

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 698	Press Mis.
491-492	
Dated	29 - 3 18 62.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
29th March 1862.*

No. 491. 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 Madras, 24th February 1862, No. 1,295:—

SIR,

1. I am directed by the Board of Revenue to reply to the Order of Government, dated 17th February 1862, No. 345, Revenue Department, forwarding for their remarks the Draft Bill for consolidating and amending the Law relating to Stamp duties.

2. The Board have so frequently submitted their views on the subject that there is little left for them to say than that the Draft appears to meet all the cases of deficiency and difficulty that have come to their notice in connection with the original Act XXXVI of 1860.

3. Their further remarks will most conveniently be placed under the Sections to which they refer.

Section III.—The penalty appears to need to be expressed as follows:—

	“ Not exceeding one hundred Rupees, or a sum <i>not exceeding</i> *
* “ Equal to” in Draft Bill.	“ ten times the value of the Stamp omitted to be used, if the sum so
	“ calculated exceed one hundred Rupees.”

Section XIV Clause 1.—This legalises the practice of stamping private papers which has grown up here, and appears to the Board to be a wise concession. They observe that the application will have to be made to the Collector of Stamp Revenue of the District, while here hitherto the Superintendent of Stamps has disposed of them. The convenience of the public would thus be still further promoted by making the Superintendent of Stamps a Collector of Stamp Revenue for special purposes, and the same observation applies to Clause 4, empowering the Collector of Stamp Revenue to decide in the first instance the amount of duty to be impressed.

This Clause 4 and the succeeding Clause 5 with Sections XV and XVIII, which empower the Revenue authorities in every case to determine under certain conditions the value of Stamp required to render a deed or instrument valid, will remove a difficulty of frequent occurrence.

As to Clause 6 of Section XIV, the Board would suggest that they be empowered to remit altogether as well as to mitigate the penalty where they may see sufficient cause.

Section XVI.—It is suggested that it would be well in such cases when the Courts have collected the requisite Stamp duty and penalty to require that they should send the documents to be stamped at the expense of the party producing it, or that the Court should be required by Law to intimate to the party that the Court's endorsement to the effect that the Stamp duty and penalty have been paid, although it empowers the Collector to impress the Stamp without further payment, will not render the document valid for filing in any future occasion in another Suit unless it shall have been so impressed, but the duty and penalty will be leviable a second or third time as often as the document may be filed in fresh suits, without the proper Stamp duty impressed.

The first proposed arrangement appears to the Board to be most expedient.

Section XXI absolutely excepts Bills of Exchange, and other forms of orders for money drawn in India from the provisions of the Sections for stamping after execution.

There is no doubt good reason for extreme stringency with reference to this class of documents, but still cases may arise in which it may be desirable that the rule could be relaxed. The Board have lately submitted one such for the orders of Government.

They are fully sensible of the inexpediency of unnecessary relaxation, but they would submit that when the omission of an Anna Stamp renders a Bill of Credit for £500 valueless until a reference to Europe has allowed of the credit being received, the penalty is extreme.

They would suggest that the Stamp might be allowed to be impressed by special order of Government at the recommendation of the Board of Revenue, on payment of a fine of Rupees, in addition times the value of the Stamp required.

Section XXIV, Line 3.—For “ which declares,” read “ as declared.”

X The Board fully recognize the good policy of reducing the refund of the duty on plaints in Suits withdrawn, to one-half instead of the full value.

Section XXXIV.—The expression “stuck up” for posted, placarded, or displayed, is scarcely suited to an Act of Legislature.

Section XLI, Line 5.—After “it shall be lawful for such Collector,” insert “forthwith to cancel such Vendor’s license and” &c.

Section XLVI, Clause C, Line 1.—After “In any case in which under this Section a Collector may,” insert “be competent,” and at the end of the Clause add “in lieu of receiving the Stamp paper.”

Section L.—If the rules for the recovery of *finer* enacted in this Section are intended to apply to *Forfeitures and Penalties*, it would be well that were so expressed.

