

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1743-44 Press
Mis.

499-501
Dated

20-6-1868.

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Revenue Department,
20th June 1868.*

No. 499. Read the following letter from the Controller of Military Accounts, to the Secretary to Government, Military Department, dated Fort St. George, 8th June 1868, C:—

1. I have the honor to request the orders of Government on the subject of the accompanying correspondence, appealing against the action of the Pay Office in levying Imperial License Tax on the Income of certain Non-Commissioned Officers employed in the establishments of the Clothing Department and Office of the Assistant Adjutant General, Royal Artillery.

From Assistant Adjutant General, Royal Artillery, No. 1/258, dated 2nd June 1868.
From Superintendent, Army Clothing, No. 514, dated 3rd June 1868.

2. It appears to this Office that, under clause 2 of Section 3 of Act IX of 1868, Non-Commissioned Officers and Soldiers, whose pay and allowances do not exceed Rupees 6,000 per annum, are absolutely exempt from taxation however employed.

3. Act XXI of 1867 exempted only Non-Commissioned Officers and Privates not in Civil employment other than employment in the Police. No exemption of this kind is made in the new Act, and the limit of Rupees 6,000 in the case of Non-Commissioned Officers and Privates in the latter, would appear to point to more lucrative employment than would be obtained by them in the Military Department, and to imply an intention to exempt these classes from taxation on *any* allowance drawn by them within that limit.

4. A Circular on this subject, received this day from the Controller of Military Accounts, Calcutta, is, however, opposed to this view, as will be observed by reference to the note to clause 2, page 2, in which it is ruled that Non-Commissioned Officers and Soldiers employed as Clerks are subject to the same rates of taxation as Clerks and servants of Government in receipts of a net salary of Rupees 83-5-4 per mensem.

5. This Circular, however, conveys the instructions of the Department only, and it may appear desirable that a reference be made on the point to the Supreme Government, with a view to an authoritative decision being obtained.

	RS.	A.	P.
* Military Pay	41	12	1
Compensation for rations	10	0	0
Office pay	60	0	0
Total	111	12	1

Rupees 150.

" 95.
" 95.
" 95.

6. It is observed that the Serjeant employed in the Office of the Assistant Adjutant General of Artillery draws a net salary of Rupees 111-12-1.* The Serjeants in the Clothing Department draw the consolidated salaries noted in the margin, which include Military pay, viz., Rupees 34-4-5.

From the Assistant Adjutant General, Royal Artillery, to the Controller of Military Accounts, dated Fort St. George, 2nd June 1868, No. 1/258.

The Paymaster, Presidency, having deducted Imperial License Tax of Rupees 1-1-0 from Serjeant G. F. Long, A. Battery, 23rd Brigade, Royal Artillery, attached to this Office, on account of his drawing pay for May 1868, as per margin, I have the honor, by order of His Excellency the Commander-in-Chief, to request you will be good enough to inform me whether, under Clause 2, paragraph 6, of your Circular No. 63 of the 9th

	RS.	A.	P.
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Office Pay	60	0	0
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*Proceedings of the Madras Government, Revenue Department,
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ultimo, this Non-Commissioned Officer should not be exempted from the operations of the Tax in question, and if so, that you will have the goodness to direct the same to be refunded to the Serjeant.

From the Superintendent and Agent for Army Clothing, to the Controller of Military Accounts, Fort St. George, dated Madras, 3rd June 1868, No. 514.

I have the honor to bring to your notice, that stoppages for Tax under Act IX of 1868 have been made by the Presidency Paymaster from the salaries of the Serjeants attached to this Department for May 1868, and, in forwarding their claim to exemption from the operation of the said Tax, I beg to refer you to Order of Local Government, Revenue Department, dated 2nd October 1867, No. 2,305, which taken in connection with paragraph 6, Section 2 of your Military Account Department Circular No. 63 of 9th May 1868, in my opinion establishes their claim to exemption. I beg, therefore, that the necessary instructions be given for a refund of the amounts stopped from the salaries of the Serjeants referred to.

Referred to the Revenue Department.

FORT ST. GEORGE,
12th June 1868.

(Signed) H. MARSHALL, Major General,
Secretary to Government.

No. 500.

ORDER THEREON, 20th June 1868, No. 1,743.

Miscellaneous.

