M.R.O. 1—39,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1943-44 Press ~~Mis~~

111-113
Dated 6-12- N~ 18.70

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
6th December 1870.

Read the following:—

No. 111. Proceedings of the Board of Revenue, dated 1st December 1870:—

Read Proceedings of the Madras Government, dated 29th November 1870, No. 1,885.

THE collections on account of Income-tax during October amounted to Rupees 1,88,391, exclusive of stoppages made by the Accountant-General at the Presidency.

2. The rest of the information called for will be supplied tomorrow, as the Board find it impossible to prepare it before this evening.

No. 111-A. Proceedings of the Board of Revenue, dated 3rd December 1870.

Read again Government Order, dated 29th November 1870, No. 1,885, recorded in Board's Proceedings, dated 1st December 1870.

THE information regarding the Income-tax collections of October 1870 having been already communicated to Government, the Board will now proceed to explain how far their expectation that 17 lacs would be collected on the latter half of the year is likely to be realized.

2. In the first place, it is necessary to state that the Board's estimate of a revenue of 24½ lacs for the current year referred to by the Government of India was deduced simply by arithmetical calculation from the actual collections of last year.

3. The question now before the Board is not whether that estimate was correctly framed, but whether the whole of it is likely to be realized within the official year.

4. If the assessment of agricultural incomes had not been placed in abeyance for such a length of time, and if other assessments had proceeded more rapidly than they appear to have done, the actual collections would probably not have fallen far short of the estimated revenue.

5. But as matters stand now the work of assessment, even for incomes other than agricultural, is owing to great passive obstruction on the part of the people, caused by the enhanced rate of the tax, very backward throughout the provinces, and the Board have had to address Collectors on the subject repeatedly.

6. A careful calculation still gives the *demand* under all parts at 25 lacs.

	Lacs.
Part II.	3½
Part III.	1¼
Part IV.	20
Total...	25

*1¼ lacs.

The revenue from Parts II. and III. will no doubt be fully realized within the year. Under Part IV. the calculated demand on agricultural incomes is 6½ lacs, and that on other incomes 13½ including arrears* outstanding at the commencement of the year. The amount of assessments made hitherto under Part IV. is only 5½ lacs on incomes other than agricultural.

7. It is therefore clear that much yet remains to be done within the next four months, and that too at a time when the heaviest part of the work connected

with the Annual Land Revenue Settlement has to be undertaken. As, however, the latter work is likely to be very light in consequence of the prosperous character of the season, the Board are not without hopes that Collectors will be able to devote the necessary time and attention to the subject and complete the assessments with rapidity, as when the assessments are completed, the entire instalments will have fallen due; the collections will be proportionately large in the last three months of the year.

8. While there is thus the possibility of the entire estimated revenue being brought to account within the year, the Board cannot say they are sanguine as to the result. The work remaining is heavy, and the time is short, and as already observed, unwillingness to pay the tax is frequent this year. The Board think that, under these circumstances, it is not safe to count on *realizing* more than 20 lacs within the year.

9. It is essential that the establishments applied for in Board's Proceedings, 5th October 1870, No. 5,997, and 26th October 1870, No. 6,345, should be sanctioned without further delay.

No. 112. ORDER THEREON, 6th December 1870, No. 1,943.

Miscellaneous.

THE Government rely on the Board to use every means to expedite the collection of the tax.

2. Orders on their application for additional establishments for the purpose will reach them immediately.

3. Ordered that the following letter be sent to the Government of India:—

(Here enter No. 1,944, dated 6th December 1870.)

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.

Exd. E. C. Shunker.

Govt. of 1870 Madras.

REVENUE.

To

THE BOARD OF REVENUE.

Dated December, 6th.

Read.

G. O., 6th December 1870, *No.* 1,943.

DECEMBER.
Nos. 111-112.

Income-tax.—Proceedings of the Board of Revenue regarding collections during October 1870 with orders thereon.

REVENUE DEPARTMENT.
FORT SAINT GEORGE,
6th December 1870.

No. 113.

No. 1,944.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCIAL DEPARTMENT.

Miscellaneous.

SIR,—With reference to your telegram, dated 29th November last, I am directed to forward a revised estimate of Income-tax collections from all sources in the current year.

2. The backward state of the collections is attributed partly to great passive obstruction on the part of the people caused by the enhanced rate of the tax, but the uncertainty as to the method of assessing the tax on the profits from land practically threw much of the demand into abeyance. This hindrance has now been removed as reported in my letter, dated 1st instant, No. 1,896, and there seems every reason to believe that the collections will now proceed rapidly.

3. The totals of the statement now sent were transmitted to you yesterday by telegraph.

I have the honour to be,
Sir,
Your most obedient servant,
(Signed) W. HUDLESTON,
Secretary to Government.

Exd. E. C. Shunker.

Revised estimate of Income-tax collections for 1870-71.

	Collections up to October.	Estimate for the remaining five months.	Total of Columns 1 and 2.
	1	2	3
	Rs.	Rs.	Rs.
Board of Revenue	7,35,572	12,64,428	20,00,000
Acconntant-General stoppages made in the Presidency Town.	71,525	51,090	1,22,615
Public Works Department	24,219	17,299	41,518
Military Department	* 99,012	1,00,100	1,99,112
Total...	9,30,328	14,32,917	23,63,245

* *Note.*—Collections up to September. The estimate is for six months including October.

Financial 1870 Department.

[ ]

From Government of

Fort St. George.

Dated 6th December. } No. 1,044.
R. } Enclosures.
6 spare copies.

D. No.
L. No. Progs. { D. / No.

FORWARDING a revised estimate of Income-tax collections from all sources in the current year and explaining the cause of the backward state of the collections.

1943.

Pro. of the Madras Govt
Dated the 6 Dec 1870
Read the following
Pro: of the Bd of Rev:
M. B. 1st Dec 70 —
M. B. 3rd Dec 70

Income tax collections during 1870 Fasl. —
Submitting information regarding realization under Income Tax. —

1 The Govt. rely on the Bd
2 will by any means
Expedite the collection
of the Tax
Offrs on their
application for addl
& Establishment for the purpose
with Instructions immediately

Ordered that
the following letter
be sent to the Govt
of Madras
M. B.

14 Forbes Beaufoy Deputy Sec

Work Sheet 6
Office Sec. of State

6 P.D.

No 1944

To The Secretary to the
Government of India
Fin. Deptt.

Sir,

With reference to your
Telegram d/- 29th Nov.
last, I am directed
to forward a revised
estimate of Income
Tax Collections from
all sources in the
current year -

2. ~~Last Collections~~
~~that~~ the backward
state of the collec-
tions is attributed
partly ~~chiefly~~ to ~~the~~ great
passive obstruction
on the part of the
people caused by the
enhanced

enhanced rate of the tax - the assessment of the tax on the profits of persons holding land paying revenue to Govt has been in abeyance, as reported in my letter of 1st March No. 1896, & orders have been issued to proceed with the work.

3. A telegraphic copy of the total of the statement now sent herewith was transmitted yesterday by telegraph.

C.R.V.

ask the method of assessing the tax on the profits from land has practically ceased much of the demand not a legacy.

This hindrance has now been removed

and there is every reason to believe that the collections will now proceed rapidly

C. R. Cust

5/10/10

2/11/10