Section LI.—The Board recognize the force of the reasons for allowing rewards to Informers in cases of breach of the Stamp Law; but they would not advocate the adoption of this measure, and would in any case recommend that some stronger phrase be inserted to show that the matter is left to the discretion of the Magistrate, such as “in cases where he may deem it right and proper on public grounds,” or some similar expression.

Schedule A, Note to Article 1.—It might be added that the Court should be competent to charge the cost of the Stamp necessary to render such letter admissible as evidence on either party to the suit as justice and equity may demand, as the expense would not apparently come within “costs of suit,” and the party producing the correspondence in evidence would in many if not in most cases be suffering from the *laches* of his opponent.

Article 4.—The distribution of the duty according to the number of the set of Bills is a decided improvement.

Article 19.—It is observed that duplicates and triplicates of Deeds, as well as attested extracts of such documents must be stamped as originals to be of any value or use. The Board would submit that this article requires re-consideration.

Article 45.—The inclusion of Policies of Fire Insurance meets the requirements of cases which have arisen here. It is suggested for consideration whether the term for which the Policy runs should affect the amount of the duty, as this varies from a month to a year, or more.

Article 49.—It is assumed that Stamps are not required in the case of receipts for voluntary payments, as for instance, subscriptions to Charities, Societies, and analogous cases, and that no penalty is incurred by failure or refusal to affix a Stamp in such cases.

4. The foregoing are all the remarks that it occurs to the Board to offer.

No. 492. From the Honorable R. O. CAMPBELL, Chairman Chamber of Commerce, to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 22nd March 1862.

SIR,

1. The Madras Chamber of Commerce having given their careful consideration to the Bill for consolidating and amending the Stamp Laws, I have now the honor, as requested in the Order of Government, dated 17th February, No. 345, to submit their views on the provisions of the Bill.

2. The Chamber observes with much satisfaction that although the framer of the present Bill was not in possession of their views as previously expressed in their letter of the 3rd December last on the Bill as originally published, all the more important of the defects then pointed out have been remedied and their suggestions met. They, therefore, regard the Bill in its present form as a great improvement on its predecessor.

3. There is still, however, room for improvement, but before proceeding to details the Chamber would make one general remark. The Bill even in its improved form is still very cumbrous, and this defect in an Act which should be intelligible to minds of the most ordinary intelligence

and which will require to be translated into many languages, is one which they think cannot be overrated. The Chamber’s views on this subject have been strengthened by the perusal of a letter addressed by the Bombay Chamber of Commerce to the Government of that Presidency, and although this Chamber cannot go the length of concurring in their suggestions, they think that the risk of some sacrifice of revenue would not be too great a price to pay in order to attain greater simplicity in the structure of the Bill and greater clearness in its details.

4. I shall now proceed to notice the Sections of the Bill that appear to require further amendment.

Section 18.—The Chamber would respectfully submit that a fee of 10 Rupees for an “adjudication” is too high. In England the fee is 10 shillings, and in Ceylon the same. A fee of 5 Rupees, therefore, would appear sufficient.

5. The Chamber would advocate the insertion immediately after Section 18 of two Sections similar, *mutatis mutandis*, to Sections 48 and 49 of the Ceylon Act, known as the Stamp Ordinance No. 11 of 1861, a copy of the two Sections referred to is attached hereto upon a paper marked A. The Chamber’s object, it will be perceived, is to place the determination of all questions that may arise under Section 18 in the hands of the Judges of the Supreme Court or of the Civil Judge of the District, in whose knowledge and experience the public would place confidence, and whose ability to deal with such questions cannot assuredly be considered inferior to that of the Revenue Authorities who now exercise the sole appellate jurisdiction under Section 32 of Act. Such amendment appears more particularly desirable in view of the approaching amalgamation of the Courts of Judicature throughout the country. Should the Chamber’s view be adopted it becomes necessary to alter in some degree the two Sections Nos. 18 and 32, and to enact that all orders passed by the Collector of Stamp Revenue or the Commissioner shall be open to revision by the Supreme Court or Civil Judge of the District in the manner hereinbefore suggested with reference to appeal from the Adjudication Stamp.