1. The instructions conveyed by the Circular Order of the Controller, Military Accounts, Calcutta, appear to be opposed both to the provisions of Sections 3 and 23, Act IX of 1868, and to the terms of paragraph 23, Resolution Government of India, dated 20th April 1868, No. 2,464.

2. The Controller's ruling is of course not binding here, but as the point is one on which it is very desirable to ensure uniformity of practise, and as it may be assumed that the Calcutta Office made enquiries before issuing the C. O., the Government resolve to refer the question for the decision of the Government of India.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Military Department.

Erd. S. T. Augustin.

REVENUE DEPARTMENT,
FORT ST. GEORGE,
20th June 1868.

No. 1,744.

No. 501.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCIAL DEPARTMENT.

SIR,

Miscellaneous.

1. Clause 2, Section 3, Act IX of 1868, exempts from License Tax all Non-Commissioned Officers and Privates of

the British or Indian forces whose pay and allowances do not exceed Rupees 6,000 per annum, *without any exception*, thus differing from Section 3, Act XXI of 1867, which limited the exemption to persons of this class "who shall not be in Civil employment other than employment in the Police."

2. Section 23 of the present Act, when defining the class of Government servants liable to the Tax, expressly excepts those exempted by Section 3.

3. Paragraph 23 of the Resolution, Government of India, dated 20th April 1868, No. 2,464, expressly repeats the exception.

4. In opposition to these rulings and provisions, as it appears to this Government, the Military Pay Office here have levied License Tax on certain Non-Commissioned Officers employed in the Clothing Department and Office of the Assistant Adjutant General, Royal Artillery, and produce in support of their proceedings a Circular Order, No. 176, issued from the Office of the Controller of Military Accounts, Calcutta, dated 23rd May 1868, in which it is declared that Non-Commissioned Officers and Soldiers employed as Clerks, and in receipt, as such, of a net salary of Rupees 83-5-4 per mensem, and upwards, are liable to be assessed to the Tax.

5. This Circular Order is of course not necessarily binding here, but the Calcutta Office is not likely to have issued it without enquiry, and as the point is one on which it is very desirable that uniformity of practise should prevail, I am directed to refer the question of liability or otherwise for the decision of the Government of India.

I have the honor to be,
Sir,

Your most obedient servant,
(Signed) W. HUDLESTON,
Secretary to Government.

Erd. S. T. Augustin.

Employed

No 1743 3
 The instructions conveyed by
 the CO. of the Controller Genl.
 Aut. Salutation appear to be
 opposed both to the provisions of
 Sec. 3. & 23. Act-g. of 68. & to
 the terms of para 23. Resol. for. of
 J. of 20 Apr. 68. W. 2464.

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 to refer the question for the decision
 of the for. of India.

7 Copies - To the Military Dept. in Decr 2022. 20 June 68

Financial 1868 Department.

From Government of

Fort St. George,

Dated 20th June.

No. 1,744.

F.

Enclosures
6 spare copies

D. No.

Progs. { D. No.

L. No.

Referring, for the decision of the Government of
 India, the question of liability or otherwise to
 License Tax of certain Non-Commissioned Offi-
 cers employed in the Clothing Department and
 Office of the Assistant Adjutant General, Royal
 Artillery, of this Presidency.

7 Copies Despatch

Rev^d Department

No 1744

To

The Secretary to the
Government of India
Financial Department

Sir,

Clause 2, Section 3,
Act 9 of 1868 exempts from
License tax all non-Com-
missioned officers and
privates of the British
or Indian forces whose
pay and allowances do
not exceed Rs. 6000 per
annum, without any
exception - Thus differing
from Section 3, Act 21 of 1867,
which limited the exemption
to persons of this class
"who shall not be in Civil

Employ^d

Yours
W. H. A.

Officers employed in the Clothing Department and
Office of the Assistant Adjutant General, Royal
Artillery, of this Presidency.

employment, other than
employment in the Police."

Section 23 of the
present act, when defining
the class of Government
servants liable to the tax,
expressly excepts those
exempted by section 3.

Para 23 of the Reso-
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India, dated 20th April
1868, No. 2464, expressly re-
peats the exception.

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of the Government of India.

L.R.

20 June 68

To Court of Exchequer

Arthur Hill Esq. & Co.
Solicitors for the Plaintiff

No. 501

Received 1868 Septe.
No of Court for June

No 1744

To the Court of Exchequer
J. D.

8/20 June 1868.

Dec
1868

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