M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 94	Press ~~Mis.~~
187-188	
Dated 22 — 1 — 1862	

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 22nd January 1862.

No. 187. Read the following Extract from the Proceedings of the Government of India, in the Financial Department under date the 30th December 1861, No. 14,655:—

Read again the undermentioned papers on the subject of applying the Income Tax Act to the profits of the Peninsular and Oriental Steam Navigation Company in India.

Financial Despatch to the Right Honorable the Secretary of State No. 48, dated the 16th March last, and the papers therein referred to.

Endorsement from the Government of Bengal, No. 455A, dated 18th April last.

Financial Resolution No. 5,414 dated 8th May last.

Read the Financial Despatch from the Secretary of State, No. 164, dated 24th October last, and its enclosure in reply to this Government's Despatch No. 48, dated 16th March last.

Read also a letter to the address of the Honorable S. Laing from the Commanders, Officers, Engineers and others in the service of the Peninsular and Oriental Steam Navigation Company in India, under date 21st instant.

RESOLUTION.—On a reconsideration of the question of assessing the profits of the Peninsular and Oriental Steam Navigation Company under the Indian Income Tax Act, the Governor General in Council is not sure, looking at the latest decisions on similar cases in England, that the Government of India have a legal right to levy the Tax on the profits of the Company, except in regard to such portions of the profits as arise from business carried on between Ports exclusively Indian. But as this part of the business of the Company is so minute, and the profit on it so contestible, His Excellency in Council is willing that all claim to Income Tax on the profits of the P. & O. N. Company be waived.

His Excellency in Council is of opinion, however, that Income Tax is leviable on the Officers of the P. & O. Company serving in India in either of the following cases, viz., when the voyages are exclusively between Indian Ports or when the parties have a fixed residence in India, other than a Club, or Hotel, or place of occasional resort during the short intervals between voyages. The native servants of the Company, whose earning exceed 200 Rupees a year, and who have a residence on shore, are, His Excellency in Council believes, already assessed to the Income Tax in the usual way.

ORDER.—Ordered that a copy of the above Resolution be sent to the Government of Bengal with a request, that the Income Tax Commissioners and the Agent of the P. and O. Company in Calcutta may be informed accordingly.

Ordered also that a copy of the Resolution be sent to the Governments of Madras and Bombay, with reference to communications from this Department of the 16th March last.

Ordered further that a separate letter be written to the Commanders, Officers, &c., in the service of the P. and O. Company in reply to their letter to the Honorable S. Laing.

(A true Extract.)

(Signed) C. H. LUSHINGTON,
Secretary to the Government of India.

No. 188. ORDER THEREON, 22nd January 1862, No. 94.

Communicated to the Board of Revenue and the Income Tax Commissioners of Madras.

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

Order

Ordered that a Copy of the above Resolution be sent to the Government of Bengal with a request that the Income Tax Commissioners and the Agent of the P & O Company in Calcutta may be informed accordingly -

Ordered also that a Copy of the Resolution be sent to the Governments of Madras and Bombay with reference to Communications from this Department of the 16th March last -

Ordered further that a separate letter be written to the Commanders Officers &c. in the Service of the P & O Company in reply to their letter to the Hon'ble S Laing -

(A true Extract)

Compd Gl.

Secy to the Govt of India

Pro: 9 April/61 Nº 130-137

Revenue 1862 Sept
Pro: of Govt for Jany:

Nº 107

Extract from the Proc: of the Govt of India in the Fin: Department
Dº 30 December/61
Recd 12 Jany/62
Nº 94. 22d Jany: Fort St. George 14655-

Communicating a Resolution on the subject of applying the Income Tax Act to the profits of the Peninsular and Oriental Steam Navigation Company in India.

Nº 187 & 188

Withdrawn Order

C 18 Jany/62 Rd 21st

Nº 94

Communicated to the Board of Revenue and the Income Tax Commissioners of Madras.

J. W. S

Fort St. George
22d January 62

14 Copies to the Bd of Rev Dispd 25
14 — Dt Income Tax Comrs
3 — Spl Comr Income Taxes