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MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 438-439 Press
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Dated 28. 2 - 1862.

Not to be folded or roughly handled

No. 552. Read the following letter from W. HUDLESTON, Esq., Secretary to the Board of Revenue, to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Chepauk, 4th December 1861, No. 6,718 :—

SIR,

In Cons. 19th August 1861, No. 5,260.

1. With reference to the Order of Government, dated 17th August 1861, No. 1,656, I am directed by the Board of Revenue to submit for the information of Government the accompanying letters from the Collector of Sea Customs and the Chairman of the Chamber of Commerce, dated 20th September and 28th October 1861 respectively, on the subject of the Consolidated Customs Bill, together with an abstract of their observations and those of the Board arranged in parallel columns.

2. The Trade Association have not communicated their views on the proposed Bill, but the Board do not deem it necessary to defer the submission of their report on the subject any longer. On receipt of the Trade Association's reply it will be laid before Government with any observations the Board may have to offer thereon.

From C. COLLETT, Esq., Acting Collector of Sea Customs, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, Chepauk, dated Madras, 20th September 1861, No. 473 :—

SIR,

As required by Proceedings of the Board of Revenue, dated 19th ultimo, No. 4,538, I have the honor to submit a few notes on the Consolidated Customs Bill.* On the whole I cannot say that the Bill strikes me as either clearly drawn or well arranged. Where a law has to be interpreted and acted upon not by Courts of Justice, but by Custom House Officials and Merchants in the hurry of business, clearness and method are peculiarly essential ; this Code does not seem to me successful in either respect. The framers of the Bill are, I infer, unacquainted with the local peculiarities of Madras, goods cannot be passed for duty from on board-ship, nor have we any wharf for that purpose ; dutiable goods pass actually through the yard, and at present at least it would be harsh to compel ships to unload within a fixed time, and there is no object here in so doing.

* Herewith returned with annexure.

From W. R. ARBUTHNOT, Esq., Chairman of the Madras Chamber of Commerce, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, Chepauk, dated 22nd October 1861.

SIR,

1. I have the honor to acknowledge the receipt of Proceedings of the Board of Revenue, No. 4,538, dated 19th August 1861, with copy of the Customs Bill and its annexure, forwarded to the Chamber of Commerce for such observations as it might desire to offer.

2. The Chamber having now completed its consideration of the Draft Act, I have the honor to forward herewith its observations, in the form of notes, upon such of the Sections as appeared to call for special comment from the Chamber.

3. Commending these notes to the favorable consideration of the Board of Revenue.

REMARKS of the undermentioned authorities on the Bill for the consolidation and amendment of the laws relating to Customs Duties.

Sections.	Collector of Sea Customs.	Chamber of Commerce.	Board of Revenue.
1	2	3	4
VI.	It will be necessary, I expect, greatly to increase the number of minor Ports in this Presidency ; if this is done, the rule will work well enough.	Gives power to the Government of any Presidency to appoint Ports, Sub-ports and Wharves for the landing and shipment of goods, and declares all goods which may be landed or shipped at places other than those so appointed, or which may be brought into any river, creek or arm of the sea for the purpose of being so landed or shipped, liable to confiscation, &c. At present it is believed that the shipment of goods is permitted all along the Coromandel Coast wherever produce can conveniently be collected. There are few if any wharves in this Presidency, and the natural facilities afforded by river creek, or backwater are unfortunately rare. Where they exist they are of course availed of, and it would be impolitic in such cases to compel the trans-shipment or the landing and re-shipment of goods into other boats. It is perhaps not necessary to have the Section altered, but the Chamber hopes that the Government will see that no existing facilities are withdrawn. In the event of parties desiring to ship produce at any point on the coast not heretofore used for that purpose, a simple notice to the local authorities should be held sufficient to protect the property from confiscation.	The Chamber are mistaken. The Schedules attached to Acts VII and XVIII of 1858 include all the Ports that have been declared ports for the landing and shipment of goods under Section 24, Act VI of 1844. Goods landed or shipped elsewhere are liable to confiscation. The Chamber should notify any additions which they wish to be made to the list, and have been requested to do so.
XI.	Clause 1. "As admitted by the Customs authorities in England." Surely it is bad enough that there is such a presumption as that every subject knows the law, but is every Indian subject (or even every Indian Custom House authority) to inform himself also as to the English law ?		