Section.—25. The Chamber recommends that this Section be expunged. Its object is better provided for by the Adjudication Stamp, and there appears to be no advantage in perpetuating the “optional Stamp,” every vestige of which throughout the Sections of the Act and the Schedules should be carefully obliterated. The grounds of the objections to the optional Stamp entertained by the Chamber have been already fully laid before the Madras Government and the Supreme Council through Mr. Harrington.

Section 35.—The Chamber regrets to find this Section continued in the amended Act. The public, it is submitted, ought not to be called upon to see to the correct endorsement of Stamped paper in the manner therein directed. There is no such requirement in the English Stamp Act.

6. With reference indeed to the whole of the Sections relating to Stamp Vendors it may be observed that their introduction into the Act has furnished the Madras Revenue Board with the argument that no plain paper can be stamped even at the Stamp Office, nor Stamped paper be any where obtained except from a licensed Vendor, with the objectionable endorsement written across it.

Section 45.—In order fully to meet the objection above referred to on the part of the Madras Revenue Board, it is suggested that in this Section the words “or Commissioner or Collector of Stamps” be inserted after the words “duly appointed.”

Section 52.—The word “sheet” should be defined to mean any paper containing 15 folios or 1,080 words or any broken portion of the same.

In Schedule A the following alterations are suggested:—

No. 2.—Add the following words, viz., except agreements for service, or personal employment, hereinafter provided for (see paragraph 7).

No. 5.—Add the words “or upwards.”

No. 12.—The rates of duty on Bonds are throughout extremely high. This is shown by the parallel columns annexed hereto, marked B, in which the English, Ceylon, and proposed Indian rates are placed in juxtaposition.

Nos. 15, 16, 17 & 18—Might be struck out and in the place might be substituted—

“Bonds not otherwise specially provided for, 5 Rupees.

No. 23.—The remarks applied to No. 12 equally applies here also, where it is not Bonds but Conveyances that are dealt with. Parallel columns are submitted on a paper marked C, showing how much higher are the Indian rates of duty than those obtaining under the English and Ceylon Stamp Acts.

No. 26.—Transfer of Shares. The Chamber considers the introduction of the principle of “market value” to be open to grave objections on account amongst other things, of the doubts and uncertainty that might be engendered in after years as to a document being sufficiently stamped. Let “nominal value” be substituted where the consideration is not expressed.

28.—Copy or Extract. The Chamber is in doubt as to whether the same principle is followed in England. Whether this be the case or not it appears very unreasonable to exact the same duty for a certified copy or extract as for an original document, and the enactment is perhaps not the less objectionable that it may easily be evaded.

No. 30.—The principle here sanctioned should be extended to No. 28.

No. 35.—Let the words “as an agreement” be expunged and the words “five Rupees” be substituted, or some other fixed amount.

No. 39.—Leases. The rates are too high. The Chamber suggests that there be no Stamp where the annual rent does not exceed Rupees 100—See scale D.

No. 42.—Letter or Power of Attorney. Four Rupees seems high. The old scale was better. The Chamber deprecates the apparent abandonment of the eight Anna Stamp for the “special Power of Attorney” as distinguished from the “general power.”

No. 48.—Expunge the words “where the total amount secured by the mortgage is unlimited” and substitute the following, viz.:—

“For all mortgages not otherwise provided for” some fixed amount.

No. 52.—Notarial Act. It surely was not intended that the noting of a Bill or Promissory Note was to be attended with a Stamp duty of two Rupees. An exception should be made in their favor and also in favor of a Ship Captain’s notice of intention to protest. The Notarial fees are already quite high enough.

No. 56.—Promissory Notes payable by instalments. Why make these subject to the heavy Bond Stamp? The Stamp for a “Bill of Exchange drawn singly” seems sufficient and not inapplicable.

No. 59.—Should be expunged.

No. 62.—After the word “schedule” insert the two following words, “annexed and.”

No. 63.—Expunge the reference to the “optional Stamp” and substitute Rupees 15, 20 and 25, or at least something definite.

Trusting these observations and suggestions may meet with approval.

