 1.

X. is the proprietor of lands in the Benares district, the annual rents derived from which amount to Rs. 1,000, and he pays Rs. 300 per annum as revenue to Government under the permanent settlement. X. in this case will be liable to pay Income Tax of Rs. 28 per annum (1000—300=700; and $700 \times \frac{4}{100} = 28$.)

Clauses 2 and 3.

X. is the rent-free holder of land, of which the rents received or receivable during the year preceding the year of assessment are returned at Rs. 500. X. leases his holding to B. for Rs. 350 per annum. B. will be liable for Income Tax in the sum of Rs. 20 ($500 \times \frac{4}{100}$);—but he will be entitled to deduct the said sum of Rs. 20 from the amount of rent (Rs. 350) payable by him to the Lessor X., and the said Lessor will be bound to allow the deduction, and to accept the remanent sum of Rs. 330 in satisfaction of his claim against the Lessee B.

54*th.*—The remaining Rules of this Section do not appear to call for much further remark than is contained in Paragraph 26 of the "Instructions." In making assessments under these Rules, attention will be necessary to Sections 130 and 131 of the Act, in connection with Rules 7 and 8, and to Section 132, in connection with Rule 13 of this 97th Section.

Among the "other persons occupying lands or houses," who are referred to in Rule 7, will be included all Istumrardars, Oobareedars, and others, under whatever designation, holding land at a quit-rent, and to these persons the Rules 4, 5, and 6 of this Section (97) will be applicable.

55*th.*—It will be observed, that whenever a Valuer may be employed under Rule 18, the valuation made by him is to be verified on his oath or solemn affirmation.

56*th.*—Great caution and circumspection will be necessary in the application of Rules 20 to 23 of this Section. It may be assumed that every opportunity will be readily used to claim abatement under these Rules, and it may often be difficult, especially in the case of the alleged insolvency of the tenant or occupier, to determine whether there is a foundation for the claim. None such should be admitted, except on the fullest enquiry through the fiscal officers of the locality, and on satisfactory proof that loss has actually occurred, and that the owner of the land, or the recipient of the rents, has "abated, or agreed to abate, to any tenant (or "occupant) the whole, or any proportion of the rent "reserved or payable by such tenant for any year" of his lease.*

* *N. B.*—See Sections 206 and 207 of the Act.

57*th.*—Part VIII. prescribes the Rules for assessment of duties under Schedule 2, the scope and intent of which Schedule is described at the beginning of the Section. The Lieutenant Governor, in calling attention to paragraph 27 of the "Instructions," as to the rules for the

assessment of duty on profits arising from trade, desires to add some remarks on his own part.

As regards the day on which the 'preceding year,' mentioned in Rule 1, shall be held to close, some doubt may possibly arise. It is believed that the accounts of most Native Banking and Commercial Firms are made up at the Dussehra, which occurs generally sometime in October, and in respect of such firms, the Hindoo year, which closed in September or October 1859, must be taken as the year immediately preceding the year of the assessment now about to be made. In respect of European firms, or individual traders, the year, which closed on the 30th April 1860, will be taken as the year preceding the year of the same assessment. And so, in regard to both Native and European firms and traders respectively, in each succeeding year of the currency of the Act.

58*th*.—It may be noted, in connection with Rule 4, which specifies the deductions that may, and may not be made, that claims to abatement, for any of the reasons set forth in Sections 139 and 140, will be cognizable either within, or at the end of the year for which the assessment shall be made, whether preferred by persons engaged in trade, or by any person otherwise chargeable to the duties under Schedule 2.

59*th*.—The Governor General in Council, in his "Instructions," has called special attention to the fact, that among the professions and employments of profit, in respect of which duties are to be charged under Schedule 2, are included the various religious or quasi-religious professions or employments, and His Excellency has enjoined the greatest care in dealing with these cases.

60*th*.—It will be observed, on reference to Section 133, that, subject to the approbation of the Governor General in Council, the Local Government is empowered, wholly or partially, to exempt from duty all property, movable or immovable, which may be exclusively devoted to religious or charitable public purposes.

This point will be further noticed below, and final orders will be postponed, until certain enquiry shall have been completed. Meanwhile, under Rule 6 of Section 98, the duties will be assessed in respect of the profits or income accruing personally to the party or parties, who may exercise any religious, or *quasi* religious profession or employment, irrespectively, of course, of the duties for which such persons may be liable under any other of the three remaining Schedules of the Act.

The Lieutenant Governor would wish, that, in assessing the parties in question to the duties under Schedule 2, full regard should be had to the uncertain and fluctuating nature of the profits arising from such professions, and that the power to surcharge should be exercised with great caution and moderation.

61*st*.—In assessing the duties on the profits arising from any trade, or profession or employment of profit, no deduction will be allowable under Rule 9, except for money expended for the purpose of such trade,

profession or employment, and except for the rent of such part of the dwelling-houses, or other buildings as may be used for the purposes of such trade, profession, or employment. Rule 26, it will be observed, limits the proportion of the rent, which may be so deducted to two-thirds of the whole rent *bonâ fide* paid for such house or building partially used, for the purposes of any trade, profession, or employment.

62*nd*.—It may be further noted, that while under Rule 10 the duties in respect of any trade, profession, or employment of profit, are to be computed inclusive of the profits arising from any land or house occupied for the purpose of such trade, &c., under Rule 11, the duties in respect of any trade, &c., carried on by two or more persons jointly, are to be stated separately from *any other duty* chargeable on the same persons, or either of them. For example, two or more persons, partners in an Indigo concern, being jointly the proprietors or holders of lands on which Indigo is grown, and the owners or occupants of buildings in which Indigo is manufactured, will be charged with duties on the profits arising from their trade in Indigo, and in the computation of these duties, the profits accruing to them from the land, or the buildings in question, will be included. On the other hand, if two or more persons, being sharers in an Indigo concern, are also the proprietors or the holders of lands, which are not occupied or used for the purpose of their trade in Indigo, then the duties in respect of the profits arising from their trade in Indigo, will be computed and stated separately and distinctly from the duties with which the said persons, or either of them, may be chargeable on account of the profits accruing from the land or other property or employment of profit brought under charge by the Act.

63*rd*.—It has seemed right specially to notice this distinction, because lands and houses, except in the case specified in Rule 10, fall under *Schedule* 1, and the general Rule (18) applicable to Cases 1 and 2 of Schedule 2, requires that the statement of profits or income to be charged under this Schedule (2) shall include every source *so* chargeable; that is, chargeable under Schedule 2.

64*th*.—It will not escape the notice of Collectors, that Rule 15 of this Section (98) is susceptible of being easily used for the purpose of defrauding the Revenue. Whenever a claim of the kind contemplated may be brought forward, it will be the special care of the Collector to satisfy himself not only that the claimant is *bonâ fide* a partner sharing in the profits of the concern, but also that he has not been represented as belonging to the concern, and his name included in the list of partners, with the fraudulent object of opening the way to a claim to exemption.

65*th*.—As to the "Third case" of Schedule 2, to which Rules 20 and 21 are specially applicable, it is not easy to anticipate what descriptions of profits will be included in it. But among others, money-changers will be liable for duty on the discounts they may realize; and money-lenders for duty on the interest of the money advanced by them to their constituents, subject to the general provisions of the Act.

66*th*.—Rule 22, which governs the fourth case, makes interest or income arising from property situated out of British India, liable to duty,

only in the event of such interest or income being "*received or intended* to be received in India." This is an important distinction, and it should be carefully noted and observed.

67*th.*—Rules 27 to 33 will probably be applicable to but few of the cases which will come before the Officers entrusted with the execution of the Act in these Provinces.*

* For Form alluded to in Rule 33, see No. 22 in *Calcutta Gazette*, dated 14th August 1860, since received.

68*th.*—Of the Rules 34 to 44, as to districts in which persons are chargeable, Rule 42 is the only one that calls for notice. There are many Bankers and Traders who carry on business in different places from those in which they ordinarily reside, and such persons will be required to render the returns and declarations required by the Act, in each of such places, and will be charged by the Collector, acting for each place, where such trade or business is carried on.