Further Indian copyright works are not protected. Certainly not, if we are to go to the English Act to ascertain what the English customs authorities according to 16 and 17 Victoria C. 107, Section 44 admit, and probably not in any case, seeing that Act XX of 1847 was passed because there were doubts whether the 5 and 6 Victoria C. 47, did extend to India, which doubts the said Act did not remove, and seeing that whatever in 1847 were the doubts as to the common law, it is now settled law that there is no copyright at common law. So that an Indian registered copyright work might be pirated in Egypt, Germany or Ceylon and freely imported, into India so far that is to say as the Custom House authorities are concerned. This is any thing but the legislature caring for their own subjects.

Clause 2.—"False money" will, I suppose, include counterfeit foreign coin as francs, dollars, &c. If so, where is the necessity of specifically mentioning "Indian or English?" Is there supposed to be any difference between "false money" and "counterfeit money," or is it tautology? The English Act says "false money or counterfeit sterling." There the variation in the epithets is convenient, not so in this clause.

Clause 4.—There is an important omission here, the word "paintings," or "pictures," has been left out. Indecent photographic pictures are very common now-a-days, and they are cer-

The points are deserving of consideration by the Government Law Officers.

The intention of the distinction is not apparent.

The Board consider that the importation of all false or counterfeit coin should be prohibited. It should be for the importer to prove that the article did not come within the description.

REMARKS of the undermentioned authorities on the Bill for the consolidation and amendment of the laws relating to Customs Duties, (*Continued.*)

Sections.	Collector of Sea Customs.	Chamber of Commerce.	Board of Revenue.
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	tainly neither "prints" nor "engravings," and I do not think it would be held that they fell under "indecent articles," which words point to something quite different. After "prints" I would add "paintings" and after "engravings" "pictures."		Recommended.
	Clause 5.—This is a remarkable clause. Are articles manufactured in the *United Kingdom* "of foreign manufacture?" I should say so, for all custom purposes England is a foreign country, and such is the definition of "foreign goods" in Section 186. But any how, why are the manufacturers of the United Kingdom cared for, and those of India ignored? The steel of Salem is famous, and is used for hunting knives and spears. May any American or Sheffield man put Arnachellum Chetty's mark on cast iron spear heads, and import them with impunity, Sons' knives.	Clause 5.—Prohibits the importation of articles of foreign manufacture or any packages of such articles bearing the names, brands or marks of manufacturers resident in the United Kingdom. The Chamber does not see why articles produced in British India, or in any other British possession should not enjoy the same degree of protection against fraudulent imitation. A clause might be added to provide for this defect in the Act.	Recommended.
	The Clause has just been carelessly copied from the English Act.		
	Clause 7.—I do not understand why the rather significant words of the English Act, "if such article be subject to duty according to the value thereof," have been omitted. They clearly indicate the purpose of the law, viz., to meet such a case as right-hand and left-hand gloves being separately imported. The proviso might be omitted if these words are inserted.		Recommended to be added.
	I fail to discern what the addition "also any article which in consequence of its not being properly labelled, &c.," is aimed at.		Needs explanation.

