

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	2145	Press ~~Mis.~~
	178.179	
Dated	8-9-	1863.

Not to be folded or roughly handled

No. 178. Read the following letter from R. A. DALYELL, Esq., Acting Secretary to the Board of Revenue, to W. HUDLESTON, Esq., Acting Secretary to Government, Revenue Department, dated Madras, 15th June 1865, No. 3,233 :—

Sir,

1. With reference to the Order of Government, dated 5th April 1865, No. 741, I am directed to submit for consideration the annexed Draft of a bill for the imposition of a road cess in the form of a rent charge upon all the cultivated lands of the country, whether held on Ryotwary tenure, or on Zemindary, or other favorable tenure.

2. It will be observed, that the rent value of lands held on Ryotwary tenure has been taken to be the assessment and water-rate payable to Government on such lands, and that in the case of Zemindary, or other favorable tenures, means have been provided for ascertaining the rent value liable to cess, as directed in paragraph 13 of the Order.

3. Provision has also been made for the collection of the cess by Zemindars, and other land-holders, as the Board saw considerable difficulty in collecting it from their tenants in any other mode; and in cases of dispute as to the amount of assessment an appeal to the Board of Revenue has been provided, whose decision is to be final: the jurisdiction of the Civil Courts being barred in all questions of the assessment of the rate of cess payable.

4. In submitting this Draft for the consideration of Government, the Board would take the opportunity of making the following remarks.

5. In the Order adverted to above, the Government pointed out that, in round numbers about one crore of Rupees was wanted for the construction of the Imperial roads required in this Presidency, and another crore for the construction of the necessary District roads, and that an annual maintenance allowance of about ten lacs of Rupees was required to keep the latter roads in repair. They went on to show, that the Imperial Funds would never be likely to be able to bear such a heavy charge as that needed for the construction and repair of District roads, and explained that inasmuch as the occupants of lands held on Zemindary, or favorable tenures, benefit by the District roads equally with others, it was only fair that they should bear a portion of the burden of their construction and maintenance. In conclusion, the Government directed the preparation of the Draft Bill now submitted, being of opinion apparently* that it would provide for the collection of a light cess *equally distributed on all*.

* Paragraph 15 of the Order.

6. It seems to the Board, however, that one objectionable feature of this Bill is, that it does not reach a very large section of the community whose interests are benefited in a very considerable degree by any improvement in the means of moving produce from place to place. The whole burden of the taxation imposed by the Bill will fall directly upon the agricultural class, and it is well known that, speaking generally, the inland trade of the country is not in the hands of that body. The local trader, and the village soucar and shroff will escape taxation, though in most Districts they will reap a very considerable portion of the benefit from the improvement of the local communications. The value of produce will be increased; but the Board apprehend that only a portion of that increase will reach the grower. At any rate, for some years to come, the per-centage of the increased value, which

*Proceedings of the Madras Government, Revenue Department,
8th September 1865.*

will be retained by the person who acts as the medium between the producer and the consumer, will be a large one, and there is no reason why he should enjoy these additional profits untaxed.

7. It was with the view of requiring those persons who used the roads to pay for them that the Board advocated the Cart tax; and though, as pointed out in the Order of Government under date 22nd June 1864, No. 1,081, there are some objections to its imposition, the Board doubt whether the advantages gained by some attempt at an equalisation of taxation will not counterbalance them. Any measure which tends to relieve the agriculturalist at the expense of the untaxed section of the community, is, in the Board's opinion, deserving of consideration.

8. In Great Britain, the roads are divided into two classes; the highway roads and the turnpike roads, which very nearly corresponds with the classification adopted here, of District roads and Imperial roads. The highway roads, which are similar to our District roads, are, as a rule, constructed, maintained, and repaired at the expense of the Parish in which they are situated. For this purpose, a highway rate is assessed in the same manner and upon the same persons, as is the poor rate.