Ordered that the following letter be despatched.

No. 493. From J. D. SIM, Esq., Secretary to the Government of Fort Saint George, to the Secretary to the Government of India, Home Department, dated 29th March 1862, No. 698.

SIR,

1. In continuation of my letter of the 25th ultimo, No. 397, to the address of the Financial Secretary to the Government of India, I am directed by the Honorable the Governor in Council to forward the accompanying communications containing the observations of the Board of Revenue and the Chamber of Commerce on the amended Bill to consolidate and amend the Law relating to Stamp duties.

Letter from the Chamber of Commerce.

2. The Government concur with the Chamber that the fee for adjudication under Section XVIII should be reduced to 5 Rupees, the sum stated to be charged in England and Ceylon.

3. The Government do not consider it either necessary or expedient “to place the determination of all questions that may arise under Section XVIII in the hands of the Judges of the Supreme Court or of the Civil Judge of the District” and to render all orders of the Revenue authorities subject to revision by the Courts, as proposed by the Chamber. Such a course would be productive of much embarrassment. The Law does not compel a person to refer to the Revenue Board for an adjudication under Section XVIII nor even to abide by their decision. Adjudication thus being not only optional but allowed for the convenience of the public, it seems to the Government unreasonable to demand that they should uphold the adjudication of their Officers in appeal before the Courts. As regards other questions connected with the Stamp Act the Government can see no reason why the Courts should be constituted the Supreme revising authorities. In no other branch of Revenue administration is such a principle followed, and if adopted in regard to Stamps, it must, consistently, be extended to the Income Tax, Ábkári and other branches of Revenue. The Government deem it quite sufficient that Revenue Officers should be, as they are, amenable to the Courts for the consequences of illegal acts, and cannot support the proposal that the administration of Revenue matters should be brought directly under the control of the Judicial tribunals.

4. The Government quite share the Chamber’s objections to the optional Stamp and have already recommended its abandonment.

5. As regards the Chamber’s remarks on the endorsement of Stamps by licensed Vendors the Government do not see the advantage of requiring the entry of the purchaser’s name. In many cases the ostensible purchaser is a servant or agent, and under Section 46 any person buying a Stamp for use can re-sell it. This part of the endorsement does not apparently serve any useful purpose, and the Government would abandon the requirement, retaining however the Vendor’s signature, and date of issue which are useful checks on fraud and theft.

6. The Government do not consider it desirable that Collectors should, as the Chamber wish, sell Stamps, seeing that they keep the District store of Stamps. With a sufficiency of licensed Vendors the convenience of the public can always be fully met.

7. The Government agree with the Chamber that the duty on Bonds, Conveyances and Leases is very high. Any general reduction must of course depend on financial considerations, but the Government would strongly advocate an Anna Stamp only on Bonds, &c., under 50 Rupees. Such deeds represent petty transactions among the poorer classes, and a light duty would probably be more productive than the high rates now in force because less likely to induce evasion.

8. In paragraph 8 of my letter of the 25th February last, the objections of this Government to the grant of refunds under Section XXIV of the Bill were stated. If these objections are over-ruled the Government consider it desirable that the period within which claims to refund are admissible should (as proposed by the Revenue Board) be limited to three months as was the case under Act XVII of 1848. It would be convenient in this case so to word the Law as to admit, also, of payment being at once made by the Judge by cheques on the District Treasury. The present system causes much trouble and delay in payment, and the Government are inclined to think that, without material risk to the Revenue, payment by cheques might be introduced advantageously.

9. The other matters discussed by the Chamber and the Board of Revenue do not call for special remark from the Government.

10. I am directed to enclose copies of two letters addressed to the Honorable H. Forbes on two questions of importance connected with the Bill under consideration.

Appeal to
Supreme Court.

48. If the party making the application shall be dissatisfied with the determination of the Commissioner he may appeal against the same to the Supreme Court, within ten days after the same shall be made known to him, and, upon the application of the said party (due notice thereof being given to the Queen's Advocate to the end that he may be heard on behalf of her Majesty), it shall be lawful for the said Court, and it is hereby required to hear and determine the said appeal, and the decision of the Supreme Court shall be final. The said Court shall make such order as to costs as it shall deem just.