XII.	The property of, but scarcely the necessity for this Section is apparent. It might be needed in England and even there rather *ex-majore canteta.* Besides the English Section goes on to provide for the appropriation of the duties levied, and to this the former part is explanatory.		
XIII & XVI.	I shall take these two Sections together, their proper order. Indeed Section 11 ought to follow Section 16, and Section 14 seems to have got into very incongruous company.		
XIII.	Seems a very unhappy attempt to amalgamate an English and an Indian enactment, resulting in a conflict between Sections 13 and 16. There is a distinction suggested between a mere *change* of duties and a *first* levying, &c., of duties. Thus if for the first time an import duty of 5 per cent. is levied on goods one day before a ship arrives at the Port of Madras, then under Section 16 they are liable to such. But if one day *after* a ship has arrived, there is a change of duty from 10 to 5 per cent. or *vice versâ*, then under Section 13 provided the goods have continued on board and have not been cleared, they are treated as new importations and are benefited or burdened accordingly. Thus two diametrically opposite principles are recognized; for the purpose of a first levy of duties, the test is the date of arrival of the ship and the whole cargo is treated alike, for the purpose of a change of duty, the test is the date of the goods being brought from on board, and cleared for home consumption; so that goods which happen to be at the bottom of the hold may be charged at one rate, those at the top may get off at another rate.	Is introduced with the view to set at rest the disputes which in the explanatory letter from the Customs Commission of 3rd January 1861 are said to have always arisen on every change of duty or revision of the Tariff. The justice of making goods pay the rate in force on the date on which they pass into consumption, the Commission goes on to observe, is obvious, that being the only rate which the proprietor of the goods would be able to recover from the consumer. Agreeing in the correctness of that principle, the Chamber finds it almost immediately afterwards subverted, inasmuch as Section 16 defines the time of importation of any goods, for the purposes of the Act, to be the time at which the ship importing them had actually come within the limits of the port. It does not appear in what manner the Customs Commission reconcile these discrepancies. To the Chamber the two Sections appear wholly irreconcilable. There must be some fixed principle, and the Chamber recommends that the "time of importation" be the time at which the Bill of entry is presented to the Collector of Customs as provided by Section 33.	Recommended. *Vide* Collector's remark on Section 49.
	The confusion has arisen in Section 13 from an attempt to tack the end of the Indian Section to the beginning of the English Section.		

REMARKS of the undermentioned authorities on the Bill for the consolidation and amendment of the laws relating to Customs Duties.—(*Continued.*)

Section.	Collector of Sea Customs.	Chamber of Commerce.	Board of Revenue.
1	2	3	4
	Then when are goods said "to be *cleared* for home consumption?" The English Section says goods "shall, upon being *entered* for home consumption be subject to such and the like duties as may at the time of passing such entry be due and payable on the like sort of goods, &c." This is intelligible enough. But import duty is often at Madras paid days before the goods are removed from the Custom House, and some of them are taken out on one day and some on another. Under Section 13, which is the date of clearance? The words "be imported and on board any ship" show that the Madras necessities were not known as goods cannot here be passed from on board as at Calcutta. The marginal note of Section 16 is inaccurate. The time of arrival of a ship is not intended or attempted to be defined by the Section, but is only an element in the definition of the time of importation, which (in consequence of Section 13) is not importation generally, but for certain purposes only, viz., the first levy, &c. The note is copied from the English Act, where though it is accurate since the English Section goes on to define the time of arrival of a ship.		
XIV.	This Section is ill-worded, as well as ill-placed. It is taken from Section 3, Act X of 1860, but by omitting the words, "*If in a matter concerning revenue*, any dispute, &c.," seems to give a jurisdiction, which of course was not intended. Further, the words "the Board of Revenue, the Commissioner of Customs, or Chief Customs authority, &c.," may have the effect at Madras of throwing upon the Board of Revenue the decision of matters, which the Collector ought to decide; an appeal being left open to the Board.		Should be referred for the consideration of the Government Law Officers.
		The restoration to the Local Governments of the right of deciding appeals in cases connected with the Customs Revenue is hailed with much satisfaction.	The Board would put no restriction on the authority hitherto exercised by the Collector of Sea Customs.
XVII & XVIII.	Is it intended that there should be a distinction between a "Chief Customs authority" and a "Chief Officer of Customs?" If not, why is not the same term used in both Sections? If there is no distinction, then at Madras the Board of Revenue would have to adjudge the cases under Section 18, and of course to examine them before they adjudge them. The proper course would be that the Collector should do this, and that the Board should be only a Court of Appeal.		It appears to the Board that a distinction is intended, and should be maintained. The marginal note to Section 17 explains that by the "Chief Customs authority" is meant the Local Government.
XXV.		Enacts amongst other things that "if after the arrival of any ship within 20 miles of the coast bulk shall be broken, or any alteration made in the stowage of the cargo of such ship, so as to facilitate the unlading of any part of such cargo, the Master shall forfeit in every such case a sum of Rupees 1,000 to be adjudged by the Collector of Customs. This seems a rigorous measure. Is it intended to apply to Steamers also, such as those of the P. and O. Company? It is the rule with those Steamers on nearing Madras to do exactly what is here so expressly prohibited.	The Chamber have omitted the proviso of the Section "unless accounted for to the satisfaction of the Collector of Sea Customs." Thus guarded, the Board see no objection to the Section.
XXXI.		Goods landed without a boat-note liable to confiscation, and	
XLI.		Goods to be landed within 15 working days of the entry of the vessel. These two Sections may be suitable enough for Calcutta, but they seem ill-adapted for Madras and its out-ports. The Customs Commission in commenting upon Section 41 conclude as follows:—	

