

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 786

Press

~~Mis.~~

72-73

Dated

7-5-19/864

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
7th May 1864.*

No. 72. Read the following Proceedings of the Board of Revenue, dated 8th April 1864,
No. 2,123.

Read the following letter from the Acting Collector of Madras, dated Pulicat, 8th March 1864,
No. 110 :—

1. As requested in the Proceedings of the Madras Government, dated 17th November 1863, No. 2,063, I have the honor to report upon the working of the Income Tax Collection Department, after its transfer to the Madras Deputy Collector's Office.
2. The transfer was made on the 1st of December last, and the accompanying Statement shows the Collections realized during the last three months compared with the corresponding months of the past year.

Divisions.	COLLECTION FROM DECEMBER 1863 TO FEBRUARY 1864.									Total of Co- lums 2, 3, and 4.	COLLECTION FROM DECEMBER 1862 TO FEBRUARY 1863.									Total of Co- lums 6, 7, and 8.	Increase.	Decrease.				
	Current.			Arrears.			Warrant Fee.				Current.			Arrears.			Warrant Fee									
	1	2	3	4	5	6	7	8	9		10	11														
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	Rs.			
1st... ..	16,967	0	0	1,281	10	11	...	...	...	18,248	10	11	14,363	12	0	3,358	4	0	...	...	...	17,722	0	0	527	...
2nd... ..	1,126	8	0	571	10	4	...	...	...	1,698	2	4	4,699	11	9	879	8	6	...	...	...	5,579	4	3	...	3,881
3rd... ..	358	3	0	363	4	3	...	...	...	721	7	1	565	0	3	2,024	7	0	...	...	...	2,590	7	3	...	1,869
4th... ..	1,328	12	3	740	7	0	...	...	...	2,069	3	3	4,351	10	0	379	15	3	...	...	...	4,731	9	3	...	2,632
5th... ..	1,219	5	3	3,516	6	3	...	...	...	4,735	11	6	3,538	10	9	2,987	6	9	...	...	...	6,526	1	6	...	1,790
Special Commis- sioners...	12,027	10	9	117	7	3	...	...	...	12,145	2	0	19,964	7	0	1,976	7	9	...	...	...	21,940	14	9	...	9,796
Total...	33,027	7	3	6,590	13	10	105	8	0	39,618	5	1	47,484	3	9	11,606	1	3	338	14	0	59,090	5	0	527	19,472 527
Net decrease...																							18,945			

The apparent large decrease of Rupees 18,945 is owing mainly to the abolition of the two per cent. Income Tax upon incomes under 500 Rupees per annum, and to the discontinuance of the extra establishment hitherto maintained. The Deputy Collector says he has no doubt that "our future collections will be upon a favorable scale," and suggests some modifications in the establishment calculated to bring about this desirable result.

3. The present staff is as follows.—

	RS.	A.	P.
1 Accountant...	60	0	0
1 Writer ...	25	0	0
1 Bill Writer ...	25	0	0
1 Ledger Writer ...	25	0	0
1 Shroff ...	75	0	0
5 Collecting Conocopolies ...	14	0	0
2 Peons. ...	...	...	...
Total...	249	0	0

The Deputy Collector reports that he can dispense with the services of one Writer on 25 Rupees a month, as experience shows two will be sufficient for the work in the Office; he would also reduce the pay of the Head Accountant from Rupees 60 to 35, and that of the two Writers still to be retained to Rupees 20 each from Rupees 25.

4. The Shroff sent to us from the Income Tax Department was detected by the Deputy Collector embezzling money, tried before the High Court, and sentenced to eight months' rigorous imprisonment; his place has not been filled up, the duties having been performed by the Quit-rent Shroff in the Deputy Collector's Office in addition to his own. This Ca hie has received the full salary Rupees 25 from the Income Tax Department, his own pay in the Quit-rent Office having been credited to Government.

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5. Rungasawmy Iyengar advocates the retention of more collecting Conocopolies. These are the Officers who actually do the work of collections, and to whose efforts we have mainly to look for the punctual realization of our dues. There were, when the Income Tax Establishment was first introduced, 15 of these employes, now there are only five. The extent of the divisions entrusted to them is more than they can possibly manage satisfactorily, and they have consequently to waste much time in traversing these extensive beats. I give as an example the localities comprised in one of these Divisions.

5th Division.—From Chintadrepettah to Cenotaph comprizing Triplicane, Chintadrepettah, Tenampett, Mylapur, Nungambakam, Royapett, Meersaibpettah and Adyar.

Another Conocopoly has the half of Black Town. The Deputy Collector proposes to employ, from the savings already mentioned, three extra Conocopolies; the establishment would then, according to his scheme, stand thus:—

					RS.	A.	P.
1 Accountant ...	...	...	...	...	...	35	0 0
2 Writers ...	...	...	...	...	...	40	0 0
1 Shroff ...	...	...	...	...	...	25	0 0
8 Conocopolies ...	...	...	...	...	...	120	0 0
2 Peons ...	...	...	...	...	...	14	0 0
Total...					234	0 0	

Saving effected from the pay of the Quit-rent Shroff Rupees 15 + saving by reduction now proposed 15=30.

6. I should be unwilling to recommend so large a reduction in the Accountant's salary, the Deputy Collector has fixed the payments upon a scale that he deems equivalent to that ruling in other Departments, considering the work to be performed; but I think this Head Accountant should not receive less than Rupees 50. I would certainly advocate the retention of the three extra Conocopolies, as I feel confident Rungasawmy Iyengar would not have asked for them could he have got on satisfactorily without them. The alterations I propose will be as follows, and there will still remain a saving to Government of Rupees 15 by the combination of the duties of the Income Tax and Quit-rent Shroff.

