

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1864

Press
~~Mis.~~

140-141
Dated

10-10-19-1863

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
10th October 1863.*

No. 140. Read the following letter from H. A. BRETT, Esq., President to the Income Tax Commission, Madras, to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 29th September 1863, No. 11 :—

SIR,

1. In my letter dated 29th July last, No. 7, paragraph 9, I explained the reasons why so large a portion of the demand for the year 1861-62 was outstanding at the date of the report for that year. I now beg to report on the balance referred to in paragraph 10 of the same letter.

2. This balance, as reported in my letter dated the 13th June last, amounted on that date to Rupees 24,156. The Commissioners have since collected by compulsory process, as provided in Section CXL of Act XXXII, Rupees 3,825-4-9. It is also necessary to deduct from the abovementioned balance the amount of bills cancelled as double assessments. These double assessments were made chiefly on persons who had elected to be assessed anew. In some cases persons were assessed afresh after bills prepared on the old returns had been issued. In some, double returns were made by the same persons; and in some, mistakes were no doubt owing to the want of sufficient care in the Office. The actual cancellations made by the Commissioners on account of double assessments amount to Rupees 2,037-0-9. The net balance on the demand for 1861-62, after deducting the collections and cancellations above referred to, amounts to Rupees 18,293-10-6.

3. The Collector reports that out of this balance Rupees 4,114-11-0 may be considered recoverable. The irrecoverable balance would thus amount to Rupees 14,178-15-6, which sum is Rupees 4,713-6-10 in excess of the balance written off in the previous year as irrecoverable, viz., Rupees 9,465-8-8.

4. The causes which have contributed to make the irrecoverable balance exceed that of the previous year may be briefly described as follows: first, increased difficulty in finding the smaller rate payers as compared with the first year, when little time had been allowed to persons of this class to change their residence; and secondly, as considerable reduction in the number of collecting Conicopolies, viz., from 15 to 7. The Commissioners had, therefore, a less effective agency to collect the demand from the lower classes, while on the other hand, these classes were better able to evade payment. I may also remark on the same subject that in the first year the Collector had only to deal with the demand of that year, whereas in the second year, with a reduced establishment, he had not only to collect the demand of the year 1861-62 but a heavy balance on the previous year's demand.

5. In the annexed Statement prepared by the Secretary, the irrecoverable bills are arranged and classified, first, with regard to their number and value; and secondly, with reference to the grounds on which they are deemed irrecoverable. It will be seen that out of 1,775, the entire number of bills classed as irrecoverable, upwards of 1,558 are for sums below 10 Rupees. The circumstances under which these bills are held to be irrecoverable are shown in the Statement itself. In some cases the defaulters are dead; in some they have left the country or have removed to places unknown; but in a large majority of the cases the persons liable are, it appears, too poor to pay. In this last number are included trades people, who have taken the benefit of the Insolvent Act, and whose assessments amounted to Rupees 1,093-13-0. I now request the sanction of Government for my writing off Rupees 14,178-15-6 as irrecoverable.

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6. With regard to the recoverable balance, viz., Rupees 4,114-11-0, though the Collector (Mr. Morison) believes that the persons from whom this sum is due are able to pay, he has not succeeded, after a long time allowed to him, in collecting the amount, and he fears that with his present means he will not be able to get the amount in within any reasonable period. I therefore beg to suggest that the bills, amounting to Rupees 4,114-11-0, be handed over to the Collector of Madras, who, with the aid of the Deputy Collector and the Quit-rent and Abkarry Establishment, would probably be better able to collect these arrears than this Office.

7. I also beg to submit for the consideration of Government the expediency of transferring to the same Department the work of collecting the entire tax in future, for experience shows that the present system is a difficult one to work; partly, as the Collector explains, because the number of persons under him is so reduced; and partly, because his subordinate agents look upon their employment as temporary, and in consequence display no zeal in their work. Though, therefore, the Commissioners in their report, dated 21st January 1863, paragraphs 8 and 9, adverted to certain difficulties which might attend a transfer of the Collecting Department to the Collector of Madras, they now believe it would be better to try that arrangement than to continue the existing one.