REMARKS of the undermentioned authorities on the Bill for the consolidation and amendment of the laws relating to Customs Duties.—*(Continued.)*

Sections.	Collector of Sea Customs.	Chamber of Commerce.	Board of Revenue.
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XXXV.		"It would doubtless greatly facilitate matters if the ships' Agents landed and took charge" of the "whole cargo giving delivery to consignees on shore, but there appears to be unwillingness on the part of the Merchants to come to an arrangement of this sort." This arrangement, however, is precisely the one that prevails at this port, and it is found a great convenience to all parties that goods should be landed by the ships' representatives as fast as they come to hand. The question then arises, is it fair that the goods should be liable to confiscation if found in a boat without a boat-note seeing that the Importer or Consignee is not represented at the delivery of the goods into the boats, except in so far as the Captain may be regarded as his (the Consignee's) Agent for the purpose of landing the goods. These Sections appear to require revision. "Goods not claimed or cleared within two months from the date of entry inwards of the ship in which they were imported to be sold." It is suggested that the period be extended to two months after the date of *landing of the goods*. In an open roadstead, such as this, it sometime happens that the cargo of a ship is not entirely landed even in two months. The Act should provide for a sufficient notice to be given by public advertisement of the sale of any goods under this Section.	The requirement of boat-notes with goods is not new. Section 58 of Act VI of 1844, makes a nearly identical requirement. The goods are merely declared *liable* to be confiscated. The Board think it may reasonably be assumed that a proper discretion will be exercised, and that the Section should stand.
			Recommended, as Section 41 gives the Customs authorities power to compel the landing of goods without unnecessary delay.

XLIII.	Apparently the duty is not to be assessed till after the sale. The goods must be sold either subject to duty or free of duty. If sold subject to duty, then the purchaser pays duty and the exception is useless and without meaning. Thus he buys for 1,000 Rupees, that is then the gross amount, and there is nothing to abate, and altogether with a 10 per cent. import duty his purchase will cost him 1,100 Rupees. If sold free of duty then the seller pays the duty. Then the purchaser pays (say) Rupees 1,100. That is then the gross amount. The exception will then come into play. The "duty will be adjusted on the gross amount excepting so much as the duties on *such gross amount* shall consist of." Now clearly at 10 per cent., the duties on the gross amount of Rupees 1,100 consist of Rupees 110, which being deducted leaves Rupees 990, and it is on this sum that the duty is then to be "adjusted," consequently the Government will realize Rupees 99 or Rupees 100, according as the seller may think fit to sell the goods free of or subject to duty. This may have been intended. I should hardly have thought so. It is difficult to make any sense out of the words.		The Section needs re-consideration. As it stands it appears to the Board to intend that the goods shall be sold duty free, and that duty is to be adjusted on the gross sale proceeds, less the amount of the duty, in which case Government will lose one-tenth of the duty in every case. *E. G.* Gross sale proceeds, 1,000 Rupees. Duty at 10 per cent. = 100 Rupees. Balance proceeds on which duty is to be adjusted = Rupees 900; at 10 per cent. = 90 Rupees. See also Section 154.
XLIX.	"Assessed for duty." Under Section 13 the assessment may have to be changed; why should not the assessment be at the only time it is really needed, viz., when the goods are entered for home consumption? If it means only what is now the practice, viz., that the quantity, quality and value of goods are to be declared before bonding, but the duty is neither assessed, charged levied nor received; it might be better plainly to say so.		Recommended.
L.		Power should be reserved to the Collector or Commissioner of Customs to permit a misdescription to be amended even after goods are warehoused if satisfied that the error was unintentional.	The Board concur. Recommended, with the sanction of the Board of Revenue in each case.