Particular Stamp
may be impressed
which will remove
all doubts.

49. If there be no appeal from the determination of the Commissioner of Stamps, or if an appeal be taken and the same be adjudicated upon, the party may tender to the Commissioner of Stamps the sum of ten shillings and the amount if any of the duty and penalty which he is liable to pay in respect of the instrument, credit being given him for the stamp, if any already impressed upon such instrument. Upon receiving the same the Commissioner of Stamps may, and he is hereby required to stamp the instrument with a particular stamp to be provided for that purpose with such device or symbol thereon, as shall be thought proper, and the words "Stamp duty"

finally settled, in addition to the stamp, if any, to which the instrument is declared liable.

It shall be the duty of such party to exhibit the Instrument so stamped to the Secretary of the District Court in which the duplicates of such Instruments are filed in order that a record of the fact may by such Secretary be endorsed on the Duplicates. Every such Instrument so impressed as aforesaid shall be deemed to have been duly stamped and shall be receivable as evidence in all Courts, notwithstanding any objection made to the same as being insufficiently stamped.

Bonds

Scale showing the relative cost of stamps upon Bonds for certain sums in accordance with the Stamp Acts of England Ceylon and India.

	England			Ceylon			India		
	£	s	d	£	s	d	Rs	A	P
£ 50		1	3		2	6	4	"	"
100		2	6		5	"	6	"	"
150		3	9		10	"	10	"	"
200		5	"		10	"	10	"	"
250		6	3		15	"	15	"	"
300		7	6		15	"	15	"	"
For every additional £ 100 or fractional part of £ 100		2	6		5	"			
500		12	6		1	5	25	"	"
1000		1	5		2	10	35	"	"

Conveyances

Scale showing the relative cost of stamps for Conveyances in accordance with the Stamp Acts of England Ceylon and India.

	England			Ceylon			India		
	£	s	d	£	s	d	Rs	A	P
£ 50		5	"		5	"	8	"	"
100		10	"		10	"	12	"	"
200		1	"		1	"	20	"	"
500		2	10		2	10	50	"	"
1000		5	"		5	"	100	"	"

For larger amounts in similar progression

D Leases

Scale of Stamp duties on Leases in accordance with the Stamp Acts of England India and Ceylon for terms over 1 year. Viz England (lowest term) 35 years Ceylon 10 years India over 1 year.

	England At a yearly rent as per Scale & for 35 years			Ceylon When the Rent for a whole term of 10 years does not exceed as per Scale			India When the yearly rent for a term over 1 year does not exceed as per Scale		
	£	s	d	£	s	d	Rs	As	P
£ 5			6			6		12	
10		1	"		1	"	1	"	"
50		5	"		5	"	4	"	"
100		10	"		10	"	8	"	"

Note

The points in this letter from the R^d of Re^t on the amended Stamp Bill which need consideration are the following -

I. Sect XXIV allows of the refund of half the Stamp Duty when suits are withdrawn at a certain early stage - The govt have recorded their opinion against any refund on the grounds that such refunds do not materially lessen litigation - that they encourage fraudulent &

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that they entail
much labor on
the officers of pt &
give an opening for
much fraud &
that it is only just
that those who
bring the machinery
of the Courts into
play, should con-
tribute towards
the expense of
maintaining the
Courts. The Supreme
pt. may or may
not adopt this
view. The R. &
Commend that
the new Law should
contain the same
proviso as the ^{old} ~~existing~~ Law viz that
the certificate on
which the C. &

advised I ^{WD}

-I remain in favor of
this view - ^{WM}

-There should be as heretofore
a limitation of 3 months

^{WM}

^{WM}

makes the refund
should be presented
within 3 months.
If the refund be
continued it does
seem well, I think,
to change the course
of procedure - At
present the Judge
pays the writ to a
certificator - which
he must present
to the C. & within
the three months -
and sends a
copy direct to
the J. & retaining
a 3^d copy in his
own Court.
It should be
preferable to attach
these certificates
& allow the Judge

at once to give the
Liaison a cheque on
the Treasury. The
pt. would lose on
those certificates which
by some omission
or accident are
lost before the
3 months but this
amount I should not
be large. On the
other hand they
would gain by the
saving of the labor
& time which the
certificates entail
in the Offices of
the Col. & Sub?
of Stamps.

