M.R.O. 14-5,450-22-10-25.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1773 Press ~~Mis.~~

23.24

Dated 2 — 8 — 18 67

Not to be folded or roughly handled

1773

Proceedings of the Madras Government, Revenue Department, 2nd August 1867.

No. 23. Read the following Proceedings of the Board of Revenue, dated 16th July 1867, No. 4,464.

Read the following letter from the Collector of Malabar, to the Secretary to the Board of Revenue, dated Calicut, 15th June 1867, No. 122:—

1. On my reference, dated 14th February 1867, No. 42, as to whether the Road Cess under Act III of 1866, Madras, should or should not be levied within Municipal limits in Malabar, the Board refer me to Government Order, dated 8th March 1867.

Board's Proceedings, dated 12th April 1867.

In that Order the Government express their opinion that the Road Cess levied on lands situated in Municipal limits may properly be credited to Municipal funds, but the preliminary question as to whether, under certain circumstances, the levy of the road-tax should not be foregone altogether is neither raised nor (apparently) considered.

2. In my previous letter I observed that in other districts the question would not probably assume as much importance as in this.

From the scattered residences, and intermixable suburbs, which compose Malabar towns, the Municipal limits are greatly extended, and comprise considerable extents of land paying the ordinary assessment to Government. Besides this ordinary assessment, the lands are further liable to assessment and generally assessed to the Municipality, *i. e.*, *inter alia* to local roads.

May not then Municipal land with justice be exempted from the further extra assessment to local roads under another Act?

3. The Municipal Act is a far more powerful fiscal engine than the Road Cess Act, and eventually large funds will be raised under it. To exempt the Municipalities from the Road Cess Act will not even in Malabar materially affect its proceeds. In Calicut, as shewn in my previous letter, about Rupees 620 only would be lost to its Fund, if the Road Cess Act is not applied. Throughout the district the proceeds of the Road Cess Act in Municipalities might come to about Rupees 1,800 per annum.

In these days especially it is most desirable not to apply a taxing Act to localities where it is not required; and the exemption whilst on the one hand it little affects the revenues, on the other will be agreeable to numerous sections of the population, who, whether rightly or wrongly, do feel themselves considerably aggrieved by Municipal burdens.

Submitted to Government, with the Board's recommendation that in modification of Government Order, dated 8th March 1867, No. 567, Revenue Department, the Road Cess Act be not applied to lands within Municipal limits, as the Municipalities assess them under Act X of 186[illegible], (Madras.)

No. 24. ORDER THEREON, 2nd August 1867, No. 1,773.

Miscellaneous.

1. The Government observe that under their Order of 8th March 1867, No. 567, Revenue Department, making over to Municipalities the proceeds of the Road Cess levied within Municipal limits, the question of the expediency of levying

Proceedings of the Madras Government, Revenue Department,
2nd August 1867.

the cess in those limits has no longer any interest as regards the District funds; and as the Mofussil Municipal Act X of 1865 provides for a rate on houses and lands for Municipal purposes, the Government will leave it for the Municipalities themselves to decide whether the levy of the Road Cess under Madras Act III of 1866 had better be discontinued within Municipal limits or not.

2. This rule will apply to all places in which the Towns' Improvement Act has been or may be introduced.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.
,, all Collectors.
,, the Accountant General.

Exd. S. T. Augustin.

R. 1773.

Sir

I am directed by the Governor in Council to forward for your information and guidance a copy of Proceedings of this Government, dated 2nd August 1867, ruling that the Municipal Councils should levy the Road Cess on houses and lands for Municipal purposes, with leave to the Municipalities to discontinue the Road Cess within their limits, if they think fit.

This rule will apply to all places in which the Towns' Improvement Act has been or may be introduced.

I have &c.

(Signed) W. HUDLESTON,
Secretary to Government.

2nd August 1867.

8th March 1867 No 114-130

Rev: 1867. Department.
No of Govt for augt

No. 1891.

PROCEEDINGS OF THE BOARD OF REVENUE,

Dated 16th *July* 1867.
Despatch
2204

No. 4,464.

Submitting letter from Collector of Malabar and recommending that Road cess Act be not applied to lands within Municipal limits.

Ckd 17th-Augt

No 2324