REMARKS of the undermentioned authorities on the Bill for the consolidation and amendment of the laws relating to Customs Duties.—*(Continued.)*

Sections.	Collector of Sea Customs.	Chamber of Commerce.	Board of Revenue.
1	2	3	4
LI.	Would "or other distinguishing mark" include the mark of the shipper, exporter or consigner? or must the words be read as if they immediately followed the words "with the initials?" "And with a description of the goods contained therein." I do not see the object of this. Is every hogshead not only to be numbered and marked but also to bear the word "beer" or "porter" as the case may be? Is "merchandize" a sufficient description? I would strike out these words. The rest of the Section partly follows two Sections of the English Act, but when taken in connection with Section 84, it is not clear how under Section 51 any goods can ever be deposited in the warehouse otherwise than in the packages in which imported since by Section 84 it is only in the warehouse that some goods can be re-packed, may these goods then under the exception in Section 51 be brought for deposit without packages, or in packages other than these in which originally imported? If this is the result of the Section surely it might be better expressed, at least some reference might be made to Section 84.		The board read the Section as admitting any distinguishing mark which ensures the identification of the package. The Board read both Sections as requiring that all goods without exception must be conveyed into the Bonding warehouse in the packages in which the were imported, but may *within the warehouse* be opened, lotted, sorted and re-packed in the presence of the Customs officers before the account is taken of them, and shall be entered in the accounts as thus lotted and re-packed and not as in the condition in which the packages actually were conveyed into the warehouse—so far Section 51. Section 84 provides for subsequent opening and re-packing after the goods have been entered in the accounts.
LII.	Importer shall "be allowed to execute a bond, &c." I should rather say "shall be required." If "allowed," then suppose he does not wish to execute the bond, is he to deposit the duty assessed? If so, the Bonded warehouse is not of much use to him. What is to be done when the amount is under Rupees 100? I suppose the bond will be dispensed with, but as the Section now stands it might be argued that for under 100 Rupees of duty a bond is requisite, above that sum it is merely allowable. Reading "required" for "allowed" would make every thing clear.		The Board concur in this proposed amendment.
LVII.	Line 8, "on the wharf," there is no wharf at Madras, the account is taken in the Custom House. Add the words "or other usual place."		Recommended.
LXI.	The second "shall" has been added to the English Section, and without need. If omitted it is then more obvious that improperly gaining access is what is provided against. There might be urgent cause to gain access in the absence of a proper officer, as fire, &c.		Recommended to be omitted.
LXII.	This is simply copied from the English Act without considering that "misdemeanor" is a purely English technical term, unknown I believe in the systems of Criminal law now prevailing in the Mofussil, but any how unrecognized by the new Penal Code. If this Section stands as now after the Code comes into force no punishment can be inflicted since the law will know nothing about misdemeanors; even Section 63 of the Penal Code supposes a declaration of a liability to fine, though the amount may not be named. Some definite penalty ought to be provided for the acts prohibited by the Section.		The point should be referred for the consideration of the Government Law Officers.
LXVI.	"Such keeper shall be responsible for all duties connected with the charge, &c." This is not limited even by the proviso at the close of Section 17 of Act XXV of 1836, and it will be as well to remember the construction* recently put upon these words by the Advocate General		The Board consider that under the recent decision of the Advocate General as to the liability of Government to make good all injury to goods in a public warehouse by white ants and such like causes, notwithstanding that the owners of the goods had free access to them, this Section throws too much risk and responsibility on the Government Officers, and should be modified. The correspondence alluded to is annexed.

* Proceedings Board of Revenue, dated 6th September 1861, No. 5,036.

REMARKS of the undermentioned authorities on the Bill for the consolidation and amendment of the laws relating to Customs Duties.—(*Continued.*)