8. The present Collecting Establishment costs Rupees 249 per mensem, exclusive of any salary to the Collector, who as Collector, Secretary and Assessor, draws a consolidated salary of Rupees 600. In proposing this transfer I beg to recommend that the Establishment noted in the margin should still be retained for the Commissioners' Office, to enable the Commissioners to make the present year's assessment, and to conduct the general work of their Office. The only saving this arrangement

would effect would be a saving in the salary of the Collector. The salary originally allowed to this Officer was Rupees 400, but in March 1862 the office of Collector was amalgamated

Assessor and Secretary	...	...	...	Rs. 400
Head Clerk	...	...	...	70
Assessor's Clerk	...	...	...	50
Petitioner	...	...	...	30
English Clerk	...	...	...	25
1 Assessor's Conicopoly	...	...	...	15
1 Mochie	...	...	...	10
1 Duffadar	...	...	...	10
8 Peons	...	...	...	56
			Rupees...	666

with that of Secretary, when the salary was raised to Rupees 600. It is probable that a further saving might be suggested by the Collector of Madras, should the present collecting staff, as noted in the margin,* be handed over to him.

9. With regard also to the particular duties which have devolved on myself from the time the office of Special Commissioner was abolished, I beg to remind the Government that, on my taking charge of the Special Commissioner's duties, they consented to give this arrangement further consideration if I should find at any future time that the work materially interfered with my other duties as a Member of the Board of Revenue. As I find that these duties are quite as much as I can properly attend to, especially in the absence of the third Member, I take this opportunity to request that the Government will be pleased to make some arrangement to relieve me from the Special Commissioner's work, and to commit the general superintendence of the office to some Officer who will be better able than myself to manage it.

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Balance as reported in the Commissioners' Report, vide letter No. 9, dated 13th June 1863	...	...	Rs. 24,156	A. 0	P. 0
Reductions in the Demand as explained in paragraph 2 of Report submitted this day...	...	Rupees 2,037	0	9	
Collected from 13th June to 22nd September 1863	...	3,825	4	9	
Net balance	...	5,862	5	6	
		18,293	10	6	

of which Rupees 4,114-11-0 is recoverable and Rupees 14,178-15-6 is irrecoverable.

The following Statement exhibits the particulars of the irrecoverable balance of Income Tax on the demand of 1861-62.

The following Statement shows the demand of 1861-62.

Bills not exceeding 4 Rupees	From 4 to 10 Rupees.	Total.	From 10 to 20 Rupees.	From 20 to 30 Rupees.	From 30 to 40 Rupees.	From 40 to 50 Rupees.	From 50 to 100 Rupees.	From 100 to 200 Rupees.	From 200 and upwards.	Total.	Grand Total.
936	622	1,558	60	81	31	12	15	13	5	217	1,775

1	2	3	4	Total.					
Poor and unable to pay in consequence of reduced circumstances, closing of bazaars on taking the Insolvent Act, &c.	Dead.	Left Madras, and present address unknown.	Not found at their former address, but supposed to be still residing in Madras.						
No. of Bills.	No. of Bills.	No. of Bills.	No. of Bills.	No. of Bills.					
Amount.	Amount.	Amount.	Amount.	Amount.					
RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.					
850	7,059 15 6	185	1,649 0 0	621	4,526 0 0	119	944 0 0	1,775	14,178 15 6

(By Order,)

(Signed) N. MORISON, Secretary

(By Order) (Signed) N. MORISON, Secretary.

Madras,
29th September 1863.

No. 141. ORDER THEREON, 10th October 1863, No. 1,864.

Before passing final orders on this letter the Government resolve to request the Acting Collector of Madras, through the Board of Revenue, to report if he is prepared to undertake the collection of the Income Tax of the Town of Madras, and what aid, if any, he will need in the event of his doing so.

(True Extract.)

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

To the Board of Revenue.

Exd. S. T. Augustin.

3
1864

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For George

18 Oct/64

The Bd of Revenue

29/12

2nd February 63 N 52 54
13 July - - - 217 218
8 August - - - 77 78

Pro. of the Board of Rev.
of 23 October 1863 N 254 21

N 140 + 141.

Rev: 1863 N 140
Pro. of Govt. for October
N 2340.
From

H. A. Brett Esq.
President of the
Income Tax Comm.

From D. of Madras
N 2340.
J. D. Sims Esq.
Secretary to Govt.

Rev. Depart.
Post. St. George
Dated 29th
Rec. 30th } Sept. 1863
N 11

Reports on the
balance of the demand
of 1861-62 & the transfer
of the Collecting Dept.
to the Collector of Madras.
With dis. order. 1864-1865. L