M.R.O. 14—18,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 70 — Press / Mis. —

138 135

Dated 12 — 1 — 19 1863

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 12th January 1863.

Read the following letters:—

No. 133. From JOHN ARATHOON, Esq., to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 5th January 1863.

SIR,

I have the honor to request you will be good enough to submit to the Government of Madras the enclosed Memorial, and oblige me by obtaining their orders for the refund to me of Income Tax Rupees 150, arbitrarily and illegally levied, directing further that the demand for the said Tax shall not under the circumstances stated in the Memorial be demanded from me.

To

HIS EXCELLENCY SIR WILLIAM THOMAS DENISON, K. C. B.,
Governor of Fort Saint George,
&c. &c. &c.

THE MEMORIAL OF JOHN ARATHOON, GENTLEMAN,
RESIDING AT NUNGUMBACUM.

MOST RESPECTFULLY SHEWETH,

1st. That your Memorialist has at various times during many former years been engaged in the purchase and sale of rare and large diamonds and other precious stones, but of late years, both on account of your Memorialist's increasing age (being now in the 70th year of his age) and also on account of his pecuniary circumstances not demanding it, your Memorialist has abandoned the aforesaid pursuit.

2nd. That your Memorialist does still occasionally as a Connoisseur and Amateur purchase precious stones which on account of their singular beauty or uncommon value, your Memorialist may deem worthy of being placed in his collection. In a similar manner your Memorialist at various times may sell them, as rejected and being unworthy of retention.

3rd. That your Memorialist's judgment in these matters is also (generally speaking) appreciated among the European community of Madras, and your Memorialist has frequently been requested by various members of that community to purchase precious stones for them, and has naturally been happy to give the benefit of his experience gratuitously on these occasions without any profit accruing to your Memorialist therefrom.

4th. That your Memorialist unfortunately has on this account laid himself open to the imputation of being still considered a trader in diamonds; and accordingly a tax on an assumed profit of 7,500 Rupees for the year 1861-62, has been assessed on him by the Income Tax Commissioners for the Town of Madras.

5th. That in accordance with what your Memorialist understood to be the Law, your Memorialist first paid the Bill of the Tax for the first and second quarters of the year 1861-62, Rupees 150, and afterwards appealed to the Commissioners for refund of the amount on the ground that your Memorialist had made no profit whatever to justify the assessment demanded.

6th. That after various letters had passed between the Commissioners and your Memorialist, a day (the 14th November) was appointed on which your Memorialist was directed to attend with his Account Book to support his appeal against the assessment of the Income Tax Commissioners.

7th. That your Memorialist duly attended on the specified date before the Commissioners, was much astonished and chagrined when after some short conference together, the Commissioners, without even looking into the only Account Book your Memorialist possesses, and which your Memorialist had brought for the Commissioners' inspection (to examine and debate upon the contents of which had been the object of the meeting),—informed your Memorialist that the assessment made on his assumed profit was confirmed. Your Memorialist contends that the course so taken by the Commissioners clearly indicates a determination previously formed by them to saddle your Memorialist with the Tax once demanded, let the consequences be what they may; your Memorialist further contends that his Account Book should have been scrutinized by the Commissioners, and that upon it, they were bound to base their opinion of the justice of

the Tax they had imposed on your Memorialist. Your Memorialist would ask, where the limit to taxation is to end, if gentlemen appointed to arbitrate between the Government and the governed are thus despotically to assume at random a fancied liability to taxation? What to-day is only Rupees 300, may by similar process next year become Rupees 3,000, though your Memorialist has conscientiously and formally placed the true statement of his affairs before these gentlemen, and shown therein that his circumstances did not justify the imposition on him of a tax of even 3 Rupees.

8th. That your Memorialist subsequently addressed the President of the Commissioners on the 15th November as per letter marked D, on the injustice and, what your Memorialist submitted to be, the illegality of the act of the Commissioners, who without putting themselves to the trouble to inspect the Account Book of your Memorialist (submitted for the express purpose) have given an adverse judgment against your Memorialist's appeal.