The Bd might
be asked if they
see any objection
to this course, as far
as the security

- I doubt the safety of this
course. The native minis-
terial officers of our Courts have
not earned a good name
for honest dealings, & a
useful check would be lost if
refunds are to be made on a
simple cheque given by the
Judge of the Treasury - a
Judge's time is too much occu-
pied to scrutinize such
details & he would be apt to
sign ^{any} cheques presented to
him by the Ministerial
officer. However the Bd
can be consulted if this
is thought fit.

I am satisfied that
the course suggested
in this Memo of
paying the referred
the cashier of the
No Judge while the
Cashier would sign

of the Revenue is

a cheque without
being satisfied that II. The Bd would
it was correct -
The Judge would
be answerable for
any error. He also
relieve of the referred
is now all the
Two modes of
dealing with the
Bd.

Wd

concerned.
exempt from duty
Bonds for sums
under 10 Rs. The
present Law & the
proposed one tax
Bonds under 50 Rs.
at 4 annas. Receipts
for sums under
20 Rs. & Bills of
Exchange for sums
under 20 Rs. will
be free - and only
1 anna will be
charged for ap-
praisement & cultivate
on advances under
50. The duty on
petty Bonds seems
unduly high in

comparison of the
pts. recommendation
seems sound -

It is too high, but instead
of abolition might it not be
reduced to 1 annua?
The
Yes reduce to 1 annua

III. Exemption from
Stamp Duty of
Leases between Land
lord & Tenant. For
lands paying Rent
to pt.

you WD

Mr. Forbes has warned
the pt. that exception
will be taken to
this concession by
the Select Comtee.
on the ground that
if land can afford
to pay a landlord's
rent in addition
to the pt. tax, it ought
not to be exempt
from Stamp Duty.

The pts. are strong
in favor of this

existing exemption.
In this Presidency
the assessment cer-
tainly is not so
light as to admit
of any further
reduction of the mor-
-tuage left for propi-
etary sub-tenancy
and if leases
between landlords
and their sub-
-tenants are taxed
they will cease to
be executed. It
has always been
an object of the
-Commissioners to encour-
-age the execu-
-tion of leases as
tending to prevent
litigation and this
object will be de-
-feeted by taxing
such documents.
By the new Act, a

lease for land
renting under 24
Rs is charged 4 annas
if for one year - &
8 annas, if for
more than one year
In genuine dry lands
the ryots pay as
much as a pot
of it, so that an ex-
ception could not
fairly be made
as to such lands.

The Chamber
of Commerce have
not yet sent in
their report - but I
am placed in
possession of the
gist of it on the
18th letter some time
will be saved when
the Chamber's report
is received.

LD 17/2

A great deal of land does
not pay a landlord's rent,
and I consider in the ar-
guments against requiring
stamps.

one assessment
might be made if
it were possible of
making one assessment
at a large revenue

at the cost of the
ryots will be pre-
cluded to be
State with

Jayee W.D.

To be made like
the one from the Chamber
of Commerce.

Note

The Chamber of Com-
merce in their letter report
on the new Stamp Act. The
points on which I suggest or-
ders are the following:-

I. The Act fixes 10 Rs.
as the fee for adjudicating
the Stamp to be used in doubt-
ful cases. The Chamber think
this too high & propose 5 Rs.