Sections.	Collector of Sea Customs.	Chamber of Commerce.	Board of Revenue.
1	2	3	4
	if it is thought desirable to limit the liability of Government to less than that of an ordinary bailee for hire.		Section 48 declares that it is not incumbent on Government to provide accommodation for the warehousing of goods. Sections 67 and 178 are not consistent as to the authority who shall fix rates of warehouse rent.
LXXXVI.	"Shall receive damage through unavoidable accident." This will not, I suppose, include damage from natural inherent causes.		The Board do not suppose that the Section contemplated ordinary deterioration by increased ages.
LXXXIX.	I would add that the Collector may, if he thinks fit, require a certificate of their having been landed before payment of Drawback. This need not be done when the port of destination is a very distant one, as England or Australia.		The Board would vest the Collector with the power, but it should be exercised with great discretion.
XCV.		For "forfeit" let the words "liable to confiscation" be substituted.	This slight modification seems unobjectionable.
XCVI.		Prescribe the various penalties to be inflicted in the case of applications to ship goods whether dutiable or free after port clearance shall have been granted. The penalties are very evere without so far as the Chamber can perceive, any adequate cause. It does not appear whether any possible intention of defrauding the revenue is apprehended, or whether the object of the Section is merely to prevent obstructions to the ordinary course of business. There appears too an inconsistency in making goods liable to duty, pay an extra 3 per cent. while free goods are charged 5 per cent.	The penalty might be better adjusted.
CI.	A very lax practice has for years prevailed in the Madras Custom House, large quantities of English cambrics and grey shirtings are imported, dyed and then re-exported to Singapore and elsewhere, drawback is claimed, and generally allowed, export duty being charged on the dyeing charges. Really there can be no identifiction of the goods themselves after the change they have undergone, and of course the bales and packing cases may not contain the goods ordinarily imported in them. It should be explicitly provided either that the goods shall not have been removed out of the cases, or if it is thought that the disallowace is inexpedient, then by a special exception in favor of such goods being entitled to drawback. Parties might be required to give notice beforehand, and register the quantity they intend to dye and re-export.		The Board are not disposed to check what appears to be an important branch of trade, but they consider it open to the Collector to notify that he shall require a previous notice and full registration before admitting claims to drawback under circumstances rendering absolute identification almost, if not altogether impossible.
CIV.	In order to understand this Section, it is necessary to read the proviso in Section 112. Thus a Dhoney trading between Madras and the Northern ports (English) is "a native coasting craft." The same vessel on her next voyage from Madras to Pondicherry will not be "a native coasting craft," and I presume will, therefore, be entitled to drawback on goods re-exported by her. If not this Section will go far to destroy our coasting trade with French Indian ports. If I am right in supposing drawback would be allowed, it is a pity that such a very important matter is not clearly expressed, instead of a hint through 200 Sections being necessary. Further the very harsh rule of Section 104 that "no drawback shall be allowed upon articles shipped as stores," is most materially qualified (at least I suppose so) by Sections 183 and 184. I should have no doubt of the qualification but that the most distant allusion is not made to these Sections. It is of no use having a long code unless all provisions relative to the same		The Board do not doubt that it is intended that drawback should be allowed on our coasteing trade with French Ports, and agree with tht Collector in thinking it desirable that all doube should be removed from the letter of the Bill.
			The Section 104 certainly needs modification. Stores out of Bond may be shipped, and stores may be transhipped between ships of some owners, on payment of the reserved duty, which is in fact on the allowance of drawback. Section 104 is not consistent with these provisions of Sections 183 and 184.

REMARKS of the undermentioned authorities on the Bill for the consolidation and amendment of the laws relating to Customs Duties.—(*Continued.*)

Sections.	Collector of Sea Customs.	Chamber of Commerce.	Board of Revenue.
1	2	3	4
	subject matter are therein brought into juxtaposition. One might otherwise just as easily collect the law by comparing a dozen different Statutes. In this Presidency we fail to appreciate why such a preference is given to *European* pilots or what those or any other pilots can have to do with Custom House matters.		
CXII.	This Section, except the proviso, is really copied from Section 151 of the English Act, though not acknowledged. In England "beyond the seas" are ancient though ill-omend words of art, which have cost many law suits including one about dues on imported goods. The Privy Council took a year and had a case twice argued before they agreed to translate them into "out of the territories." I do not know why the term is needed in any part of this bill. Besides it would seem a result of the definition as helped out by the proviso, that Pondicherry may be in relation to Cuddapah a "Port beyond the Seas" for the purposes of this Section. Either "foreign Port" (which is defined in Section 186) might be used, or what would be better, the Section might be entirely re-cast. Another curious result of the proviso is apparently this, a Dhoney sailing from Coconada bound for Madras, Pondicherry and Tutacorin is not a coasting vessel even in regard to Madras, or else she is a coasting vessel in respect to part of her voyage, and not so as to the rest. Futher do the words "trading and calling" refer to an habitual trading or to a single voyage, so that a Dhoney may be a coasting vessel on one voyage, and not on the next.		The Section should be re-cast in consultation with the Government Law Officers.

