M.R.O. 1—30,000—16-10-99.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 2011 Press
~~Mis.~~

253-54
Dated 13-12-1870. D.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department.
13th December 1870.

No. 253. Read the following Proceedings of the Board of Revenue, dated 28th October 1870, No. 6,378 :—

Read the following letter from the Acting Director of Revenue Settlement, to the Acting Secretary to the Board of Revenue, dated Madras, 7th September 1870, No. 1,434-40.

I HAVE the honour to inform the Board that the introduction of the new arrangement regarding the charge for Village-cess in the Salem District, as laid down in the Proceedings of the Madras Government, dated 8th August 1870, No. 1,188, will delay the settlement of the Ahtoor Taluq, and retard the issue of the new Puttahs, which were ready for distribution.

2. The addition of the one Anna in the Rupee to the newly fixed rates will, in the case of the Ahtoor Taluq, necessitate the re-writing and re-calculation of numerous items contained in the Chittahs, Puttahs, and Registers; and, as there are 110,000 fields, including those known as interstitial, the task is one that must cause serious delay. Again, settlement operations that were in progress in the Salem and Trichengode Taluqs will likewise be retarded. In order to try and avoid the abandonment of the work hitherto completed, it was at first contemplated to alter the Puttahs and Registers by entering in columns, to be newly added, the amount of this additional impost appertaining to each field, thereby retaining unaltered the symmetry and regular gradation of the present sanctioned rates. It was also at first thought that, as this additional item was to be credited in the Puttahs merely for the purpose of being subsequently deducted as Village-cess, the Road-cess need not be levied thereon, thereby maintaining the present Road-cess calculations, and, in a word, suiting the present Registers and Puttahs to the altered arrangements.

3. But a brief consideration showed that the newly added cess is a *bonâ fide* item of Land-revenue, and that it must consequently not only be incorporated in the present rates regardless of all symmetrical considerations, but that Road-cess must be levied on this enhanced Government demand, notwithstanding the alterations in the Puttahs thereby caused.

4. It has consequently become necessary to frame a new table of rates which include the new impost, and which will have to be entered in the Puttahs, Registers, and Chittahs about to be re-written. I annex a statement (Appendix A.), showing the rates as formerly sanctioned, and as they now stand after the recent augmentation has been comprehended therein. Appendix B. shows how the classification is affected by the application of the revised rates.

5. It will be noted that the lower rates under eight Annas remain unaltered, as the addition of 6¼ per cent. would give results under six Pies, which in accordance with the Order of Government,* are not to be taken as integers. It is, therefore, proposed only to affix this impost upon lands assessed from eight Annas, which return a per-centage of ½ Anna and upwards.

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*Government of India Order, 3rd January 1861, No. 2.

6. The accompanying comparative statement (Appendix C.) shows the area and assessment under the recent arrangement, and it will be observed that, without dealing with the lower rates under *eight* Annas, there is an excess of Rupees 840 above what is required by the State for Village Service purposes if strictly calculated at one Anna in the Rupee.

7. In order to show the quantity of land that will escape the additional percentage, I give the following statement ;—

Rates already sanctioned by Government.	AREA.			Assessment.	Rate of assessment per acre including Village Service Cess.	Assessment.	Difference of columns 5 and 7.	Remarks.
	Occupied.	Unoccupied.	Total.					
1	2	3	4	5	6	7	8	9
RS. A.	ACRES.	ACRES.	ACRES.	RS.	RS. A. P.	RS.	RS.	
0 6 ...	65,150	115,551	180,701	67,763	0 6 4½	71,998	4,235	
0 5 ...	200	1,909	2,109	659	0 5 3¾	700	41	
0 4 ...	48,662	115,911	164,573	41,143	0 4 3	43,414	2,571	
Total...	114,012	233,371	347,383	109,565	....	116,412	6,847	

From this it will be noticed that the sum of Rupees 6,847, foregone in the shape of Village-cess upon these poor soils, is more than compensated* by the unavoidable enhancement which takes place in applying the new rates to the more favoured tracts.

8. I request the Board will inform me as soon as possible whether these measures appear correct and in accordance with the views of Government.

	RS.
*Realization by new arrangements on soils above eight Annas, (*vide* Appendix C.)	... 1,11,798
Actual demand at 6¼ per cent.	... 1,10,958
Surplus...	840

ENCLOSURE No. 1.

APPENDIX A.

ABSTRACT of the Money Rates including Village Service Cess of Salem District.