69*th.*—The Rules for assessment of the duties chargeable under Schedule III.; that is to say, in respect of "profits arising from interest, annuities, or dividends, payable in India to any person, whether residing in India or elsewhere, out of the public revenues of India," are sufficiently clear and explicit.

It will rest either with the Accountant General at the Presidency, as Ex-officio Assessor under Section 26 of the Act, or with the Collector, or other Officer in charge of a Government Treasury, to assess the duties imposed by the Act, on the interest, annuities, dividends or shares of annuities charged in Schedule III.

70*th.*—As regards Promissory Notes, the interest upon which is payable at any Government Treasury in these Provinces, the Lieutenant Governor observes that by Article 491 of the Accountant's Manual, (new edition,) a register of such notes is required to be kept up, in the form there prescribed, by the Collector, or other Officer in charge of the Treasury from which the interest is payable.

71*st.*—The Collector, or other Officer in charge of a Treasury, on receiving application for the payment of interest on any Government Promissory Note in his custody, or entered in his register, will first certify himself on all the points to which his attention is directed in the Accountant's Manual. If the interest claimed should be rightly payable to the applicant, and his total income be of an amount liable to assessment, the Collector will, before making any payment, assess the duty chargeable upon the interest so due (at the rates whether of 2 per centum, or of 3 and 1 per centum); and will set apart and retain the amount of the duties so assessed, paying over the residue of the said interest to the applicant upon his receipts, as required by Article 477 of the Accountant's Manual.

72*nd.*—The form of the receipt will require alteration, so as to shew the net amount of interest received, and the sum deducted on account of Income Tax.

The Accountant will make it his duty to prescribe, without delay, and after obtaining the approval of Government, will transmit to the

Collectors, or other Officers in charge of Treasuries in these Provinces, the new form of receipt, and also the form of register in which the assessments and payments on account of Income Tax must be exhibited.

73*rd.*—The duties imposed by this Act on the interest aforesaid, are chargeable on all such interest which may fall due on or after the 1st day of August 1860.

74*th.*—The Rules in Part IX., and these instructions, are applicable equally to all dividends, annuities, or shares of annuities (other than the annuities mentioned in Schedule 4,) which may become due on or after the date mentioned, and may be, or may hereafter be made payable at any Government Treasury in these Provinces. In the cases of these, also, the Accountant is required to prescribe the forms of receipt and registers, and after obtaining the approval of the Government, to transmit them to the Collectors, or other Officers in charge of Treasuries.

75*th.*—Part X. contains instructions for assessment of the duties under Schedule 4, (1) on salaries, perquisites, or profits of public offices and employments, as well as on Annuities and Pensions payable by the Government of India, and also for the assessment of the same duties on (2) offices or employments of profit under any Company in India.

76*th.*—In respect of all duties chargeable under the first case, the Civil Auditor is ex-officio an Assessor under the 27th and 30th Sections of the Act, and in the letter No. 1039 A., dated 31st July, which is prefixed to this Resolution, all requisite instructions have been communicated to him, so far as the salaries and perquisites of public offices and employments are concerned, excepting only that a caution to observe the terms of Section 4 of the Act appears to have been omitted. When the letter above cited was issued, neither the Act itself, as passed by the Legislative Council, nor the instructions of the Governor General in Council, had come to hand, and orders therefore were postponed in respect of the assessment of duties on Annuities and Pensions payable by the Government of India. It is now apparent from Rule I. of Section 99, that such annuities and pensions, which become due on or after the 1st day of August 1860, are chargeable with duty under Schedule 4; and they will be charged accordingly by the Civil Auditor, if requirsng audit, at the time of audit, or by the Collector or other Officer entrusted with the payment thereof, at the time of payment, if payable without audit, or in anticipation of the same.

77*th.*—The duty is chargeable on all annuities, and upon pensions of every kind, whether superannuation, charitable, treaty, maafee, or political, which are payable out of the public revenues of the Government of India. The only grounds of exemption are those set forth in Part XIII. of the Act. Claims to exemption on the part of persons, whose whole profits or income may be derived from an office or employment of profit, or from an annuity, pension, or salary, are declared by Section 123 to be cognizable by the Ex-officio Assessor, whether he be Civil Auditor, or Collector, or other Officer, or by the Special Assessor, for whose appointment provision is made by Section 31 of the Act.

78*th.*—It will be the duty of the Civil Auditor, as Ex-officio Assessor, to keep up a register of the Annual assessments made by him upon the profits or income derived from Public Offices, or employments, of which the salary is payable by Government, and also registers severallly of all annuities and pensions (similarly payable), upon which he may assess the duties chargeable by this Act. And, in like manner, it will be the duty of the Collector to keep a register of the assessments to be made by him, as Ex-officio Assessor, in respect of Pensions or Annuities, which he is authorized to disburse without audit, or in anticipation of the same. The following forms of register may be adopted in the first instance, subject to modification, if found necessary.

For Public Offices and Employments.

1.	2.	3.	4.	5.	6.	7.	8.
District.	Designation of office or employment.	Name of person holding the said office or employment, on 1st August 1860, and residence.	Amount of annual profits, after deductions authorized by Rule XII. of Section 100.	Amount of annual duty chargeable.	Whether liable to Audit monthly, quarterly, or annually.	Amount of monthly, quarterly, or annual instalment of duty.	REMARKS.

NOTE.

In the last column will be noted the cases of persons who may become entitled, during the year, to additional salary, perquisite or profits, under Rule XIII. of this Section (100), if the additional salary, &c., should arise from transfer to another office having higher emoluments, as of a Collector to be a Judge, the name of the person will be transferred accordingly in the register. If the said addition should arise to any incumbent of any office, by reason of an increase to the salary or perquisites of the same office, the fact will be noted in Column 8, and the entries in Columns 4, 5, 6 and 7, and will be altered accordingly.

For Annuities or Pensions payable by Government.

1	2	3	4	5	6	7	8	9
No.	Name of Annuitant or Pensioner.	Residence and Treasury from which payable.	Nature of Pension.	Amount of Annuity or Pension	Amount of annual Duty chargeable under the Act.	Whether payable Monthly, Quarterly or Annually.	Amount of each instalment of Duty.	REMARKS.

To the assessment of duties on annuities and pensions, chargeable with the same under Schedule 4, the instructions conveyed to the Civil Auditor in the letter of the 31st July, above cited, are applicable, *mutatis mutandis*, and those Collectors, or other Officers in charge of Treasuries, who may have occasion to act as Ex-officio Assessors for executing the Act under Schedule 4, will take notice accordingly.

79*th.*—It has been noted above, that claims to exemption on the part of persons, whose whole profits or income arise from any office or employment of profit, or from an annuity, pension, or salary, are cognizable by the Ex-officio or Special Assessor (Section 123.) It may be well, in this place,

to direct the particular attention of the Civil Auditor, as Ex-officio Assessor, in respect of exemptions to Section 127, by which Officers and Non-Commissioned Officers, and Privates of any Military Police or other Police Force, receiving less than the pay and allowances of a Captain of Infantry in H. M.'s Forces in India, are wholly exempted from the duties under this Schedule. It may be noted that chief officers of Police, under Regulation XI. of 1831, and darogahs of Police, and jemadars of the Civil Police, are not considered as officers of a "Police Force," and are chargeable to the duties under this Act. Further, Sections 129 and 134 to 136 call for the attention both of Ex-officio Assessors, and of Special Assessors, who may be appointed under Section 31 of the Act; the former exempting public officers in respect of travelling allowances, tent, contract and other allowances, and the three latter providing for an abatement in respect of premia, or sums paid to secure a deferred annuity; provided such abatement shall not be made in respect of any premium or sum in excess of one-sixth of the whole income of the person chargeable.

80*th.*—Rules 4 to 10, referring specially to the case of offices or employments of profit under any *Company* in India, do not call for exposition.

It will be observed that an Assessor is to be *specially* entrusted with the duty of making assessments in this case by the Collector of the place, where the Head-office of the Company shall be established.

N. B.—See, however, Forms No. 7 Part III., No. 21 and No. 23, published in *Calcutta Gazette* of the 14th August, since received.