9th. That in support of his appeal to the President your Memorialist requested permission to lay his Account Book before the Commissioners again on the 17th idem as per letter marked F; by an inspection of which it would be self-evident that your Memorialist's statement was a true one, and that the profits assumed to have been made by your Memorialist had no existence.

10th. That your Memorialist also informed the Commissioners, that his Account Book was written in his native language (the Armenian) with the exception of the money amount, and that of the dates, which were in English figures, and requested them to inform your Memorialist whether they would appoint a Translator to explain the entries in the Book, or whether your Memorialist should himself attend there with one, either course being entirely immaterial to your Memorialist, who confident in the truth of his statement, desired but a bonâ fide examination of his Account Book.

11th. That the President on this, appointed another day the 21st November for an inspection and examination of your Memorialist's Account Book, but your Memorialist regrets to say, that notwithstanding the facts, that the aforesaid accounts show undoubtedly no profits to have been made by your Memorialist, your Memorialist's appeal was again thrown out, and it was ruled that your Memorialist had in reality made a profit of 7,500 Rupees, when the contrary was the case; and a tax was accordingly ordered to be levied thereon.

12th. Your Memorialist confident in and relying on the shelter of that Government under whose rule people of every creed and Race find protection from injustice and illegality, now humbly petitions your Excellency, the Representative of that Government, to interfere in this matter of the demand of the Commissioners for Income Tax on profits which were never made, the whole of your Memorialist's income being derived from the interest of his property invested in the Government Securities and which in consequence has already before its receipt been diminished by the deduction of the just and legal amount (on account of Income Tax) from it.

And your Memorialist will ever pray,

(Signed.) JOHN ARATHOON.

MADRAS,
30th December 1862.

CORRESPONDENCE.

A.

To

C. J. WINSCOM, Esq.,
Income Tax Collector.

SIR,

Pursuant to the explanations given to me by the Income Tax Officials, I pay now your Bill No. 1,619, dated the 13th March 1862, for Rupees 150, with this understanding, that having made no profit whatever until this day, I shall re-claim the refunding of the amount in case I make no profit equal to your Bill till the end of the year fixed for such demand.

I am, &c.,

July 3rd, 1862.

(Signed.) JOHN ARATHOON.

B.

MY DEAR MR. ARATHOON,

I send you an Official Memorandum by which you will see that we are to have a Board meeting on Friday next, if you will be so good as to look in at 12 on that day, I will have your case before the Commissioners.

Your's truly,

10th November.

(Signed.) N. MORISON.

C.

MEMORANDUM.

No. 617.

The Secretary to the Income Tax Commission has the honor to inform Mr. John Arathoon that the Board of Commissioners of Income Tax will sit between the hours of 12 and 2 on Friday next the 14th instant. If Mr. J. Arathoon will be so good as to bring his account and such other proof as he may wish to submit to them, his case will be finally disposed of by the Commissioners.

By Order,

OFFICE OF THE INCOME TAX COMMISSIONERS, MADRAS, *10th November* 1862.

(Signed.) N. MORISON,
Acting Secretary.

To

JOHN ARATHOON, Esq.,

D.

To

H. A. BRETT, Esq.,
Commissioner of the Income Tax.

SIR,

With reference to my letter of the 3rd July last to your Secretary in paying the Bill for Rupees 150, for the two quarters, I have observed to him that I made no profit to justify the payment, but I pay the amount in accordance with the Rules and Regulations of the Office to claim the refund, if I did not till the end of the Income Tax year make myself liable to the Tax.