No. of rates.	DRY RATES PER ACRE.												WET.														
	1st Group.			2nd Group.			3rd Group.			4th Group.			1st Group.			2nd Group.			3rd Group.			4th Group.			5th Group.		
	Present rates.	Rates including Village Service Cess.	Rates now fixed.	Present rates.	Rates including Village Service Cess.	Rates now fixed.	Present rates.	Rates including Village Service Cess.	Rates now fixed.	Present rates.	Rates including Village Service Cess.	Rates now fixed.	Present rates.	Rates including Village Service Cess.	Rates now fixed.	Present rates.	Rates including Village Service Cess.	Rates now fixed.	Present rates.	Rates including Village Service Cess.	Rates now fixed.	Present rates.	Rates including Village Service Cess.	Rates now fixed.	Present rates.	Rates including Village Service Cess.	Rates now fixed.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
	RS. A.	RS. A. P.	RS. A.	RS. A.	RS. A. P.	RS. A.	RS. A.	RS. A. P.	RS. A.	RS. A.	RS. A. P.	RS. A.	RS. A.	RS. A. P.	RS. A.	RS. A.	RS. A. P.	RS. A.	RS. A.	RS. A. P.	RS. A.	RS. A.	RS. A. P.	RS. A.	RS. A.	RS. A. P.	RS. A.
1	5 0	5 5 0	[illegible]	4 0	4 4 0	4 4	3 0	3 3 0	3 3	2 8	2 10 6	2 11	10 8	11 2 6	11 3	9 8	10 1 6	10 2	8 8	9 0 6	9 1	7 8	7 15 6	8 0	6 8	6 14 6	6 15
2	4 0	4 4 0	[illegible]	3 0	3 3 0	3 3	2 8	2 10 6	2 11	1 12	1 13 9	1 14	9 8	10 1 6	10 2	8 8	9 0 6	9 1	7 8	7 15 6	8 0	6 8	6 14 6	6 15	5 8	5 13 6	5 14
3	3 0	3 3 0	[illegible]	2 8	2 10 6	2 11	1 12	1 13 9	1 14	1 4	1 5 3	1 5	8 0	8 8 0	8 8	7 0	7 7 0	7 7	6 0	6 6 0	6 6	5 0	5 5 0	5 5	4 0	4 4 0	4 4
4	2 8	2 10 6	[illegible]	1 12	1 13 9	1 14	1 4	1 5 3	1 5	1 0	1 1 0	1 1	7 0	7 7 0	7 7	6 0	6 6 0	6 6	5 0	5 5 0	5 5	4 0	4 4 0	4 4	3 0	3 3 0	3 3
5	1 12	1 13 9	[illegible]	1 4	1 5 3	1 5	1 0	1 1 0	1 1	0 12	0 12 9	0 13	6 0	6 6 0	6 6	5 0	5 5 0	5 5	4 0	4 4 0	4 4	3 0	3 3 0	3 3	2 8	2 10 6	2 11
6	1 4	1 5 3	[illegible]	1 0	1 1 0	1 1	0 12	0 12 9	0 13	0 8	0 8 6	0 9	5 0	5 5 0	5 5	4 0	4 4 0	4 4	3 0	3 3 0	3 3	2 8	2 10 6	2 11	2 0	2 2 0	2 2
7	1 0	1 1 0	[illegible]	0 12	0 12 9	0 13	0 8	0 8 6	0 9	0 6	0 6 4½	0 6	4 0	4 4 0	4 4	3 0	3 3 0	3 3	2 8	2 10 6	2 11	2 0	2 2 0	2 2	1 8	1 9 6	1 10
8	0 12	0 12 9	[illegible]	0 8	0 8 6	0 9	0 6	0 6 4½	0 6	0 5	0 5 3¾	0 5	3 0	3 3 0	3 3	2 8	2 10 6	2 11	2 0	2 2 0	2 2	1 8	1 9 6	1 10	1 4	1 5 3	1 5
9	0 8	0 8 6	[illegible]	0 6	0 6 4½	0 6	0 4	0 4 3	0 4	0 4	0 4 3	0 4	......	......	[illegible]	......	......	[illegible]	......	......	[illegible]	......	......	[illegible]	......	......	[illegible]

MADRAS,
7th September 1870.

(Signed) G. BANBURY,
Acting Director of Revenue Settlement.

ENCLOSURE No. 2.

APPENDIX B.

Table of Money-rates including Village Service Cess sanctioned by Government for the Salem District.