81*st.*—In large European stations, such as Mussoorie, Meerut, Agra, Allahabad and Mirzapore, it will be advisable that Collectors shall have special aid in determining the assessment of European merchants, &c. For this purpose, the provisions of Section 19 of the Act may conveniently be brought into operation; that Section authorizes the Collector to "associate with himself two or more persons, whether in the service "of Government or not, to assist him in making assessments." From three to five persons may be so selected at each of the large stations referred to, with the approval of Government; of these, not fewer than two, if possible, should be unconnected with the Government service. The manner in which the Collector will avail himself of their advice and assistance, should correspond with the rules laid down in the "Instructions" of the Supreme Government, Paragraph 4, regarding the non-official members of the Presidency Commission. "They would sit with" the Collector, "on "certain fixed days, especially on those days when objections to assessments "under the Act may be heard." The Lieutenant Governor will be prepared to sanction the *honorarium* there specified of Rs. 32, for each regular sitting, to each of the non-official members so associated with himself by the Collector.

82*nd.*—In regard to discretionary modes of assessment, for which provision is made in Parts XI. and XII., the Lieutenant Governor would invite the attention of Collectors, and all Officers concerned, to the 29th and three following paragraphs of the instructions issued by the Governor General in Council.

83*rd.*—It is in the power of the Local Government to sanction assessment by Punchayet, under Schedule 1, or Schedule 2 of the Act, in any place under this Government, or among any particular class of inhabitants of any such place, or in respect of any one or more of the inhabitants of such place. Whether such a system should be adopted, and if so, what particular method shall be followed, must depend upon the wishes of the people, and upon a variety of local circumstances, which must come chiefly under the notice of the Collector; and it is therefore impossible for the Lieutenant Governor to issue any definite orders on these points, or as to the places where assessment by Punchayet shall be enforced.

84*th.*—The Collectors will note that assessment by Punchayet is not to be forced upon the inhabitants of any place, and, indeed, the 104th Section, which allows any resident of a place, in which assessment by Punchayet has been ordered, to claim to be assessed by the Collector under the general provisions of the Act, would render any attempt at such compulsion nugatory. But if it should appear to be the wish of the inhabitants of any place, or a majority of them, that assessment to the duties under Schedules 1 or 2, or both, should be made by Punchayet; or where the passive resistance of the inhabitants, or any other cause, has frustrated the proceedings of the Collector and the Assessors under the general provisions of the Act; or where the people are indifferent as to the system to be followed, and facilities for the organization of a respectable Punchayet exist; or where, for any reason, this system offers hopes of a more expeditious completion of Assessment, and more satisfactory result; in such places the Collector will submit his proposals without delay, to the Government, through the ordinary channels, and these will meet with prompt and special attention.

85*th.*—In the 29th paragraph of the "Instructions," various methods of proceeding are suggested, as that the Punchayet shall fix the aggregate of the Tax to be levied in the particular locality; or that the Collector shall do this, leaving the individual distribution thereof to be made by the Punchayet; or that, with the advice of the Punchayet, a sum shall be assessed on each mohulla, or trade, or guild, the distribution being left to Sub-Punchayets, selected from the inhabitants of such mohulla, or the members of such trade or guild. Or if the Collector find it advisable, he might call upon the Punchayet to classify the inhabitants according to their assumed incomes, as *e. g.* persons having an income of Rs. 1,000 and upwards, to form the 1st Class; persons having an income of more than Rs. 500, and less than Rs. 1,000, to form the 2nd Class; and persons having an income between Rs. 500 and 200, to form the 3rd Class. These classified lists would then be scrutinized by the Collector, with the assistance of the Punch themselves, or other respectable residents of the locality; the income of each individual named in the lists would be determined as nearly as practicable, and the duties would be assessed accordingly.

86*th.*—But whatever method be followed in carrying out the assessment by Punchayet, it is most important that only those residents of the locality shall be permitted to serve, who command the respect of their fellows, and upon whose rectitude and integrity some reliance may be

placed. And it will not be right that the Punchayet should have a power of uncontrolled action. The Collector must make it his duty to keep a vigilant watch on their proceedings; and while treating them with respect, and giving them freely assistance and support, he must take precautions against partiality, exaction, or other abuse of authority on their part.

87*th.*—The course to be followed by the Collector, on the completion of an assessment by Punchayet, is described in Sections 105 to 108 of the Act, which call for no remark.

88*th.*—It may be assumed that it will be mostly, if not solely in cities and large commercial towns, such as Hatrass, Kashgunge, Sumbhul, Chundowsee, and such like, that the system of assessment by Punchayet will be found useful, and in these even generally in respect only of the duties chargeable on the profits arising from *houses* under Schedule 1, or from any property, profession, trade or employment, or in respect of any interest of money under Schedule 2.

89*th.*—In order to encourage persons of respectability to serve on Punchayets, and to make the position of the members desirable, if not attractive, the Lieutenant Governor directs:—

1*st.*—That the members, three or more, (Section 101) shall be selected by the Collector, or by a deputy Collector specially authorized under Section 22, so as to represent, as fully as possible, the interests of the various classes of inhabitants.

2*nd.*—That every member shall be appointed for one year, on condition of good conduct, and shall receive a Sunnud of appointment under the hand of the Collector, or the Deputy Collector, as aforesaid.

3*rd.*—That no person, so appointed, shall be removed without the sanction of the Commissioner of the Division, on the representation of the Collector.

4*th.*—That in case of the death of a member, or his removal for misconduct, or for neglect or refusal to act, or in the case of his resignation, it shall rest with the Collector, or the Deputy Collector aforesaid, to appoint a successor or not; but if a successor be appointed, he shall, in all practicable cases, be selected from among the residents of the mohulla, or the members of the profession, trade or guild, to which the deceased, or retired, or dismissed member belonged.

5*th.*—That in any of the cases mentioned in the foregoing rule, (except in the case of death) the sunnud of appointment shall be formally re-called and cancelled.

6*th.*—That to all members of Punchayet, appointed by the Collector himself to make assessments in the city or chief town of a district, specific rank, not below the rank of a Deputy Collector of the 3rd class, shall be assigned in durbar; and that the members of Punchayets, whether appointed by the Collector, or the Deputy Collector as aforesaid, who may be employed in making assessments in smaller towns, shall be entitled to receive a chair in durbar, and to rank next below Tehseeldars. Provided, in both these cases, that whenever any member of a Punchayet

shall have superior specific rank, he shall on all occasions take precedence of Deputy Collectors or Tehseeldars, as the case may be.

7*th.*—That, subject to the sanction of the Governor General in Council, under Section 247 of the Act, fees, at a rate to be hereafter determined, by way of a per-centage on the sum realized under assessment by Punchayet, shall be allowed to the members of such Punchayet jointly.

90*th.*—It will be in the option of every Collector to bring, under the special notice of the Government, instances in which any person associated with him, under Section 19, or any member of a Punchayet, such persons not being in the service of the Government, shall have given extraardinary aid, or shall have conducted himself with marked integrity, independence and uprightness, in order that the Government may mark its sense of the service rendered, by the presentation of a Khillut or otherwise.

The Collectors must be careful not to make such recommendations lightly. The honor of a Khillut, or other mark of special favor, is highly valued, and it should be reserved for cases of very distinguished merit only.

91*st.*—It only remains to add, in regard to these Parts XI. and XII., that rules for assessment by Punchayet, and for disposing of appeals from such assessment, will be issued hereafter.

92*nd.*—Those Sections of Part XIII. (Exemptions) which chiefly call for remark, have been noticed in the preceding paragraphs, either in connection with the assessment of the duties under the several Schedules, or with the functions of the several officers, who will be entrusted with the execution of the Act.

93*rd.*—The mode of proceeding to be followed by persons who have been "assessed under the Act," in bringing forward their claims to exemption, and by the Collector in hearing those claims, are laid down in Sections 118 to 122, and will be duly attended to.* It is hardly needful to observe, in regard to Section 119, that it is only a "person assessed," or charged to the duties, in respect of whose claim to exemption "proceedings" are to be held before the Collector, and that there is nothing in the law requiring the Collector to *assess* any other persons than those whom he may "consider liable to the duties."

* *N. B.*—See Form No. 24, published in *Calcutta Gazette* of 14th August 1860, since received.

