

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	1699	<u>Press</u> <u>Mis.</u>
Dated	9 - 7 -	18 86.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
9th July 1866.*

No. 186. Read the following letter from the Collector of Ganjam, to the Secretary to the Legislative Council, Fort Saint George, dated Chetterpore, 9th May 1866, No. 868 :—

1. Having been absent from this country at the time that the Road Cess Act was before the Council, I have only now been able to submit to the Revenue Board the considerations set forth in the accompanying letter, and which I believe are of sufficient weight to call for the consideration of the Council before the provisions of the Bill are carried out, I therefore take upon myself respectfully to lay before the Council the letter I have addressed to the Board of Revenue on this subject, calling their attention to the fact that the term "District Roads" incorrectly defines the class of works which will be executed under this Act.

2. That a class already highly taxed are called upon to pay for works which confer general benefits to the community, and in particular on one class which is absolutely untaxed.

3. That the levy of a Road Cess on Zemindary Ryots, who already pay 50 per cent. of their gross produce, would be a serious injustice.

4. That the exemption of the Zemindar is inconsistent with the course taken at the imposition of the Income Tax, when the Zemindar was taxed and his Ryots generally exempted.

5. That there are easier and juster ways of raising funds for the object in view.

Transferred to the Revenue Department.

(Signed) A. J. ARBUTHNOT,
Chief Secretary.

25th May 1866.

No. 187.

ORDER THEREON, 9th July 1866, No. 1,699.

Local Funds, No. 3.

Recorded, the Collector's letter having already reached Government with the Proceedings, Board of Revenue, dated 19th May 1866, No. 3,519.
(True Extract.)

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

To the Collector of Ganjam.
,, the Board of Revenue.

Exd. S. T. Augustin.

Cost

No. 761.

From,

G. S. Forbes Esquire

Collector of Ganjam

To

W. Middleton Esquire

Secretary to Board of Revenue

And

Madras.

Adverting to the Board's
Order No. 2660 dated 17th ultimo
instructing Collectors to prepare
for the introduction of the Road
Cess Act. I beg to submit that even
though there may be little hope
of seeing this act amended. I conceive
it to be my duty to point out to
the Board how very unjustly it
bears upon the landholder.

2 The new cess is to be levied
upon the land rental within a
maximum rate of rather more
than 3 per Cent and its object is to
relieve the general Revenue of the

Cost

Cost of completing and maintain-
ing the inland Communications
of the Country, for though in the
act, the roads on which the pro-
ceeds of the Cess are to be spent
are styled "district roads," yet their
use and importance are more truly
described / as above / in the state-
ment of objects and reasons for
the Bill, and they are often and
indeed generally of vital importance
to the coast and inland trade, and
to the Salt Revenue. ~~Therefore~~ The
injustice of shifting the burden
of constructing these roads upon
the class which already contributes
most to the General Revenue, leaving
untouch ~~ed~~ interests and classes
which benefit most directly and
largely from them.

3 The theory of course is, that
the landholder is more interested
than other persons in the state of
Coun.

Communications, because he de-
pends on them to get his produce
to a market, but the fact is that
the smaller class of traders or
middlemen always purchase the
crops on the spot on behalf of
larger merchants and these make
their own arrangements for trans-
port. It has always been the ob-
vious interest of the traders to con-
tinue this system, which keeps down
the first price and leaves a larger
margin to the Merchant. Let them
fore those pay for the district
branch roads, who profit most
by them and not the rest.

4 The Board are well aware
that with the exception of that small
section of the Native Mohammedan
Community which is occupied with
Home and Foreign trade as distinct-
guished from the Port to Port trade
of these Coasts, there exists a very
large

large class of traders, whose profits are drawn entirely from untaxed trade and who pay no direct taxes in any other form, probably the balance of wealth is largely on the side of this class as compared with the agricultural and they of all others reap most signally the benefits afforded by good roads, efficient Police and general tranquillity. Yet while they pay nothing for these advantages, the largest contributors to the Revenue are now called upon to pay for the roads on which the untaxed traffic of their neighbours travels, roads which perhaps do not approach within miles of their villages. And though even the Income tax left all the smaller landholders untouched, a tax of 3 per Cent may now be imposed on them for objects which

which are in reality of general interest and value.

5 The only roads to which the ryot should now be called to contribute would be village roads, such as would bring them into easier communication with the so called district roads, and I submit that the Bill ought justly speaking to be limited to this object.

6. As regards the class to which I have referred as properly liable to a tax in support of district roads, I think the means of reaching them are easy. First and most simply by the License tax and which has every thing to commend it, being easily and cheaply collected familiar to the people and not difficult of imposition. Secondly by the imposition of a one anna Export duty on every bag, box, bale, parcel or package carried from port to port / being under

200 lbs weight, without reference to contents or value. There is no fear of this trifling amount checking trade and it would be collected by existing Establishments. Probably a considerable sum would be thus raised.

7 I am aware that large sums have been raised in South Arcot and elsewhere for district roads and that it might be deemed absurd and impolitic rather to abandon this fund or limit its application to village roads, but the fact that the ryot is being made to pay taxes which should fall upon other classes remains as a remarkable instance of unequal legislation.

8 I have omitted to notice in its proper place the case of the ryots on Zemindari Estates who under the terms of the new act will suffer more than the Government ryots.

The

The rent in the Ganjam Zemindari is for the most part 50 per cent on the gross produce. The ryots dividing the crop with the renter, this per centage will therefore be calculated on a heavier rental and will constitute a higher tax though drawn from a less substantial class than the Government ryots, and further to illustrate the unfairness of the arrangement, the Zemindars whose actual rental was virtually taxed under the Income tax (in spite of the Permanent Settlement) is now relieved of a liability which there is the same legal grounds for imposing as in the case for the Income tax for it was notorious to the framers of that act and to all the world that a Zemindar's income was in almost all cases his land rental neither less nor more.

Y

9. Trust the Board may
see grounds in what I have
stated, to seek for a revision
of the provisions of the act.

I have the honor

/Signed G. S. Forles
Collector

(True Copy)

G. S. Forles

Collector

Henry D. Webb, Boston, Mass., 1870.
In answer - Mr. J. H. Brown.

1786

To the Honorable
the Secy of the Navy

~~of the~~ Legislative
Council Madras

Dated 2nd } May 1866
Recd 14th }

~~1858~~
Lactaria m.

Submitted for the
consideration of the
Legislature Council
a letter as respects
the Board of Roads
on the provisions
of the Road Act
of 1837, 9th May
Wm. Munn
with order

from the Collector
of Land Revenue to the
Secretary to the
Legislative Council

Received
date - May 1966

~~No. 808~~ Nov 15 03/06
 George Wyllie & A. J. Sd.
 1412 W. 4th St.

Copy of a letter

Board of Directors
on the premises

of the Board of

1897

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