Description of Soils.	Class.	Sort.	RATES PER ACRE.								
			DRY.				WET.				
			1st Group.	2nd Group.	3rd Group.	4th Group.	1st Group.	2nd Group.	3rd Group.	4th Group.	5th Group.
1	2	3	4	5	6	7	8	9	10	11	12
			RS. A.	RS. A.	RS. A.	RS. A.	RS. A.	RS. A.	RS. A.	RS. A.	RS. A.
2. Permanently improved land...	2	1	5 4	4 4	3 3	2 11	11 3	10 2	9 1	8 0	6 15
		2	5 4	3 3	2 11	1 14	10 2	9 1	8 0	6 15	5 14
3. Black Clay	3	1	2 11	1 14	1 5	1 1	7 7	6 6	5 5	4 4	3 3
		2	1 14	1 5	1 1	0 13	6 6	5 5	4 4	3 3	2 11
		3	0 13	0 9	0 6	0 5	3 3	2 11	2 2	1 10	1 5
4. Black Loam	4	1	3 3	2 11	1 14	1 5	10 2	9 1	8 0	6 15	5 14
		2	2 11	1 14	1 5	1 1	8 8	7 7	6 6	5 5	4 4
		3	1 1	0 13	0 9	0 6	4 4	3 3	2 11	2 2	1 10
5. Black Sand	5	1	1 14	1 5	1 1	0 13	7 7	6 6	5 5	4 4	3 3
		2	1 5	1 1	0 13	0 9	6 6	5 5	4 4	3 3	2 11
		3	0 13	0 9	0 6	0 5	4 4	3 3	2 11	2 2	1 10
7. Red Loam	7	1	2 11	1 14	1 5	1 1	8 8	7 7	6 6	5 5	4 4
		2	1 14	1 5	1 1	0 13	7 7	6 6	5 5	4 4	3 3
		3	0 9	0 6	0 4	0 4	4 4	3 3	2 11	2 2	1 10
8. Red Sand	8	1	1 14	1 5	1 1	0 13	7 7	6 6	5 5	4 4	3 3
		2	1 5	1 1	0 13	0 9	5 5	4 4	3 3	2 11	2 2
		3	0 9	0 6	0 4	0 4	3 3	2 11	2 2	1 10	1 5

MADRAS,
7th September 1870.

(Signed) G. BANBURY,
Acting Director of Revenue Settlement.

ENCLOSURE No. 3.

APPENDIX C.

Comparative Statement showing the Area and Assessment in the Salem District as per sanctioned rates and the same rates plus Village Service Cess.

	Groups.	Extent.	ASSESSMENT.		Difference.	Remarks.
			Assessment as per sanctioned rates.	Assessment including Village Service Cess.		
1	2	3	4	5	6	7
		ACRES.	RS.	RS.	RS.	
Dry.	1st Group ...	161,078	2,38,546	2,56,021	17,475	The 4, 5, and 6 Annas rates have not been affected by the Service-cess, the fractions for incorporation being too small for commutation.
	2nd do. ...	678,435	6,70,532	7,07,068	36,536	
	3rd do. ...	308,337	2,22,797	2,39,747	16,950	
	4th do. ...	257,742	1,21,975	1,31,392	9,417	
	Total...	1,405,592	12,53,850	13,34,228	80,378	
Wet.	1st Group ...	4,794	36,932	39,272	2,340	
	2nd do. ...	9,929	62,759	66,989	4,230	
	3rd do. ...	20,100	1,05,064	1,11,733	6,669	
	4th do. ...	41,240	1,88,515	2,00,630	12,115	
	5th do. ...	26,987	90,987	97,053	6,066	
	Total...	103,050	4,84,257	5,15,677	31,420	
	Grand Total...	1,508,642	17,38,107	18,49,905	1,11,798* 1,10,958†	* Net result of the new rates including 6¼ per cent.
	Difference...	....	....	....	840	† Required as per G. O., dated 8th August 1870.

MADRAS,
7th September 1870.

(Signed) G. BANBURY,
Ag. Director of Revenue Settlement.

IN their Order of the 8th August 1870, No. 1,188, Government decided that the Village-cess (Act IV. of 1864, Madras) was inapplicable to the district of Salem, and directed that one Anna in the Rupee should be added to the sanctioned Settlement rates, that the whole demand should then be collected as Government revenue, and that the proceeds of the additional impost should be credited annually to a Village Service Fund.