94*th.*—The proceedings on a claim to exemption are to be held before the Collector of the place "*where the claimant is charged.*" Section 121 seems to be designed to meet the contingency of a person, who may have been charged (say) in Allahabad in respect of property or profits, assessed or liable to be assessed (say) in Benares. In this case the Sudder Board of Revenue, on receiving the certificate * of the Collector (of Allahabad) will disallow his assessment, either wholly or in part, in respect of such property or profits.

* See Form No. 25, published in *Calcutta Gazette* of 14th August 1860, since received.

95*th.*—The person preferring a claim to entire or partial exemption under Sections 116 and 117 of the Act, is required to satisfy the Collector

14

that his income or profits, "*from whatever source derived,*" is below a certain amount. It may occur that such a person will have been charged to, and will have paid duty under the Act by way of a deduction from, or a stoppage out of rent, annuity, interest, or some annual payment to which he may be entitled; or that he may have been so charged by an Ex-officio Assessor in respect of interest, annuity, dividend, pension or salary, payable out of the public revenue, and may have paid the duty by way of a deduction or stoppage, as aforesaid. In such case the Collector having satisfied himself that the income of the claimant, derived *from any one or other or more of the above sources*, combined with his receipts from *all other sources*, does not render him liable to duty, or entitles him to pay only the lesser rate of duty under Section 116, will deliver to him a Certificate in one or other of the forms subjoined.

No. 1.

" son of resident of in the pergunnah of and the district of having proved before me that he is entitled to exemption from the duties imposed by Act XXXII. of 1860, under Section 116 thereof, and that, notwithstanding, he has been charged to, and has paid duty, amounting to Rs. by way of deduction from amounting to Rs. per annum, I do hereby certify that the said son of resident of in the pergunnah of and in the district of is entitled to a refund of the said sum of Rs. from the Treasury of

Office of the Collector of ,
dated the of 186 .

Signed Collector,

No. 2.

" son of resident of in the pergunnah of and the district of having proved before me that his income, from all sources derived, does not exceed Rs. 500 per annum, and that he is therefore entitled to be assessed to the duties under Act XXXII. of 1860, at the lesser of the rates specified in Section 117 thereof; and that, notwithstanding, he has been charged to, and has paid duty, amounting to Rs. , by way of deduction from amounting to Rs. per annum, the said duty having been assessed at the higher of the rates specified in Section 117 aforesaid, I do hereby certify that the said son of resident of in the pergunnah of and the district of is entitled to the refund of Rs. from the Treasury of , being the difference between the amount of duty chargeable at the lesser, and that chargeable at the higher of the rates specified in the aforesaid Section 117 of the Act XXXII. of 1860.

Office of the Collector of ,
dated the of 186 ."

Signed Collector.

96*th.*—The Collector, simultaneously with the delivery of a certificate to a claimant for exemption, shall transmit duplicate and triplicate thereof to the Collector, or other officer, whether Ex-officio or Special Assessor, by whom the duty so paid, by way of deduction, shall have been assessed; and also to the Collector or other officer in charge of the Treasury, into which the sum of the duty so paid by way of deduction shall be payable under Section 190 of the Act.

On receipt of such certificate, the officer by whom the said duty may have been assessed shall amend his abstract of assessment in accordance therewith. The Collector, or other officer in charge of the Treasury, from which the refund may be payable, shall, on presentation of the original certificate by the claimant, compare the same with the duplicate or triplicate that will have been sent to him, and, being satisfied of the genuineness of the original, shall pay to the claimant the amount certified to be payable as a refund, taking his receipt in duplicate for the same, and on the back of the original certificate. The original certificate and the receipt will be vouchers for the debit in the Treasury accounts.

97*th.*—As noted in paragraph 60 of this Resolution, Section 133 empowers the Local Government, subject to the approval of the Governor General in Council, to exempt, wholly or partially, from duty under the Provisions of the Act, any property which may be devoted exclusively to "religious or charitable public purposes." The Lieutenant-Governor would wish to receive from the Collector of each district, at the earliest possible period, a statement, shewing the locality, the nature, the annual value, estimated according to the Rules of the Act, of all such property, together with names and professions of the holders.

98*th.*—Part XIV., relating to "abatement and relief from double assessments," calls for no other remarks than those which will be found in preceding paragraphs of this Resolution.

99*th.*—In regard to Part XV., it has been noted that the Collectors of the several districts, the Tehseeldars, and other subordinate officers, charged with the realization of the Land Revenue, will be Ex-officio collecting officers for the purpose of levying and collecting the duties chargeable under this Act. Attention has also been directed to the distribution to the several collecting officers of the duplicates of assessments made.*

* See Form No. 26, published in *Calcutta Gazette* of 14th August 1860, since received.

100*th.*—It will be observed that a receipt is to be given for every payment made by way of an instalment of the duties assessed under the Act. For this purpose a register, similar to the "Dakhila bahee," will be kept by the collecting officer of each circle, in the Form subjoined:—

Income Tax. } *Receipt Book of the* *Circle of District* *for the* *Quarter of* 186—6

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
Serial No.	Name of Payer.	Name of Father.	Place of residence.	No. in Duplicate of Assessments prescribed by Section 143.	Amount of Duty paid.	Date of payment.	Name of Bearer.	Date of issue of receipt.	Signature of person taking receipt.
1	Cheytram Sahookar.	Poorun.	Tajpoor.	23	Duty at 3 per ct.=21 1 per ct. duty = 7 Total, 28	1st Novr.	Jeeta.	1st Novr.	

The receipt itself will be drawn out in the same form as this register, and every collecting officer will be furnished with a sufficient supply of printed forms, to meet the demands of each Quarter.

Each receipt will be signed by the Collecting Officer, after it has been attested by the Seeaha Nuvees and the Treasurer; and before issue, a copy thereof will be entered in the register.

Every Tehseeldar or other Officer, acting as Collecting Officer, will send his Receipt book quarterly to the Collector's office.

101*st.*—Wherever the Treasuries, appointed by the Government under Section 190, for the receipt of duties payable under the Act, shall be declared, the Collectors will issue the proclamations required by Section 148.

102*nd.*—The special privilege allowed by Part XVI., and the conditions on which it may be granted, should be made known and explained in cities and large towns, through the persons associated with the Collector under Section 19, or through the Heads of the Native community, or through the members of a Punchayet, where that system may be followed, or through the Officers employed to assess, or by any other practicable means; and in other places through the Assessors or other Officers employed for the purpose of executing the Act. The privilege, it will be remarked, can be granted only in respect of Profits or Income under *Schedule* 2; and the object of it is obvious.*

* See form of Certificate, No. 27, published in *Calcutta Gazette* of 14th August 1860, since received.

103*rd.*—The books required by Section 149 will be in the same form that of the "General Abstract" prescribed by Section 57, the which Form* is to be prescribed by the Governor General in Council, a Column being added to receive the *Letter* (which should be used in preference to a No.), by which each person, paying according to letters, is to be distinguished. The names only of those who may be permitted to pay by letters should be entered in these books. The provision of Section 154 must not be overlooked.

* See Form No. 17, in *Calcutta Gazette* of 14th August 1860, since received.

104*th.*—The *condition* of admission to the privilege of paying by letter, and obtaining a certificate to that effect, is described in Section 150. The *obligation* upon the holder of the certificate is the payment, on or be-

before due date, into the proper Treasury, of each instalment, and the delivery " before the time when the amount is hereby made payable," of the acknowledgment*, which, on payment of the instalment, he will receive under Section 153, from the Officer in charge of the Treasury, or the Collecting officer. The circumstances which will involve *forfeiture* of the privilege, are the neglect to make payment, on or before due date, and neglect to deliver the acknowledgment, as required by Section 156 : in either case the name and description of the person will be entered in the ordinary way, in the duplicate of assessments, to be transmitted to the Collecting Officer under Section 143.

* See Form No. 28, in *Calcutta Gazette* of 14th August 1860, since received.

105*th*.—Under Part XVII. ample powers are given to the Collector for realization of the duties payable under this Act. He may either cause the defaulter to be arrested, and deal with him according to Section 180, or he may cause the movable property of the defaulter to be distrained, and sold for recovery of the arrear, if within 3 days from completion of the distraint, the amount of such arrear, together with expenses of distraint, should not be fully discharged ; or in defect of movable property, of which distraint can be made and also if the sale proceeds of movable property shall not cover the arrear and the cost of distraint, he may attach the immovable property of the defaulter, to such extent as may suffice to cover the amount in arrear, and, with the sanction of the Sudder Board of Revenue, may bring the said property to sale, after the expiry of fifteen days from the date on which the list of the property to be sold, and notice of the place and time of intended sale, shall have been affixed to the outer door of the defaulter's house, and proclaimed, as required by Section 171 of the Act.