And in conformity with your Official Memorandum of the 10th instant, I attended at your Office yesterday with my Account Book, and other documents to prove and convince you of the correctness of my above statement. But without any reference to the Book after some summary conference, to aid all of which, I gave you every satisfactory information, you came to the decision, that I must pay, as the Board adopted that conclusion. An unaccountable, if not to say an arbitrary conclusion founded upon mere supposition, without the slightest ground of proof or right to come at it. To which I immediately observed that it being an incorrect and wrong conclusion I shall not abide by it, and the Board might take any course they please. Submitting at the same time the matter to your re-consideration, as my impression is, that you have been misled by erroneous information communicated by a party in the Board to whom I may not distinctly point.

I now beg that you will as becoming the character of an English Gentleman sitting there to administer Justice, be pleased to order the refund of the above amount. And if my Account Book be still required for inspection, I shall be ready to produce it at any time you may be pleased to appoint.

I am, &c.,

MADRAS,
15th November 1862

(Signed.) JOHN ARATHOON.

E.

No. 630.

OFFICE OF THE INCOME TAX COMMISSIONERS,
MADRAS, *15th November* 1862.

FROM

N. MORISON, Esq.,
Secretary to the Income Tax Commission.

To

JOHN ARATHOON, Esq.,

SIR,

I am directed by the President to acknowledge receipt of your letter of this date, and to state that the Board fully considered your case, and were of opinion, that the assessment under Schedule II should not be reduced.

I have the honor to annex a copy of an Extract of the Board's Proceedings under date the 14th instant.

I have, &c.,

(Signed.) N. MORISON, *Secretary.*

Mr. Arthoon having failed to produce any proof in support of his statement that he does not trade in diamonds, and of any loss in his interest transactions,—Resolved that his assessment under Schedule II be confirmed.

(True Extract.)

(Signed.) N. MORISON, *Secretary.*

F.

H. A. BRETT, Esq.,
Commissioner of the Income Tax.

SIR,

In reply to a letter from your Secretary, dated the 15th instant, and received not till yesterday, Sunday the 16th instant, I have only to state, that I have given you every satisfactory explanation maintaining my rights, and I regret a reply should now be made to my said letter denying facts so tangibly and satisfactorily assigned.

To demonstrate the loss sustained by me on certain interest transactions, independently of the extract I furnished you, I produced my Account Book and other documents which would prove it at once as clear as noon day, to any impartial mind, but I regret to say, you absolutely refused to inspect or cared anything about them; what further testimony then, can be demanded by you, or possibly produced by me to satisfy you of the truth of my statement, I am at a loss to understand.

In reference to my dealings in diamonds I repeat, that there was no profit realized by me, as can be seen by my Books; for the chief business in that matter within the year 1861-62, was merely to serve friends by procuring them a few precious stones as required in a friendly was without deriving personally any profit or benefit thereby. I therefore trust from your sense of justice you will on re-consideration be pleased to admit the justice of my demand, and comply with my request.

I am, &c,

17th November 1862.

(Signed.) JOHN ARATHOON.

G.

No. 636.

OFFICE OF THE INCOME TAX COMMISSIONERS,
MADRAS, *17th November* 1862.

FROM

N. MORISON, Esq.,
Secretary to the Income Tax Commission, Madras.

To

JOHN ARATHOON, Esq.,

SIR,

I am directed by the President to acknowledge the receipt of your letter of this date, and in reply to state, that should you think it necessary to produce your Books before him, he will be prepared to inspect them on Friday next between the hours of 12 and 2 P. M.

He however observes, that the Books were not inspected, because from your own statement it was understood, that they could not furnish any conclusive evidence on the question at issue.

I have, &c.,

(Signed.) N. MORISON, *Secretary.*

H.

N. MORISON, Esq.,
Secretary to the Income Tax Commission.

SIR,

In answer to your letter of the 17th instant just received, I have to say, that I shall attend with my Book on Friday next at 12 o'Clock.