						RS.	A.	P.
1 Accountant...	...	...	...	...	...	50	0 0	
2 Writers. ...	...	...	...	...	...	40	0 0	
1 Shroff. ...	...	...	...	...	...	25	0 0	
8 Conocopolies. ...	...	...	...	...	...	120	0 0	
2 Peons. ...	...	...	...	...	...	14	0 0	
Total...					249	0 0		

I would finally add that the Deputy Collector feels his efficiency restricted, and his efforts retarded by his not having authority to issue distraint and arrest warrants. I have already requested the Commissioners that this necessary authority may be delegated to him, but as yet have had no reply to my solicitation.

1. Resolved that the foregoing letter be submitted for the consideration and orders of His Excellency in Council, with reference to the Order of Government, under date 17th November 1863, No. 2,063.

2. When directing that the collection of the Income Tax in the Town of Madras should after the 1st of December last devolve upon the Deputy Collector of Madras, to whom the Collecting Department of the Income Tax Commission was to be transferred, the Government required the Acting Collector of Madras to report in a month or so what reductions he could

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make in this Establishment. In the above recorded letter, Mr. Banbury replies to this requisition, and while advocating an increase in the collecting agency by entertaining three additional Conocopolies, he proposes to make a general reduction in the Account Branch of the Establishment, resulting in a net saving of Rupees 15 per mensem. The Deputy Collector would increase this saving to Rupees 30 by reducing the Head Accountant's salary to Rupees 35 instead of to Rupees 50 as recommended by Mr. Banbury.

3. The Comparative Statement given in paragraph 2 of Mr. Banbury's letter shows that the collections during the three months that the Department has been under the charge of his Deputy are about 33 per cent. below the collections made by the Income Tax Office during the same months in the previous Income Tax years, 1862-63. Mr. Banbury ascribes this falling off in the collections to the abolition of the 2 per cent. Income Tax on incomes below Rupees 500 per annum; but this can hardly be the cause, as the 2 per cent. Tax was abolished from the 1st of August 1862, or three months before the period with which the comparison is made. The Board observe that a considerable portion of the decrease is in current collections. They therefore believe that the decrease may be owing in a great measure to the reduction of the Tax from 4 to 3 per cent.

4. The Board recommend that the Acting Collector should be allowed to entertain three additional Conocopolies, and to make the proposed reductions in the Account Department, the pay of the Accountant being fixed at Rupees 50 as suggested by Mr. Banbury. They observe, however, that the Acting Collector has not stated to what extent his Deputy Collector has availed himself of his Quit-rent and Abkarry Establishments in collecting the Income Tax. It was considered that by employing these establishments the Deputy Collector would be able to reduce the Income Tax Establishment as handed over to him in December last; and the Board are of opinion that the Deputy Collector should endeavour to make a large portion of his collections by means of these two Establishments, and should specially employ them in collecting the old arrears, which amounted on the 1st December last, when the Collecting Department was handed over, to Rupees 4,114. It appears that the sum collected on account of these old arrears up to the 21st ultimo, was Rupees 1,226.

5. The point raised by Mr. Banbury in the closing paragraph of his letter was disposed of in the Government Order noted in the margin; a copy of which was sent to Mr. Banbury with the Board's Proceedings under date 14th March 1864, No. 1,567. The Deputy Collector has only to send warrants for distraint or for arrest to the Commissioner's Office for signature instead of signing them himself, the same course which the Collector attached to the Income Tax Commissioners was required to follow when the Tax was collected under their immediate supervision.

No. 73. ORDER THEREON, 7th May 1864, No. 786.

1. As a temporary arrangement the Government sanction the changes in the Collecting branch of the Income Tax Department, proposed in paragraph 4 of the foregoing Proceedings. The Establishment will be that detailed in paragraph 6 of the Acting Collector's letter, dated 8th March last. There is no increase of expenditure incurred by the alteration.

2. Within a reasonable period after the tax for the last quarter of the current year falls due, the Board will submit a report on the operations of the year. In the meantime the Collector will keep the Board's remarks (paragraph 4) steadily in view. The Deputy Collector of Madras has, it is understood, eighteen Conocopolies under his orders for the purposes of the Quit-rent Department, and as these individuals must be constantly traversing the Districts which are comprised in the Divisions allotted to the Income Tax Conocopolies, and as they must be acquainted with the names and residences of most of the Income Tax payees, it would seem a matter of little difficulty to arrange for the speedy collection of the tax with the retention

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perhaps of a small portion of the existing Income Tax Establishment. The Board allude, it is observed, to the Abkarri Department, and if this Establishment can afford aid, matters will be still further simplified.

3. The progress made in collecting the old arrears appears to have been very small.

(True Extract.)

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

To the Board of Revenue.
„ the President of the Income Tax Commission.
„ the Accountant General.
„ the Civil Paymaster.

Exd. S. T. Augustin,

R. D.

W-786.

*Proceedings of the Madras Government
under date the 7th May 1864*

*Read the following
Proceedings of the Board of
Revenue.*

*Submitting for consideration
letter from the Acting Collector of
Madras, reporting on the working
of the Income Tax Collection Depart-
ment, after its transfer to the
Madras Deputy Collector's Office.*

*(Here enter 8th April 1864
No. 2123)*

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14 April 1864
12 President of the Income Tax Commn
3 Secy Genl
3 Civil Paymasters

L. J. G. L.

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Revenue 1864 Sept 1st
 No. of Post for ...

1898.
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 17 June 1857 ...

Sept 1st

No. No. 205-206
 17-11-63
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