106*th*.—In every case, unless there be any special reason to the contrary, process of distraint should issue, in the first instance, against the movable property of the defaulter, unless, indeed, the provision of Section 180 should be preferentially followed ; and it will be only in the event of there being no movable property, of which distraint can be made, or of the proceeds derived from the sale of such movable property being insufficient to cover the arrear due, that process will issue against the immovable property of the defaulter.

107*th*.—The Lieutenant Governor hopes that the occasions will be rare, on which it will be necessary for the distraining officer to use the authority conferred upon him by Sections 166, 167 and 168 of the Act, of forcing open any building, or of entering any zenana, for the purpose of attaching property belonging to a defaulter ; and His Honor enjoins upon every Collector, and other collecting officer, the duty of preventing such forcible intrusion, except when such is made absolutely unavoidable by the wilful absence or neglect, the contumacy, or the resistance of the defaulter. The penalty for unlawful entry will be found in Section 197 of the Act, and should be enforced in every proved case.

108*th*.—It will be the proper duty of the Sudder Board of Revenue, as the chief revenue authority, to draw out Rules, which shall not be inconsistent with the provisions of the Act, for the conduct of distraint and

attachment of movable and immovable property, and for the sale of the same, for the summary adjudication by the Collector, under Section 183 of the Act, of claims preferred to movable property distrained, and for the procedure of the Collector under Section 184, for appointment of distraining and of selling officers, and for the remuneration of of these, according to a scale, which shall not exceed that laid down for the remuneration of the Officers employed to distrain property, and to sell it in execution of the decisions passed by the Revenue Authorities under Act X. of 1859. The Rules in question must be submitted for the approval of the Lieutenant Governor, and may thereafter be issued with his sanction.

109*th*.—Section 177 of this part must be read in connection with Section 216 (Part XIX.), which provides that if in the case described in the former, the duties shall remain unpaid for twenty days after due date, the person so defaulting shall forfeit a sum of Rs. 200, in addition to the sum of the duties so left unpaid. The said forfeiture will be recoverable summarily before the Collector, under Sections 232 to 235 of the Act.

110*th*.—Part XVIII. relates to the " application of the duties."

As required by Section 190, a Notification will be at once issued by the Government, declaring that the Treasury of Her Majesty's Government, at the head-quarters of every revenue district of the Provinces under this Government, shall be a Treasury for receipt of the duties payable under Act XXXII. of 1860, by the persons charged to the said duties in each such district, or any specified portion of such district ; and further, that every Treasury in the interior of each such district shall be a Treasury for the receipt of the same duties, payable by the persons who have been charged to the said duties, in the circle to which such Treasury belongs.

111*th*.—It will appertain to the Accountant of the North Western Provinces, in concert with the Sudder Board of Revenue, to draw out instructions for the guidance of the Collectors and other Collecting Officers, in the preparation and maintenance of the "Income Tax account," and of the separate accounts of the one per cent. duty, as prescribed by Sections 191, 192, and 193 of the Act. The authorities in question will make it their duty accordingly to draw out the instructions in question, and to transmit them without delay, for the guidance of the several Collectors and Officers in charge of Treasuries, furnishing copies of the same for the information of the Government.

The system of accounts in respect of the duties payable under this Act at the Treasuries in the interior of districts, may be made to conform generally to that which is now followed in respect of the accounts of the revenue derived from land, and other sources.

112*th*.—In Parts XIX. and XX. penalties, and the mode of enforcing penalties, are treated of, and to these parts, as well as to the remarks of the Governor General in Council in paragraph 36 of the " Instructions," the attention of the Collectors, and all Officers employed in the execution of the Act, is needed.

113*th*.—The Lieutenant Governor, while he commends to all Officers concerned, the spirit of moderation, which is there enjoined, in the enforcement of penalties against persons charged to the duties under the Act, desires at the same time to point out, that while all due support should be given to the Officers employed in the execution of the Act, in the lawful performance of the duties entrusted to them, any abuse of authority, fraud, undue exaction, extortion, or other misconduct on their part, should never be overlooked. On the first introduction of the Act, especially, it will be necessary, for the due repression of such acts, that the offenders should be punished with all the severity that the law allows. A few salutary examples at the outset will probably have the effect of deterring others from the like misconduct; while they may be expected at the same time to give confidence to the people, and lead them to expose unlawlul acts, which the persons employed for the purposes of the Act may commit, or attempt to commit.

114*th*.—It must be anticipated, however, that false and malicious accusations against these Officers will not be infrequent. The duty which they are called upon to discharge, is a novel and invidious one. They will possibly evoke the ill-will of many, even of the higher classes. These may endeavour to retaliate in the facile form of a charge of oppression or exaction, with the object as well of subjecting the Officer to disgrace, as of getting rid of him. It will behove all Officers, therefore, entrusted with the duty of enforcing the penalties under the Act, to be careful how they pass judgment in cases of the class under notice; lest fraud should triumph, and an Officer should suffer, for the firm, upright, and unflinching performance of his duty. Persons making false, or malicious, or frivolous complaints, are punishable under the General Regulations, the operation of which, in respect of such matters, is not barred, as expressly declared in Section 217 of the Act.

The Lieutenant Governor would wish, that, at the first, Magistrates should reserve all cases of this kind in their own hands.

115*th*.—On the other hand it must be borne in mind, that while every allowance is to be made for ignorance and inadvertence, well marked acts of resistance, contumacy and evasion must be promptly put down by the infliction of severe penalties.

116*th*.—The Lieutenant Governor having regard to the frequency* with which, in all probability, unfounded claims to abatement and exemption will be brought forward, desires to advise the Officers concerned in the execution of the Act, that such false claims are punishable under Sections 206 and 207 of the Act, and should be punished without exception in every case, in which fraud, or fraudulent intention shall be established.

* See paragraph 56 of this Resolution.

117*th*.—The Lieutenant Governor will only further note generally in respect of penalties and the modes of enforcing them, that all fines, forfeitures and penalties, under this Act, are recoverable by distraint [Sections 227 to 229], and that labor, when adjudged, is *not* commutable to fine under Regulation II. of 1834.

118*th*.—In closing this Resolution, the Lieutenant Governor desires to commend to the attention of all Collectors, the observations contained in Paragraphs 22 and 23 of the "instructions" appended to this Resolution, and to express his confident belief, that every one of them will fulfil the expectation of His Excellency the Governor General in Council, that the important object of raising, by means of this measure, "a fair amount" of revenue, "in a manner that shall not be oppressive or vexatious to the people," will be attained, "and that all practical difficulties in the working "of the Income Tax will be surmounted."

ORDERED

That copies of this Resolution, and its annexure, be forwarded for information and guidance to

The Sudder Board of Revenue, North Western Provinces.

All Commissioners of Divisions.

The Accountant, North Western Provinces.

Civil Auditor, North Western Provinces. And

All Collectors and other Officers exercising the duties of a Collector of Land Revenue.

The Department Public Works, North Western Provinces, for communication to Controller and Auditor of Public Works accounts and for any further orders that may be necessary.

By order of the Honorable the Lieutenant Governor, North Western Provinces.

G. COUPER,

Secretary to Government,

North Western Provinces.

No. 1668.

FROM W. GREY, ESQUIRE,
Secy. to the Govt. of India

TO G. COUPER, Esq., C. B.,
Secy. to Govt. North Western Provinces.

Dated Fort William, the 10th August 1860.

SIR,

HOME DEPT. Revenue.

I am directed by the Governor General in Council to forward the accompanying Paper of Instructions which has been drawn up for the general guidance of the Officers who will be employed in superintending the assessment and collection of the Income Tax.

2. I am desired to express a hope that in communicating these instructions, His Honor the Lieuteannt Governor will add to them whatever further injunctions may appear to him requisite in order to ensure the attainment of a successful result to the exertions of the local Officers who will be engaged in levying the new Tax.