	The result of this Section seems to be that a vessel bound from Tutacorin to Pondicherry, Madras and Masulipatam, must, before she takes in at Madras goods for Masulipatam, unload at Madras all the goods she took in at Pondicherry for Masulipatam. There may possibly be good reasons for thus interfering with trade. I am not aware of such. Applied to Great Britain the rule might be reasonable enough. Here, as far as I can judge, the rule seems harsh and impolitic.	The Sub-Committee of the Chamber having had the advantage of a perusal of Mr. Collett's notes upon this Act deems it unnecessary to do more than express their entire concurrence in his observations as to the prejudicial effect these Sections would have upon the coasting trade of this Presidency, and as to the numerous anomalies to which they would inevitably give rise. Section 114 enacts that no goods shall be laden on any coasting vessel to be carried coastwise until all goods brought in such ship from foreign port or ports "beyond the seas" shall have been unladen. This if put in force would be most oppressive, and would render necessary the shipment of ballast at no slight expense to owners of vessels. The effect of this Section can scarcely have been considered by the Customs Commission or possibly it was thought that Section CXIX would remedy any defects by giving to the local authorities power to make such regulations as they might from time to time see fit.	The Section needs careful re-consideration. See also Section 159.
CXXXIV.	This and the following Sections are materially qualified by a Section in a distant part of the Bill, viz., Section 185.		The penalties should be declared to be "subject to the decision of the appellate authority under Section 185."
CLVI.	Lines 35 to 45 contain in my opinion very undesirable provisions. No officer will incur the responsibility thus thrown upon him: goods may with impunity be undervalued to the extent of 15 to 20 per cent. Neither a Customs officer, nor Government has the same opportunity of selling goods to the best advantage that a merchant has; unless the under-valuation be something extremely gross the officer will not expose himself to a share in a loss which may swallow up several months' pay. The officer who reports the under-valuation, is not the person who decides whether the goods are to be taken on behalf of Government. Every under-valuation should be brought to the notice of the Collector, and no officer should be tempted to conceal such for fear the Collector might be indiscreet enough to seize the goods. This plan of rewards and punish-		The Board fully concur with the Collector in condemning this provision of the Bill.

REMARKS of the undermentioned authorities on the Bill for the consideration and amendment of the laws relating to customs duties.—(*Continued.*)

Sections.	Collector of Sea Customs.	Chamber of Commerce.	Board of Revenue.
1	2	3	4
CLVII.	ments for particular acts is bad. Section 57 of the English Act contains a far better plan for the disposal of the moiety of surplus proceeds. This Section needs some qualifying terms. Packages brought to be passed will "be found not to correspond," whenever the marks on them are not precisely those in the application. Under this Section they would be liable to confiscation, unless under Section 185, the Board of Revenue mitigate the forfeiture. This is a matter of hourly occurrence in the Custom House, so of the rest of the Section, some such words as "materially," "intentionally," "fraudulently," or "may at the discretion of the Collector," should be introduced. Literally carried out the rule would be abusedly severe.		This Section should be modified so as to effect what is intended, viz., the prevention of fraud, and not the greatest inconvenience to traders.
CLVIII.		Period allowed for the discharge and lading of Cargo. This Section is not suitable to Madras and its out-ports. And it is suggested that a Clause be appended declaring them exempt from its operation.	The Board agree in thinking the Section unsuitable in its present form. Sea Ports on an open lineof coast, and a Town many miles up a river, cannot be dealt with in the same manner in this respect.
CLXXXV.	I concur in the objection to giving the Board of Revenue power to revise the decisions of Magistrates or Justices of the Peace. It is, I suppose, the Customs Officer who will put the Magistrate in motion, and once having decided upon the propriety of applying to a Magistrate, it would, I think, be very incongruous, not to say very disrespectful to the Judicial officer, that the Board of Revenue should be supposed to be better able than the Magistrate to determine what is a "sufficient satisfaction for the breach of law complained of."		If the Board are not to revise the penalties, then no prosecution under the Customs Law should be permitted before a Justice of the Peace or Magistrate without their sanction. It may be etiquette to assume but it certainly cannot be truly asserted that all Magistrates with whom we have to deal are more competent than the Board to decide the point in question.
CLXXXVI.	In a Code the natural position for "definition" is in the beginning and not at the end. If the Section is intended as an interpretation clause the words might as well be arranged alphabetically and clearly as in Section 357 of the English Act. There are still various definitions scattered up and down the Bill.		This should be remedied.