9. Probably, if the incidence of Imperial taxation upon the inhabitants of this Presidency was equally apportioned on all classes of the community, the fairest mode of raising funds for District roads would be to adopt the English system, and to require every village to assess a rate upon its inhabitants for the purpose. This arrangement might either be carried out by a machinery similar to that provided in Madras Act VI. of 1863, for the assessment and collection of the educational rate, or the Statute labour system, which the Board believe is in force in Ceylon, might be introduced with a few modifications to suit local peculiarities.

10. It is well known, however, that the incidence of the State taxes is by no means equal. By far the largest share of the burden is borne by the agricultural classes, and, for the reasons given in paragraph 7 above, the Board would desire to equalize the general burden of taxation throughout the country, would fall upon those persons, who, in the opinion of the Board, are likely to be large gainers by an improved system of District roads.

11. The people of the country are well accustomed to a tax upon arts, trades, and professions; and the Board believe that a well considered measure of this description, or a light Income tax assessed with care, would, without much difficulty or oppression, produce a revenue of fully 20 lacs of Rupees per annum. With this addition to the Local Funds, they would be in a position to bear a considerable annual charge for the construction and repair of District roads; and the expenditure of the crore of Rupees said to be necessary to complete their construction would of course be extended over a number of years.

12. The introduction of a general License, or Income tax, throughout the country for local purposes would necessitate some alteration in the Municipal Bill now before Council; but the Board have no hesitation in bringing the matter prominently to the notice of Government, as they have great doubts of the expediency of monopolizing for municipal purposes no less than three means of taxation, any one or more of which might hereafter prove a very convenient mode of levying

- House Tax.
- Wheel Tax.
- Income Tax.

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8th September 1865.*

funds for local purposes of a general nature. The Board specially object to the levy of a wheel tax, under the provisions of this Bill, when it is not apparently in contemplation to do more than keep the streets of the town in repair from Municipal Funds.

13. Should the Government concur with the Board, in considering that it is advisable to raise additional funds for local purposes by means of a general measure of the nature referred to, the Board would beg to be permitted to submit hereafter a Draft Bill for the purpose. Meantime, the Bill now submitted might be applied to all Districts in which a road cess is at present collected, and might be extended to Zemindary and Rent Free tenures in all Districts if desired; but the Board deem it right to bring to the notice of Government that the Zemindar's tenant upon whom the tax will fall, is in a very inferior position to the ryot cultivator of the Government lands. His assessment, or the rent he pays the Zemindar, has not been reduced, and he has received but little of the relief which the Government Ryots have obtained as to the taxing of outlay made from private capital. Hereafter, however, as the general revision of the land assessment proceeds, the collection of a road cess might be introduced simultaneously with the revised assessment into all Districts.

No. 179. ORDER THEREON, 8th September 1865, No. 2,145.

Local Funds. No. 7

1. The Government approve generally of the Bill submitted with the above Proceedings, and direct that, as

slightly modified by them, it be transferred to the Legislative Department, in view to its being brought before the Council for consideration.

2. The Government concur with the Board in thinking it very desirable that all classes of the community, who benefit by good roads, should contribute in some form to their maintenance, but they see difficulties in the way of taxing the non-agricultural classes without laying the double burden on the occupiers of land, and in any case they see no reason for postponing the present measure until a more complete one can be devised.

3. It may safely be assumed that indirectly the consumers of the produce will bear their fair share of all burdens laid on the land.

4. The Government do not share the Board's doubts as to the expediency of assigning so many sources of revenue for Municipal purposes under the Towns Act recently passed.

5. They observe that that Act contemplates far more than "keeping the streets of the town in order," as stated by the Board. The first charge on the Municipal funds is the Town Police, which will be necessarily an expensive item, and then all town improvements will have to be provided from this source.

6. The Government consider that the Towns Municipal Act appropriates no item of revenue which could more fairly be assigned to a District Road Fund.