3. By a successful result, it will be readily understood from the general tenor of the Paper of Instructions, that the Governor General in Council does not refer exclusively or even chiefly to the exhibition of large collections. While the financial interests of the State should no doubt be kept steadily in view, there is on the other hand nothing to be more carefully guarded against on the first launching of a new system of taxation, such as the Income Tax is under British Rule, than allowing an impression to prevail that the amount of revenue raised in different districts will be regarded by the Government as the first criterion of successful management. It will be well indeed that every Collector or other Chief Revenue Officer of a District should be confidentially told that the Government does not expect, as it would assuredly be vain to expect to obtain perfectly true returns of property liable to the Income Tax, and that so long as the Return of Income rendered by any person shows a fair approximation to his reputed means, and agrees tolerably with the estimation in which he is known to be held by Native Society, such return should be received. The power to surcharge, it may be stated, should not be exercised on mere surmise, but should be used only when the Assessor or Collector may have information that he can confidently rely upon, showing that the return is to a material extent unfair, or when the return may be manifestly and flagrantly inconsistent with the known position and means of the person rendering it. Thus, it may be hoped that the resort to the power of surcharge will be the exception and not the rule, and that in those instances in which it is had recourse to, the justice of it will be clear and beyond question.

4. It may perhaps be desirable, but this the Governor General in Council would wish to leave to the discretion of the local Governments, to send to each Collector a carefully worded and accurately translated notice to be promulgated in every district, the general object of which should be to explain to the people in simple terms the nature of the tax—to tell them that the Government requires each man to pay a very small proportion of his annual receipts, and that for this object it is necessary either that communities should assess themselves in aggregate sums, subject to the approval of the Collector, or that each individual should state the amount of his income,—and to assure them that provided they will, in either way, deal fairly by the State, the Government and all its Officers will use their best endeavors to levy the tax with the smallest possible annoyance and trouble to the payers of it. The opportunity might be taken also to point out the general application of the law, and more especially that under it all Civil functionaries from the highest to the lowest in the receipt of a salary of Rupees 200 per annum and upwards, are to be called upon to contribute their share to the necessities of the State.

5. With reference to paragraphs 6 to 12 of the Instructions, I am directed to state that it will of course be necessary that the local Governments should engage at once, in anticipation of the sanction of the Government of India, whatever additional establishment may be necessary. And similarly if after the schedules referred to in paragraph 12 have been sent up, it should be found that additional strength of establishment is urgently required, it may be entertained in anticipation of the approval of this Government.

I have the honor to be,
SIR,
Your most obedient Servant.

W. GREY,
Secy. to the Govt. of India.

INSTRUCTIONS FOR THE MANAGEMENT, ASSESSMENT, AND COLLECTION OF THE INCOME TAX.

1. The Income Tax Act having now been passed by the Legislature, the Governor General in Council desires to draw the attention of the several Governments to certain portions of the Law, with a view to their laying certain general injunctions on the various Collectors, Commissioners, and Chief Revenue Authorities charged with the carrying out of this important measure.

2. Part I of the Act, containing the specification of the four Schedules of property liable to the Tax, is in itself sufficiently explicit.

3. Part II relates to the official machinery for the execution of the Act.

Presidency.

4. In the Presidency Towns the first step to be taken by the Local Government will be the constituting of the Income Tax Commission. This Commission will consist of at least six members, of whom two at least must be non-official, so that four official and two non-official members may be provided. It is expected that among the various fiscal functionaries at the Presidency, four Officers will be found who can Act in this Commission in addition to their other duties. The senior, who is to preside, and on whom the general conduct of the proceedings will devolve, should be a carefully selected Officer of ability and experience. The non-official members should be gentlemen selected from the general community for their character and position, and for the personal respect they may command. The intention of the Supreme Government is not to create appointments which might be sought for as objects of emolument or advantage, but, by the admission of a non-official element, to obtain such an administration of the Tax as may secure the confidence of the community of the Presidency Town. As the main business and detailed proceedings of the Commission would be conducted by the Government Officers, the non-official members would not have to devote any large portion of their time to the work. They would sit with the Commission on certain

fixed days, especially on those days when objections to assessments under the Act may be heard. It will not therefore be necessary to assign any regular salary to the appointment; but a remuneration, on the scale marginally noted,* for each actual sitting, will be paid, in the nature of an *honorarium*.

* Thirty-two Rupees.

5. Any one of the Covenanted Revenue Officers of the Government may be appointed a Special Commissioner for making special assessments. If the work should not be heavy, then such Officer might perform it in addition to his other duties. If it should prove heavy, then an Officer may be specially appointed on a salary not exceeding Rupees 2,500 a month.

6. In the Presidency Towns it will be necessary to appoint persons *as Assessors*, who shall be men of character and experience, equal fully to the important functions assigned to them in the Act. Their salaries should therefore be on a suitable scale, varying from Rupees 300 to Rupees 500 a month.

7. In these Towns also it will be necessary to appoint a Collector of the Income Tax, who should be an Officer of standing and experience in the service of Government. At each of the Presidencies there are Officers of this description in charge of Fiscal Departments. Any one of these gentlemen might be selected to collect the Income Tax in addition to his other duties, receiving on this account, if it be thought necessary, an extra allowance not exceeding Rupees 250 a month. Under them can be appointed such establishment as may be necessary.

8. It will probably be desirable that the Presidency Towns should be divided into sub-divisions for the assessment and collection of the Tax. In all cases it will be necessary to define the outer limits of the Presidency Town District in the manner prescribed by Section IX of the Act.

9. In the Revenue Districts throughout India, it will be observed that the Collectors of land revenue are charged with the administration of the Income Tax. Their first duty will be the selection of Assessors. These Assessors should be native officers of the best character, of tried experience, and of practical influence with the people. If these men are really well selected, there is every hope that the Tax will be successfully managed. If they are not well selected, then there will be risk of needless inquisitorial processes, of corrupt practices, and ultimately of popular discontent, more or less manifested. In the Districts not under Permanent Settlement, the Assessors should be men of equal rank with the Tuhseeldars in the North-West Provinces and the Punjab, the Tuhseeldars of Madras, and the Mumlutdars of Bombay. In fact, it will be always desirable, wherever possible, to appoint the last-named Officers to act as Assessors, and to depute others to officiate in the ordinary duties. In purely agricultural localities, where the work is light, the Tuhseeldars might undertake the management of the Income Tax in addition to their other duties. The Tuhseeldar is always a man of tried service and local experience. He is known to the people of his sub-division as an Officer exercising important powers in most branches of the Civil Administration. The employment of such a man as Assessor will bring the aptest knowledge and experience into play, and will secure the respect and confidence of the people. The Tuhseel sub-divisions already existing may be appropriately made use of for this purpose. In the Permanently-settled Districts of Bengal and other Provinces, where Officers of this kind do not already exist, new appointments must be made with reference to the same considerations as those above described, and on similar salaries. In these Districts the Deputy Collectors (whose position will be presently noticed) might be placed in charge of the assessment, and specially appointed Tuhseeldars might be placed under them.

10. The Deputy Collectors will have to perform an important part in the administration of the Act. In many parts of India, Officers of this description are already employed for the management of the land revenue. From among these some of the ablest and best should be selected for the work of the Income Tax, their ordinary duties being temporarily performed by Officiating Deputy Collectors. In those Provinces where such Officers do not already exist, new appointments may be made on salaries similar to those of the regular Deputy Collectors. In such cases the best

selections should be made from among the ministerial revenue officers.

11. The Act gives the requisite powers for the appointment of ministerial officers. Now, in addition to reasons of economy in establishments, the Supreme Government desires, for the sake of the people, that these ministerial officers should be as few, and that their power should be as limited as possible. In no case are underlings or subordinate ministerial officers to have any thing to do with the assessment of the Tax. This important duty is to be entrusted to persons of established good character and position, whose duties have in the Act been rendered as simple as possible, so that they may be able themselves to do the work, and have no excuse for employing subordinates in the performance of such duties.