(Signed) W. HUDLESTON, *Secretary*.

No. 553. ORDER THEREON, 28th February 1862, No. 438.

Ordered that the abstract of observations of the Collector of Sea Customs, the Chamber of Commerce, and the Board of Revenue on the Consolidated Customs Bill be forwarded to Mr. Forbes, Member of the Legislative Council, with reference to his letter, dated 24th July 1861.

(Signed) C. G. MASTER,
Deputy Secretary to Government.

Ordered that the following letter be despatched.

No. 554. From J. D. SIM, Esq., Secretary to the Government of Fort Saint George, to the Honorable H. FORBES, Member of the Legislative Council of India, dated 28th February 1862, No. 439.

SIR,

1. With reference to your letter, dated 24th July 1861, I am directed by His Excellency the Governor in Council to forward to you herewith an abstract of the observations of the Collector of Sea Customs, the Chamber of Commerce, and the Board of Revenue on the Consolidated Customs Bill.

2. I forward also copies of a letter from the Board of Revenue, dated 24th December 1861, No. 7,118, and of the Order of Government thereon, dated 25th February 1862, No. 407, regarding the sufficiency of the provision made in the Bill for punishing persons concerned, and confiscating conveyances used in smuggling.

No. 6,718.

From W. HUDLESTON, Esq., Secretary to the Board of Revenue,
To J. D. SIM, Esq., Secretary to Government, R. D.

SIR,

In Cons. 19th August 1861, No. 5,260.

1. With reference to the Order of Government, dated 17th August 1861, No. 1,656, I am directed by the Board of Revenue to submit for the information of Government the accompanying letters from the Collector of Sea Customs and the Chairman of the Chamber of Commerce, dated 20th September and 28th October 1861 respectively, on the subject of the consolidated Customs Bill, together with an abstract of their observations and those of the Board arranged in parallel columns.

2. The Trade Association have not communicated their views on the proposed Bill, but the Board do not deem it necessary to defer the submission of their report on the subject any longer. On receipt of the Trade Association's reply it will be laid before Government with any observations the Board may have to offer thereon.

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

W. Hudleston

Secretary.

REVENUE BOARD OFFICE,
Chepauk,
4th December 1861.

Exd. J. Wright.

2 Copies Disp. 25th

No. 439.

To

A. Forbes Leslie

Member of the Legislative

Council.

Sir,

With reference to your

letter of 26th July 1861, I am

directed by His Excellency the

Governor in Council to forward

to you herewith an abstract

of the observations of the

Collectors of the Customs, the

Chamber of Commerce, and

the Bd. of Revenue on the

Consolidated Customs Bill.

2. I forward also copies

of a letter from the Board

of Revenue dated 24th Decem-

-ber 1861 No. 7188 and of the

order of Govt. thereon dated

25th February 1862 No. 407 regard-

-ing the sufficiency of the provision

made in the Bill for punishing the persons

concerned and confiscating the

conveyances used in smuggling.

I have &c.

Fort St. George

28th July 1862

Rec'd 1st Aug. with Rs 257

2538

Rev Department

Dispatched for Secretary

No. 2943

1862

From The Secretary to the Board of Revenue,

To The Secretary to Government R. D.

Dated 4th December 1861.

Despatched. 1862 3

Received. 1862 3

No. 6718.

Submitting letters from the Collector of Sea Customs and the Chamber of Commerce on the subject of the Consolidated Customs Bill with an abstract of their observations and those of the Board arranged in parallel columns.

14 Copies & Bn of Rev Disp. 1862

Rec'd 1st Aug. with Rs 257

2538

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From The Secretary to the Board of Revenue,

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14 Copies & Bn of Rev Disp. 1862

No. 5552-4553

Fort St. George

28th July 1862

Revenue 1862 Deptt.
Pros: of Govt for February

No 429.

To the Honorable
H. Forbes Member of the
Legislative Council of
India.

Dy 28 February 62.

Consolidated Customs
Bill.

Forwarding an
abstract of the obser-
vations of the Coll.y
Sea Customs, Cham-
ber of Commerce
& Rev Bd. on the Con-
solidated Customs
Bill. —

No 554.