MR. G. 1—82,000—15-10-20.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1368 Press Mis.

673-5
Dated 31-8-1920

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
31*st August* 1870.

Read the following telegrams:—

No. 473. From the Government of India, dated 25th August 1870.

"ANY revision of Income-tax assessment, except under the circumstances provided for in Section 37 of the Act : illegal."

To the Government of India, dated 26th August 1870, No. 27.

"THE Madras Chamber of Commerce request that merchants engaged in the European trade may be permitted to send in amended Returns of income, on the ground that the War has already had a disastrous effect on markets and prices. The Board of Revenue support this request, and the Collector of Sea Customs reports that trade with Europe is at a standstill. This Government concur with Board, and request the early orders of the Government of India. Pending their issue, the Collector of Income-tax for the Town of Madras has been authorized by the Board of Revenue to suspend further action under the Act in regard to incomes derived from trade with Europe."

No. 474. From the Government of India, dated 30th August 1870.

"YOUR message of 26th, about revision of Income-tax assessment, laid before Government of India. It is presumed that upon receipt of my message of the 25th proceedings under the Act were resumed; the Government of India cannot sanction any relaxation of the Law."

No. 475. ORDER THEREON, 31st August 1870, No. 1,366.

Miscellaneous.

RESOLVED that the foregoing telegrams be communicated to the Board of Revenue, who will be good enough to instruct the Collector of Madras to resume operations under the Income-tax Act, and to conduct them in strict accordance with the Law.

(True Extract.)

(Signed) H. E. STOKES,
Under-Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

Bobt. of Ldgr. Sec. Form.

REVENUE.

To

THE BOARD OF REVENUE.

Dated August 31st.

Recd. Last

G. O., 31st August 1870, No. 1,366.

AUGUST.

Nos. 473—475.

Income-tax.—Telegrams from Government of India declining to sanction any relaxation of the law in respect to revision of assessment, communicated to Board of Revenue, with orders thereon.

Telegram from the Govt of India circulated for orders.

On Friday last a telegram was received from the Govt of India pointing out that any revision of assessments under the Income Tax Act was illegal except in the case of death or insolvency. On the same day a long telegram was despatched explaining that owing to the effect of the War upon European trade, the returns of income derived from such trade were no longer correct, and supporting the request of the Chamber of Commerce and the recommendation of the Board of Revenue, that assess to

The tone & tenor of the Telegrams from the Supreme Govt. leave us, I think, no option but to inform the Board that the assessment of the Income Tax must be resumed & conducted in strict accordance with the Law, any relaxation of which the Supreme Govt. refuse to permit.

The result, I fancy, will be that those firms which sent in their returns promptly will be heavily taxed — while those which delayed will get it lightly! but this we cannot help. Our pros:

made on such returns might be revised. It was added that pending the receipt of orders from the Govt of India, the Coll. of Income Tax had been directed to stay action under the act in regard to this class of incomes.

The Govt of India in reply revert to their former telegram, presuming on receipt of it that action under the Income Tax Act has been resumed, and declining to sanction any relaxation of the Law.

It is submitted that though the Law may not admit of a revision of the assessments in question, it is quite competent to the Govt to remit

should, I think, give the telegrams in extenso and just so much of a statement of the case as will suffice to show that we comprehended the position of the mercantile community - without however anything to raise hopes that we cannot fulfil - or that will look as if designed ad captn.

L. D. S.

A. J. V.

I agree! In case return to the question of remission hereafter. N.P.

any portion of the tax thus assessed, and that to insist on the full collection of a tax assessed on a notoriously incorrect return of income would place the Govt in a most objectionable position with the public.

It is submitted that either a further remonstrance be addressed by telegraph to the Govt of India asking authority to remit collections in the cases under consideration, or that the Collector of Income Tax be directed to proceed with the assessment and collection of the tax, as required by the law, but to inform the persons interested that a strong representation will be

made by this Govt to the Govt of India requesting permission to make a refund of tax, at the end of the year, in all cases in which it can be shown that the actual profits during the year ~~are~~ have been ~~been~~ below the return of income on which the tax was assessed.

[illegible]

No. 1366

Proceedings of Govt — date 31st Augt/70

Read the following telegrams

From Govt of India dated 25th inst
Enter in full here — (it is in a sheet of foolscap in the tray on my Table)

To Govt of India — dated 26th
Enter in full as despatched

From Govt of India dated 30th
Enter in full as now received

Resolved that the foregoing telegrams be communicated to the Bd of Revenue, who will be good enough to instruct the Collector of ~~Income Tax~~ Madras to resume operations under the Income Tax Act, and to conduct them in strict accordance with the law. [illegible]

Sent from adm [illegible]

Mon 31st

[illegible]