II. The Act (Section 32) re-
quires all orders of collectors
with two exceptions subject
to revision by the Board of
Revenue. The Chamber wish
to introduce the principle,
(borrowed from the law
of Ceylon) of having an ap-
peal in Madras to the Su-
preme Court and in the
Provinces to the civil courts.
This would give rise to
much trouble and seems
more than the public can
reasonably

As the fee is said to be only
10 in England & Ceylon, Rs 5
seem sufficient here
W.D.

reasonably claim - It is
open to a person to act on
his own judgment or the ad-
vice of a legal practitioner
but if distrusting both, he
asks the Revenue Board to
adjudicate for him, a further
appeal can scarcely be allow-
ed. Further the Law does not
compel him to abide by the
Board's adjudication - he
may notwithstanding
affix any stamp he ex-
plains on his own re-
sponsibility - So also as
regards other matters con-
nected with the stamp law -
any person aggrieved
by an officer acting under
it has his remedy by
civil action - and there
is no reason why
proceedings under
the Stamp Law
more than those under
the

I concur in these
objections to the Chamber
suggestion. Mr C

W. C. L.

the Land Revenue, In-
come Tax, Abkarry or
other Revenue Law
should be appealable
to the Courts.

III The Chamber
objects to the necessity of
stamps being endorsed
by vendors. I am not
aware of any particu-
lar advantage gained
by the present rule -
which requires the
vendor to endorse on
every stamp (except
adhesive stamps and
the like) which he sells,
the purchaser's name,
as well as his own and
the date of sale. The
two last are useful
as preventing fraud
and theft. Thus a
parcel of stamps sent
by

Yes Mr

W. C. L.

by a collector to a
stamp Vendor by post.
are stolen on the road.
they cannot be made
use of without first
being endorsed. But
the purchaser's name
is useless, as in many
cases a servant is the
ostensible purchaser
and moreover any one
buying a stamp for
use can resell it with-
out a license. It would
be convenient I think
to substitute a neat
stamp for the vendor's
signature as is done
at Post Offices.

IV The Chamber
wishes collectors to be
authorized to sell stamps.
This is very undesi-
rable as they keep the

- Care should be taken for
stamps to be always purchasable
at Collectors' Offices

Yusuf

Wm

Wm

the store of stamps
and is unnecessary
as vendors can be
licensed in any num-
ber that the conveni-
ence of the public
requires.

V The Chamber
considers the duty on
Bonds, Conveyances, &
Leases too high and in
the case of the latter
they suggest that where
the annual rent does
not exceed 100 Rupees
no stamp should be
required. The rates
are certainly high.
thus a Bond for any
sum under 50 Rupees
requires a stamp of 4
annas. A conveyance
of property under 100
Rupees a stamp of 1
Rupee

Rupies and a lease in-
der 24, Rupees out of
4 Annas if for a year
and of 8 annas if for
longer. I should think
an anna on all such
petty transactions as
are represented by deeds
under 50 Rupees, would
be ample and would
be more productive
because less likely to
induce evasion.

The other sug-
gestions of the Chambers
may, I think, be left
unnoticed for the con-
sideration of the Su-
preme Government.

J.D.S.

24/3.

yes
W M
yes
W M

W M

From
The Chamberlain to the
Secretary to the Govt.

Memo

On Chamber letter re
citing to the new stamp
act.

Revenue Dept

N. 898.

To The Secretary to the
Government of India
Home Department

Sir, In continuation
of my letter of the
25th ult. No. 897 to
the address of the
Financial Secretary
to the Government
of India, I am
directed by the
Honorable the Governor
in Council to forward
the accompanying
communications
containing the obser-
vations of the Board
of Revenue and the
Chamber of Commerce
on the Amended
Bill

Forward

Bill to consolidate
and amend the Law
relating to Stamp
duties. On these com-
munications the Govt
instruct me to make
the following remarks.

2. The Govt concur with
the Chamber that the
fee for adjudication
under Section XVIII

Letter from the
Chamber of Commerce.

should be reduced
to 5 Rupees, the sum
stated to be charged
in England and
Ceylon.

3. The Govt
Government do not
consider it either
necessary or expedient
to place the deter-
mination of all
questions that may
arise under Section
XVIII

New page.