12. It is impossible to lay down beforehand any scale of establishments that would suit all the Provinces and localities in the Empire; but each Local Government or head of a Province will submit, *as soon as possible* to the Supreme Government, a Schedule of the establishments of all grades employed for the management and collection of the Income Tax. Such establishments should be formed with the strictest regard to economy, consistently with efficiency. They will be sanctioned by the Governor General in Council for one year, on the understanding that, after the first year's collections shall have been completed, the cost of collection and management will be subject to general revision. It is expected that the Schedules here called for will be approximately correct. But if additional strength of establishment should, upon experience, be found necessary hereafter, the claim for it will receive the fairest consideration.

13. Part IV. In the management and assessment of the Tax, the first step, after the issue of the general notice required by Section XXXVII of the Act, will be the serving of special notice on each individual liable to the Tax. The Assessor, it will be observed, will serve this notice on every person "*whom he may consider liable.*" It is *not* to be inferred from this, that the Assessor is to make any personal enquiries, or to communicate on the subject with the parties liable as above. If, under a mistaken apprehension of his duty, the Assessor were, in the first instance, to proceed from house to house, and from person to person, making enquiries, then intrigue, corruption, inquisitorial vexation, and popular discontent would arise from the very commencement. And at the outset of the proceedings the minds of the people would be set against the whole measure. At this stage, therefore, the Assessor is *not* to make detailed enquiries. He may avail himself of public sources of information; he may ascertain generally from municipal office-bearers, from village headman, from the officials on the spot, the names and professions of the well-to-do respectable persons in any locality. If he be a man of the requisite intelligence and local knowledge, he will be able by means of such knowledge, and of the information obtainable as above described, and by the aid of general report, to form some opinion as to who is probably liable. In the event of doubt, he should serve the notice. The party, if in truth he be not liable, can show thereafter that such is the fact. If a notice be served erroneously, the party will soon show that he is not liable, and no harm is done. But if a man who is liable shall escape the serving of a notice, then the interests of the public are sacrificed.

14. The next step is the receiving of the returns of incomes prepared by the parties, in pursuance of the notices, and the computing of the duty thereon. It will be observed that Section XLVI prescribes "*That the Assessor, on receiving the returns, shall compute the Duties to the best of his judgment; but he shall not summon or question the parties relating to the returns.*" The strictest attention should be paid to this Section. The Assessor is *on no account* to make individual or particular enquiries. If he were to do so, the evils adverted to in the preceding paragraph would assuredly arise. He must use his own intelligence, local knowledge, and general information, to check the returns rendered to him. And he will note in the general abstract return the sum at which he supposes the party ought to be assessed. This he will do conscientiously and without hesitation, and with due regard to the interests of the State. If a person

be surcharged, the Act gives that person ample opportunity of objecting. There is no danger of any one being ultimately *over*-charged through the ignorance of the Assessing Officer. If there be some danger of persons being *under*-charged through ignorance, still the prohibition of enquiry at *that* stage has the great advantage of closing the door to a variety of corrupt and oppressive practices. And the Government relies on the vigilance of its Officers to prevent a precaution intended to secure the people from harassment, from being turned into a means of defrauding the just interests of the State.

15. In the same manner it will be observed that, if a person on whom a notice has been served shall omit to render a return, the Assessor is *not* to summon or question such person; he is merely to compute, to the best of his ability, the assessment with which such person is chargeable, under Section XLVIII. But the rule now adverted to does not bar the person being summoned by the Collector, if that Officer should deem it necessary to enforce the penalty prescribed by the Act for the non-rendering of returns.

16. The Assessor is not in any way to announce or publish his computations, but is to report them to the Collector or Commissioners. The Collector or Commissioners, when fixing the assessments, will attend to the direction in Section LII, that they "shall not summon or question the persons chargeable at this stage of the proceedings." If a person be charged in accordance with the return rendered by himself, then no communication will be made to him till the day when the tax-gatherer shall call upon him for payment. If a person shall be surcharged beyond the amount of the return rendered by him, or, having omitted to furnish a return in pursuance of notice, shall nevertheless be charged, then the amount of such charge or surcharge will be notified to him. And he may then, if he think fit, show cause against the same.

17. When a person shall thus appear before the Collector or Commissioners, the method of enquiry is laid down in Section LVI, to which very careful attention should be given. It is there declared that "*The Collector or Commissioners (setting with closed doors) shall hear the*

"*statement of the person, and may inspect any books or papers, which he shall* VOLUNTARILY *tender, or question any witness whom he shall produce; but they shall* NOT REQUIRE *the person chargeable to produce any books or proofs, besides those which he may* CHOOSE *to tender.*" Thus the *onus probandi* is, by the Act, thrown upon the person objecting. He will not be commanded to lay bare any portion of his business or his profits. If he thinks fit to offer such information as may satisfy the Officer, an abatement may be allowed in the assessment. If he shall not do so, the Officer will *not* proceed to make any enquiry on the part of Government, but will simply confirm the charge or surcharge.

18. Officers are required not to deviate from the above cited provisions of the Act. It is probable that any apprehensions which the people may feel, are directed not so much to the direct incidence and the actual amount of the Tax, as to the vexatious inquisition, the inconvenient revelations, and the consequent mal-practices, to which an ill-devised system might give birth. It is hoped that these apprehensions may, to a considerable extent, be dispelled by the procedure above described. Every man will see that his affairs will *not* be examined into, *unless he himself shall demand it*; and that it remains for himself to consider whether the *voluntary* production of proofs and papers will be conducive to his interests or not. The smooth and successful working of the Act will much depend on the care and discretion with which this part of the instructions are carried out.

19. It will be remembered that the same rule applies to the proceedings of the Collector or Special Commissioner, when these Officers make special assessments.

20. The due preservation of secrecy is provided for by several Sections of the Act. Section XXXIII prescribes an oath of secrecy. Section XXXIX prescribes that the returns rendered by the parties may be sealed up, and that the seal shall be broken only by the Assessor. Sections XLIII and XLIV prescribe that the special applications shall be sealed and addressed to the Collector or Special Commissioner. The Special Commissioner must open all such letters with his

own hand. The Collector, if he possibly can, should do the same, as the applications will not be numerous. Section LXIII prescribes that no paper relating to the assessment shall be inspected by any save the authorised Officers; and, as already mentioned, Section LVI prescribes that the hearing of parties by Collector, Commissioners, or Special Commissoner, shall be conducted with closed doors. All these instructions must be literally fulfilled.

21. The provisions of this part of the Act will not of course bar enquiry in cases where such actual fraud, as would be punishable under the Act, may have been committed.

22. It will be seen then, that the execution of the Act in the country, generally, is entrusted mainly to the *Collector*.* In the discharge of this important duty, there are certain cardinal objects which he should constantly bear in view, namely, to prevent inquisitorial and vexatious proceedings; to stop the ministerial officers from making personal enquiries, from intriguing, and from interfering in private concerns; to check corruption; to ensure secrecy as to the particulars returned by individuals; and to make the people feel, that so long as a man only fills in the return sent to him, and pays what is fairly due, he has no inquisition, no exposure, no harassment of any kind to fear.

* See definition of the word 'Collector' in Sec. CCXLVIII of the Act.

23. The extent to which these very important objects are attained will depend on the skill, care, vigilance, and judgment of the Collector; and upon such attainment will much depend the success of the measure. From his position in the District, from his local knowledge, from his influence over all persons, official and non-official, the Collector possesses advantages for the execution of a measure of this kind, such as no other officer could have. That the Collectors will use all these advantages to protect the just interests of the State on the one hand, and to secure popular contentment on the other, the Government fully believe. An earnest hope is also entertained that the Collectors will, by their watchful supervision, compel all their subordinates to evince

a like consideration towards the people. If only the due degree of judgment and forbearance shall be manifested towards the people by the fiscal agency, there is every hope that the Tax will work smoothly and well.

24. Part V of the Act provides for contracts of composition. These arrangements should be encouraged wherever practicable, inasmuch as they impart to the tax-payer a sense of security, and prevent the necessity of recurring assessments.

25. Parts VI to X inclusive contain detailed rules for framing the assessments. These will, it is hoped, be readily understood by the Assessors and Collectors.

26. For assessing the Duties on profits derived from land, the Collectorate records will, in most Provinces, furnish the best data. Attention should be given to the rule which authorises a landholder, in Districts not under Permanent Settlement, who may object to have his profits assumed at the rate of one-third upon his land revenue, to return his actual profits. It will be observed that owners of land or houses, occupying the same, will be charged upon the full rent at which such property is worth to be let.