(True Extract.)

(Signed) W. HUDLESTON,
Acting Secretary to Government.

To the Board of Revenue.
.. the Legislative Department.
Esd. S. T. Augustin.

roads should contribute

Revenue 1865 District
 Proff Govt for September
 N 2115.
 Pro of the Madras Govt
 D 8 September 1865

Revenue 1865 District
 Proff Govt for September

No 178 & 179

The Bill is in substitution for the existing road cess (W)

DRAFT Bill for the levy of a District Road Cess.

WHEREAS it is necessary for the better construction, repair, and maintenance of District roads, that a portion of the charges connected with the repair, construction, and maintenance of such roads, should fall exclusively upon the residents of the District in which such roads may be situated, it is hereby enacted as follows:—

I. From and after the passing of this Act, all occupied land in the Presidency of Madras is declared to be liable to the payment of a District Road Cess at a rate not exceeding 6 pice in every Rupee of the annual rent value of such land.

II. This cess shall be payable by all Ryotwary Landholders as described in Madras Act II of 1864, and the assessment including any water rate payable by them to Government shall be taken to be the annual rent value of their lands upon which the Road Cess shall be calculated.

III. In case of lands held on any tenure other than Ryotwary, the Cess shall be payable either by the tenant of the Landholder, where there is a tenant, or, if the Landholder occupies the land himself, then by the Landholder.

IV. For the purposes of the last preceding Section, the rent payable by a tenant to a Landholder shall be taken to be the rent value of lands occupied by a tenant, and the Survey Assessment on lands occupied by a Landholder shall be taken to be the rent value of such lands: provided that where no Survey Assessment may have been fixed on such lands the Government Assessment on lands of similar quality in the neighbourhood shall be taken to be their rent value.

V. When revenue or rent is paid in kind, the District Road Cess shall be calculated on the market value for the time being of the produce so fixed in kind, and shall be leviable accordingly.

VI. Every holder of land on any tenure other than Ryotwary is hereby required to prepare once in every five years a list of his lands, whether occupied by tenants or by himself, giving in the one case the amount of rent payable to him, and in the other the annual rent value of the lands.

VII. If such Landholder shall fail to supply the list referred to in the last preceding

good roads should contribute in some form to their own improvement

Section to the Collector of the District, or to such other Officer as he may appoint within six months of the passing of this Act, and at any future time, within six months after he may be required by the Collector to do so, the Collector shall be empowered to fix the assessment on his lands at such amount as he deems proper, and the Landholder shall be liable to a fine not exceeding Rupees 50 for each day's delay until the list be supplied. Such fines shall be leviable by the Collector as an arrear of Land Revenue under the provisions of Act II of 1864, (Madras,) and shall be credited to the District Road Fund.

VIII. The Collector of the District shall be empowered to take such steps for ascertaining the correctness of the entries in the lists referred to in the preceding section by summoning before him the Curums of villages, anything in Regulation XXIX of 1802 to the contrary notwithstanding, by requiring the production of accounts and documents by summoning the other Village Officers, or the chief inhabitants of the villages entered in such lists, by deputing any of his Officers to make such inquiries as may be necessary, or by such other means as he may think proper.

IX. For the purposes of the last preceding Section, the Collector, or any Revenue Officer not below the grade of Tahsildar, shall have the powers given to Civil Judges under Act VIII of 1859 for the summoning of witnesses and the production of accounts and documents, and any person who shall obstruct any Revenue Officer when making the examination referred to therein shall be held to be guilty of obstructing a public servant in the discharge of his public functions as defined in Section 186 of the Indian Penal Code.

X. In the event of the Collector being dissatisfied with the list submitted by a Landholder, he shall, after making the inquiries referred to in Section VIII above referred to, proceed to amend the same, and shall supply such Landholder with a copy of such amended list, which for the purposes of this Act, shall be taken to contain the annual rent value of lands liable to the Road Cess, unless the Landholder shall appeal within three months to the Board of Revenue.