With regard to the second paragraph of your letter, I merely mentioned, that my Book or Accounts are written in the Armenian language, but the figures of the different sums, as well as the dates, are in simple English figures, and that I was ready to explain the substance as required. I now write to repeat the same observation, that the President may bring in such person who may translate the Accounts in the English language, and if he likes I shall ask any Armenian gentleman who can explain the matter in English to attend at the Office on Friday next at 12 o'Clock.

I have, &c.,

MADRAS,
18th November 1862.

(Signed.) JOHN ARATHOON.

(True Copy.)

(Signed.) JOHN ARATHOON.

I.

H. A. BRETT, Esq.,
Commissioner of the Income Tax.

SIR,

With reference to our correspondence on the subject of the Income Tax, and the explanation I gave you in support of my claim, I trust, that, as you cannot fail to see the legality and justice of my demand, and as you have not yet taken any measure towards its adjustment, I beg now to request, that you will be pleased to give the necessary order for the refund of the 150 Rupees paid on the 3rd July last, in order to a final settlement of this long standing matter.

I have, &c.,

MADRAS,
16th December 1862.

(Signed.) JOHN ARATHOON.

J.

OFFICE OF THE INCOME TAX COMMISSIONERS,
MADRAS, *23rd December* 1862.

To

JOHN ARATHOON, ESQ., *Madras.*

SIR,

I am directed by the Board of Income Tax Commissioners to acknowledge the receipt of your letter to the address of the President dated the 16th December 1862.

The Board having carefully considered your case do not deem it necessary to enter into any further investigation, and they have directed the collecting Officer to forward his receipt for the Tax due by you, which be good enough to pay on presentation.

I have, &c.,
(Signed.) N. MORISON, *Secretary.*

K.

TO THE SECRETARY OF THE INCOME TAX COMMISSION.

SIR,

In reply to your letter of yesterday's date received late last evening, I have to state, that I have said and repeated ever and over, that your Board came to a wrongful conclusion in my case, without inspecting or even looking at my Books, but decided upon a mere erroneous supposition, that I made a profit of 7,500 Rupees to levy a tax thereon, a measure which to any unbiassed mind must be very unfair, if not highly arbitrary and iniquitous.

The Act exacts a Tax upon *actual* Income or Profit and not upon false supposition. On my *actual* Income on Government Securities, the tax is levied to upwards of one hundred Rupees a month on an average, before the interest is paid to me ; and as to profit I made none to justify a tax, as repeatedly stated.

Your Bill being illegal and your demand an unjustifiable one, I cannot pay it, as I have already said.

I take this opportunity to request again the refunding of the 150 Rupees, paid on the 3rd July last under a fair and clear understanding to be returned to me, unless this payment be justified by subsequent Profit, pursuant to my letter of the 3rd July last, and consistent with the provision of the Act to that effect.

We are fortunately living in a country under a safe British Government and a High Court of Justice, where the rights of individuals are safe against injustice and extortion under unjustifiable demand. I feel myself confident and secured against any harsh or compulsatory measures that can be taken against me to enforce illegal payment.

I have, &c.,
(Signed.) JOHN ARATHOON,

MADRAS,
24*th December* 1862.

(True Copy.)

(Signed.) JOHN ARATHOON.

No. 134. From JOHN ARATHOON, Esq., to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 8th January 1863.

SIR,

Adverting to my Memorial forwarded to you on the 5th instant, I have the honor to state that if the Government will favor me by perusing it, I shall have pleasure in submitting a translation from Armenian into English of the account I produced for the inspection of the Income Tax Commissioners, but which as will be observed from my Memorial, the Commissioners did not do me the kindness of even looking at, in support of my declaration that no profit had accrued to me by interest on money transactions or by trade in Diamond during the year 1861-62.

No. 135. ORDER THEREON, 12th January 1863, No. 70.

The Government have no power of interference under the existing Law.

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

Rec 1865 &
ans Rec 40

The Govt. have no power
of interference under
the existing Laws

L. W.

Ho Fortifications
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Rec 1865 &
ans Rec 40