

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	2090	Press ~~Mis~~
^{55-56.} Dated	4-8-	12 1868.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
4th August 1868.*

No. 55. Read the following Proceedings of the Government of India in the Financial Department, (Separate Revenue—Assessed Taxes,) dated Simla, 17th July 1868, No. 1,133.

Extract from the Proceedings of the Government of Bombay in the Financial Department, No. 914, dated 24th June 1868.

Read the following letter:—

FROM DOSABHOY FRAMJEE, Esq., Collector of the Tax on Professions and Trades, to the Acting Chief Secretary to Government, Bombay, dated 13th June 1868, No. 137.

1. I have the honor to request the instructions of Government on the subject of allowing discount under the circumstances below stated.

2. Section 13 of the Certificate Act (No. IX of 1868) enjoins the Collector to prepare as soon as may be, after the 1st day of May, a list of the persons liable to take out certificates under the Act.

3. Clause I of Section 25 provides for the payment of the tax, where the amount equals or exceeds Rupees 40, by two instalments; the first instalment to be paid on *some day not later than 15 days after the name of the person paying the same shall have appeared in the list* mentioned in Section 13, and the second instalment on the 1st day of November.

4. Clause II provides that if in any such case *the whole amount be paid on or before the day on which the first instalment is to be paid*, the person paying such whole amount shall be entitled to a discount of $2\frac{1}{2}$ per cent. on the amount of the second instalment.

5. In strict conformity to the Act, therefore, if a person's name was entered in the list on the 2nd of May, he would be liable to pay the first instalment on the 17th of May; and if such person paid the amount of the second instalment on the same day, he would be entitled to a discount of $2\frac{1}{2}$ per cent. on the latter sum.

6. But, excepting in few cases, not one of those from whom I have already collected the tax paid *the same within 15 days from the date on which their names were entered in the list*, and they had, therefore, to be served with the notices of demand mentioned in Section 17. After the receipt of such notices, the tax has been freely paid for the whole year.

7. The question, therefore, for consideration is, whether the full tax not having been paid on the date on which the first instalment was due, as required by Clause II of Section 25 above quoted, *but after the receipt of the notice of demand*, the person paying the sum for the whole year is entitled to the discount upon the amount of the second instalment.

8. Having addressed the Collector in charge of the Certificate Tax at Calcutta to ascertain the practice observed by him, that Officer, in a letter, No. 48, dated 26th ultimo, has replied as follows:—

“I should make no difference as regards discount whether a person paid his second instalment before or after notice.”

9. It appears to me, however, that, under the strict reading of the Act, the discount is not admissible in those cases in which the second instalment was not paid on or before the day on which the first instalment became due, and, therefore, I solicit the decision of Government on the point.

*Proceedings of the Madras Government, Revenue Department,
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RESOLUTION.—The privilege of paying by instalments (as well as the corresponding one of receiving discount on the second instalment if paid in advance) seems to have been held out as an inducement to speedy payment without the trouble of serving notices. The privilege cannot be taken advantage of, unless the amount is paid within 15 days of the preparation of the list, and the power of issuing notices does not accrue till the privilege of paying by instalments lapses. It seems, therefore, clear that no person on whom a notice has been duly served, can exercise the privilege of paying by instalments, or receive discount. The opinion of the Collector is, therefore, approved by this Government. But as a different course is apparently adopted in Calcutta, copies of these papers should be submitted to the Government of India.

2. These papers may be published for general information in the *Government Gazette*, as the knowledge of the conditions under which the privilege of payment by instalments may be made use of will, perhaps, lead to more speedy payment of the tax in future years.

No. 915.

Endorsed by the Bombay Government.

Submitted to the Government of India.

The opinion of the Government of Bombay appears to be correct, and is accordingly adopted by this Government.

ORDERED that the foregoing Resolution be communicated to the Government of Bombay and the other Local Governments and the several Administrations.

Also, that it be published in the *Gazette of India*.

(Signed) E. H. LUSHINGTON,
Secy. to the Govt. of India.

No. 56.

ORDER THEREON, 4th August 1868, No. 2,090.

Miscellaneous.

Communicated to the Board of Revenue.

(True Extract.)

(Signed) H. SEWELL,
Acting Under Secretary to Government.

To the Board of Revenue.

Exd. J. Tulloch.

2090
Comm. to the
Board of Revenue.

4th Aug 68

14 Copies To the Secy. to the Govt. of India

*Also
sent in
Gazette*