~~XVIII~~ in the hands of
the judges of the
Supreme Court or
of the Civil Judge
of the District and
to render all orders
of the Revenue author-
ities subject to re-
vision by the Courts.
as proposed by the
Chamber. Such a
course would be
productive of much
embarrassment. The
Law does not com-
pel a person to re-
fer to the Revenue
Board for an ad-
judication under Sec-
~~XVIII~~ nor even to abide
by their decision. Ad-
judication thus being
not only optional but
allowed

allowed for the convenience
of the public, it seems to
the Govt unreasonable to
demand that they should
uphold the adjudication
of their officers in appeal
before ^{the} Courts. As regards
other questions connected
with the Stamp Act
the Govt can see no
reason why the Courts
should be constituted
the Supreme revising
authorities. In no
other branch of Re-
venue administration
is such a principle
followed and if adop-
ted in regard to
Stamps, it must, con-
sistently, be extended
to the Income Tax
Alkharay and other
branches of Revenue.
The Govt deem it quite
sufficient that Re-
venue Officers ^{should be, as they are,} are am-
enable to the Courts for
the consequences of
illegal acts and
cannot support the pro-
posal that the administration

of these matters
should be brought
directly under the
control of the Judi-
cial tribunals. —

4 The Govt quite
share the Chamber's
objections to the op-
tional Stamp and
have already re-
commended its
abandonment. —

5 As regards the
Chamber's remarks
on the endorsement
of Stamps by licensed
vendors the Govt do
not see the advan-
tage of requiring the
entry of the purchaser's
name. In many
cases the ostensible
purchaser is a ser-
vant

servant or Agent
and under Sec. 46
any person buying
a stamp for use can
resell it. This part
of the endorsement
does not apparently
serve any useful
purpose and the
Govt. would aban-
don the requirement
retaining however the
vendor's signature
and date of issue
which are useful
checks on fraud and
theft.

The Govt. do
not consider it de-
sirable that Collec-
tors should be al-

*The Chamberlain would
be allowed to sell stamps,
seeing*

seeing that they keep
the District Store
of Stamps. With a
sufficiency of license
vendors the conve-
nience of the pub-
lic can always be
fully met.

The Govt. agree
with the Chamber
that the duty on
Bonds, Conveyances
and Leases is very
high. Any general
reduction must of
course depend on
financial consid-
erations but the Govt.
would strongly ad-
vocate an Annual
Stamp only on bonds
less than 50 Rupees.
Such deeds represent
petty

petty transactions among
the poorer classes and
a light duty would
probably be more
productive than the
high rates now in
force because less
likely to induce eva-
sion. —

In para 8 of my
letter of the 25 Feb of
last the objections
of this Government
to the grant of re-
funds under Sec-
tion XXIV of the Bill
were stated. If
these objections are
overruled the Govt
considers it desirable
that the period within
which claims to re-
fund are admissible
should

As proposed by the Re-
should be limited
to three months as
was the case under
Act XVIII of 1848.
It would be con-
venient in this case
to insert the same
as to admit, also,
of payment being
at once made by
the Judge by Che-
ques on the District
Treasury. The pre-
sents much trouble
sent system, and
delays in payments
and the Govt. are
inclined to think
that, without ma-
terial risk to the
Revenue, payments
by Cheques might
be introduced as
advantageous

advantageously -

The other matters
discussed by the
Chamber and the
Board of Revenue
do not call for
special remark
from the Govt.

I am directed
to enclose copies
of two letters ~~then~~
~~has~~ addressed to
the Honorable H.
Forbes on two ques-
tions of importance
now connected
with the Bill
under consideration.

J. D. S.

Fort St. George,
29 March 1862.

Copy to the Hon. Mr. Forbes
J. D. S.

To Government of India

R.D. No 345

17.3.62

from the B. of Rev. Ch. 529/62

Revenue 1862 Deptt.
Pro: of Govt for March.

N: 698.

To
The Secretary to the
Government of India
Home Departt.
29th March/62.

For the Secretary to the
Government of India
Home Department

Forwarding to the
Supreme Government with
the opinion of this Govern-
ment letters containing
the observations of the Rev.
Board and the Chamber
of Commerce on the amended
Stamp Bill.

N: 491 @ 493.