27. In assessing the Duty on profits of trades, it will be important to note the deductions which may and may not be made, and which are duly specified in the Rules. The repair of premises, machinery, and implements will form an important and constantly recurring item. This is not to be calculated in excess of the average of the three preceding years.

Vide Rule 4, Section XCVIII.

28. By Rule 6 of the same Section, the Duty is to be charged upon the profits of every profession or employment in every character whatever. Among the professions in this category will be included the various religious or *quasi*-religious professions and employments. The utmost care and judgment will be required in the assessment of these. It is to be remembered that the profits in these professions, though sometimes considerable, are generally precarious and difficult of money va-

luation. In such cases the party may have the benefit of any doubt which may fairly arise.

29. Part XI is of importance as relating to discretionary modes of assessment in particular Districts. In these cases, it is intended to allow much latitude of discretion to the local revenue authorities. An assessment by punchayet or committee of citizens may sometimes be desired by the people generally, or by a majority of them, or for other reasons it may appear desirable to adopt this method. The punchayet might, commencing by individual assessments, arrive at an aggregate of the Tax for the particular locality to the satisfaction of the Collector; or the Collector might himself fix the aggregate on general considerations, and leave the determination of the quotas to be contributed by individuals to the people themselves, as represented by the punchayet;—though if this process be adopted, care must be taken that the aggregate be fixed upon reasonable grounds, and not blindly; or the Collector might, in consultation with the punchayet and heads of trades, fix a sum for each trade or guild, the total of which sums would make up the aggregate for the place. The punchayet might, in some cases, at first allot out of the aggregate the quotas payable by the several quarters of a city; within each quarter the quotas might be assessed on each trade and profession; and within each trade and profession the quotas might be fixed for each individual. Thus there would be committees and sub-committees. Or the punchayet might, with the consent of the people and of the Collector, fix a scale of assessment for various classes, and place individuals in these classes according to their respective means. The selection of the particular method for each place will be left to the discretion of the Collector acting under the direction or sanction of the Government of the Province.

30. It is to be observed that any individual may, before the commencement of the punchayet's proceedings, object to be assessed by this process, and claim to be assessed in the ordinary manner prescribed by the Act. Also the Collector may, if dissatisfied with the assessment made by the punchayet, proceed to make the assessment in the regular manner.

31. The rule which directs (Section CX) that

appeals made to the Collector against the punchayet's assessment are to be conducted according to the provisions of Part IV of the Act is to be duly observed.

32. The judicious application of the authority given in Part XI, regarding discretionary modes of assessment, may do much to reconcile the people to the measure. The method should not be forced upon the inhabitants of a place against their will, if this can possibly be avoided. Its popularity or otherwise will much depend on the character, position, and influence of the leading citizens. The Collector should be careful to select men to serve on the punchayet, who command the confidence of their fellow-citizens, and who fairly represent the various interests of the place. The evil chiefly to be feared in these arrangements will be the shifting of a part of the burden from the strong to the weak, from the rich to the poor, and the over-reaching of the simple by the skilful. In order to guard against this, the Collector must make his influence sensibly felt. In every case he should be ready to give to the punchayet his moral support and best counsel. And he, and all Officers under him, should study to treat the members of the punchayet with such consideration and respect as shall make the position of the latter one to be desired and sought after. Such treatment of every Native Gentleman, Merchant, or Trader who may be appointed with an English Officer in the administration of the law, is quite compatible with his firm and temperate enforcement of the duty of each.

33. In Part XIII the exemption in favor of certain Officers, and of the men of the Army and Navy, will be duly observed; also that in favor of ryots and cultivators of land, paying a rent of less than six hundred Rupees per annum.

34. By Clause CXXXIII it is enacted that property solely employed for or dedicated to religious or charitable public purposes may be exempted from the duties by the Local Government, subject to the approval of the Supreme Government.

35. Part XIV requires no remark.

36. Parts XV to XVII inclusive relate to the collection and recovery of the Duties. In the vari-

ous Districts throughout the country, this can best be done by the regular revenue establishments, some extra peons, and some extra writers for the accounts, being employed. The existing Treasuries in the Stations, and in the interior of Districts, will be perfectly suited for this purpose. It is of importance to avoid the appearance of creating a new agency, which may give to the people the impression of novelty. The Tax should be realised by the same machinery and paid into the same places as those to which the people have been always accustomed. If individuals choose to pay their quotas through headmen of villages or guilds, there is no objection to that. As the payments will be in small amounts, and leviable separately from a number of individuals, the collecting Officers will have more than ordinary opportunities of extortion. Special vigilance and severity will therefore be needed to repress this.

37. Parts XIX and XX relate to penalties and to the mode of their enforcement. It is necessary to prescribe these, in order that the Officers of Government may be armed with the requisite powers, and in order that the people may feel the absolute necessity of obeying fully the orders of the Act. But while on the one hand contumacy, resistance, or wilful neglect are at once to be put an end to, on the other hand the Governor General in Council is anxious that the administration of penalties should be as mild and forbearing as may be consistent with the main objects of the Act. Some consideration should always be shown to the ignorance or inadvertence of the people. Undue harshness or severity in the enforcement of penalties might create a prejudice against the measure. In this respect also special reliance must be placed on the discrimination and discretion of the Collector.

38. With these observations and instructions, the Governor General in Council now commends this important measure to the anxious attention of the Local Governments, of the Chief Revenue Authorities, the several Revenue Commissioners, and the various Collectors and Special Commissioners, and Income Tax Commissioners subordinate to the several administrations. In giving directions for carrying out a measure of this kind, it were superfluous to dilate on the importance of effecting a safe, smooth, and successful commencement, and of avoiding to the utmost to raise apprehension, to offend prejudices, or to excite animosity. Direct taxes, not dissimilar in principle to the present Tax, have, at various times, and under various names, been imposed in some parts of India. But it is not the less necessary that, in the form and method of introducing it, there should be as little as possible that is novel, irritating, or alarming. If the management of the Tax should be unskilful or inconsiderate, oppression and discontent may be expected. If the management be skilful and considerate, it may be hoped that the sense of novelty, and the apprehensions to which it may give rise, will gradually be dispelled, and that the people will exhibit a reasonable acquiescence in a measure which experience will show to be equitable in principle, and, it may be hoped, not troublesome in practice. Doubtless the financial result and the produce of the Tax are of consequence to the interests of the State; but this advantage would be dearly obtained, if in the first instance oppression and popular discontent were to be the price. It cannot therefore be too strongly impressed on the Local Governments, and on every Officer entrusted with a share in directing the introduction of the measure, *that the object is to raise a fair amount in a manner that shall not be oppressive or vexatious to the people.* And, looking to the trained experience, the administrative ability, and zealous assiduity of the Civil Servants of all grades, the Governor General in Council entertains a confident hope that this important result will be attained, and that all practical difficulties in the working of the Income Tax will be surmounted.

PRINTED AT THE ALLAHABAD MISSION PRESS:—1860.

R 2409/60

No. 2288

FROM LORD H. ULICK BROWNE,
Under Secy. to the Govt. of India,

To The Secy to Govt of Fort St. George

SIR, *Dated Fort William, the 12th October, 1860.*

HOME DEPT. Revenue. I AM directed to transmit for the information of the Hon'ble the Lieut Governor the accompanying copy of a Resolution No. A., dated the 22nd August, recorded by the Hon'ble the Lieutenant Governor of the North-Western Provinces, explaining the mode in which the Income Tax is to be brought into operation in those Provinces.

I have the honor to be,
SIR,
Your most obedient servant,

H Ulick Browne

Under Secy. to the Govt. of India.

(10)

Revenue 1860 Depart
Pro: of Govt for Nov.

No. 2409

From the Under Secy of
the Govt of India -

Dated 12 October 1860
Rec'd 27

1 Encls

Forwards copy of a
Resolution of the Hon'ble
Lieutenant Governor of the
North-Western Provinces
explaining the mode in
which the Income Tax is
to be brought into operation
in those Provinces -

No 102 & 103.

No. 2065
Recorded

7 November 1860.

Copies Collectors &c &c