XI. On receipt of an appeal, as provided in the last preceding Section, the Board of Revenue shall cause such further inquiries to be

made as they may deem necessary, and shall then proceed to pass orders in the case, and the order so passed shall be final, and it shall not be competent to any Civil Court to entertain any suit regarding the assessment of District Road Cess.

XII. After the assessment of the Road Cess on the lands of all holders of land of other than Ryotwary tenure shall have been once completed by the Revenue Officers, it shall not be re-assessed for a period of five years, and Landholders shall collect the Cess so fixed from their tenants, and shall pay the same, each year to the Revenue Officer who may be authorized to receive it.

XIII. The Revenue Officers of the District shall collect the Road Cess from all holders of land in the same manner as they are empowered to collect the Land Revenue under the provision of Madras Act II of 1864, and the Road Cess is hereby declared to be included among the Cesses referred to in Section 52 of that Act.

XIV. Landholders in the occupation of land on tenures other than Ryotwary are hereby declared to have the same powers and to be liable to the same penalties in the collection of the Road Cess from their tenants as may be prescribed in any Act or Regulation which may be in force for the collection of rent due to a Landholder.

XV. The proceeds of the Road Cess shall be exclusively applied to the maintenance and construction of communications in the District in which the Cess is levied, under such rules as the Governor in Council may from time to time prescribe.

XVI. It shall be lawful for the Governor in Council by proclamation in the "Fort Saint George Gazette" to declare the provisions of this Act applicable to any District or to any part of a District situated within the Presidency of Madras, and the Act shall come into force on the date of such proclamation.

XVII. This Act may be shortly cited as the Madras Road Cess Act of 1865.

I concur in
approve generally
should come in in
beginning of time

good roads should contribute in some form to their

for L.H. for water & country. Each
man to prepare a list of diet with
pp.

I quite agree with Mr. Dyar. The teachers imposed upon the town, for money which purposes does not in any way affect the Country people or deprive them of any funds which could benefit the school for the maintenance of village roads.

22 June 1865, No 29729
S. J. / 1865-65-178

Revenue 1865. Department
Pr. of Govt for Sept

No. 1619-

From the Acting Secretary to the Board of Revenue.

To the Acting Secretary to Government, R. D.

Dated 15th June 1865.

Sept 1865
No 17
C/-

No 3,233.

L.O. 2145-2 L.P. 100

Submitting for consideration Draft of a Bill for the imposition of a road cess in the form of a rent charge upon all cultivated lands, and recommending the introduction of a light Income tax throughout the country for the purpose of raising additional funds for local purposes.

No 178

C 26 June 1865 R. D. / 1865-65-178

Revenue Department

No 2145.

Proceedings of the Madras Government under date the 8th Sept 1865-

Read the following letter from the Ag. Secy to the Board of Revenue-

Submitting for consideration, draft of a Bill for the imposition of a road cess in the form of a rent charge upon all cultivated lands, and recommending the introduction of a light Income tax throughout the country for the purpose of raising addl funds for local purposes-

(There enters 15th June 1865, No 3,233/-

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W. D.

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They observe that that Act contemplates far more than "keeping the streets of the town in order" as stated by the Board. - The first charge on the municipal funds is the town police - which will be necessarily an expensive item - and then

then all town improvements will have to be provided from this source.

The Govt consider that the Towns Municipal Act appropriates no item of revenue which could more fairly be assigned to a District Road fund.

L.R.

111. Father of Board of Police Draft
File Dec 9 1891
The Registrar of Police

40
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Revenue/1865
No. of 1865 for Sept

1865

No. of the calendar for
Sept. 1865

No. of the calendar for Sept.
1865

Ordering that the draft
of bill for the revision of
the code be submitted by the
Board to be modified and
transferred to the Legislative
Department for further
consideration.

1865

1865