2. The Board are so thoroughly convinced that the levy of a Cess like this by a simple order of the executive is inconsistent with the traditional policy and principles of the British Government in India, and is sure to prove a dangerous precedent, that they feel it their duty to submit for consideration the grounds of this belief.

3. Hitherto, although the State has claimed the right to raise or lower the assessment of land held on Ryotwary tenure, the exercise of that right has been regulated by agricultural conditions alone, and it has been a recognized and established principle that the settlements now in progress shall depend solely on

the quality and position of the land. When it was decided that it was expedient to abolish the payment of customary fees to Village Servants, and to substitute a Cess, it was considered obvious that the decision must be carried into effect by a new enactment, and Act IV. of 1864 was passed. When it was resolved that funds for the construction, repair, and maintenance of district roads should be raised by local cesses payable by the owners and occupants of land, it was admitted that it could not be done without the help of the Legislature, and this was accorded by Act III. of 1866.

4. It is true that there have been cases in which, by an order of the executive, part of the imperial revenue has been reserved and set aside for local purposes, but in none of these has any addition been made to the assessment proper or estimated "half net." Government dealt only with their own revenues, and imposed no new burden on their subjects.

5. The Board think it can hardly be doubted that, if an enactment is necessary to impose a Village Service Cess in districts in which the payment of fees to Village Servants is an established usage, it is still more necessary to have such an enactment in the case of districts where no such usage exists.

6. If Government can impose a Cess by a simple order, the Road-cess and Village Service Acts must be admitted to be unnecessary pieces of legislation, and the liabilities of the ryot are *theoretically* as precarious as they were when "the assessment of the land-revenue fluctuated without any fixed principles for the determination of the amount."

7. The Board admit that, in the present instance, the accidental and extraneous fact that a new settlement is being introduced contemporaneously may make the application of the new principle comparatively innocuous, and may prevent the ryots from recognizing its significance so promptly as they otherwise would. If the principle could be annihilated and forgotten directly this Salem Cess is imposed, there would perhaps be little cause for apprehension; but experience shows that this is impossible. The Government have assumed the power of levying a tax at will; and if they have this power, it can be exercised whenever, wherever, and for what purpose soever they please.

8. The Board have expressed an opinion that Madras Act IV. of 1864 can be made applicable to Salem, and they still think the law officers might be consulted on this point; but if it is inapplicable, the Board believe it would be far better to get it legislatively extended to meet the case than to levy the Cess without the authority and safe-guards of law.

9. The Board will now record their views with regard to the manner in which the directions of Government, as they stand at present, should be carried out.

10. Mr. Banbury is clearly right in calculating the Road-cess on the increased revenue demand. No other course would be in accordance with the provisions of Act III. of 1866 (Madras).

11. The principal question for consideration is, whether 116,412 acres of the most inferior soils, which are assessed at less than 8 Annas an acre, should be free from the Village Service *addendum*. The application of the rule that fractions

equal to or above half an Anna shall be taken as integers, and fractions below half an Anna omitted, produces a fund, Rupees 840, in excess of the exact amount of 6¼ per cent. on the assessment, but it exempts a great deal of land from making any contribution at all. It is quite possible that a puttahdar may possess 50 acres of land or more, and yet pay nothing for the Village Service; and the general principle that each village shall provide for its own servants must be violated wholesale. The Board are of opinion that the corresponding fraction including Pies should be added to each sanctioned rate.

No. 254. ORDER THEREON, 13th December 1870, No. 2,011.

Miscellaneous.

THE Government, on re-consideration, see cause to modify their formerly expressed view as to the applicability of the Village Service Cess Act (IV. of 1864, Madras) to the Salem District in conjunction with the revision of the Land Assessment.

2. It does not admit of question that the customary fees were paid to the Village Servants in Salem under the former Governments, and until the settlement of the district was revised by Colonel Read, after Salem became British territory. In that revision, this item of charge on the land was not deducted from the gross produce prior to its apportionment between Government and the ryot, as was done in some districts at the earlier settlements, but it was, in fact, collected by Government from the ryots, and paid over to the Village Servants in the form of money salaries, which have continued down to the present time.

3. In the recent revision of the Salem land-tax, the settling officers expressly contemplated the levy of a Village Service Cess under the Act, in addition to their proposed rates of land-tax, and this was also contemplated by the Board and by Government in their orders on the proposals. The principles of the present assessment are, moreover, so distinct from those of the earlier settlements that it cannot be argued that the rates include what the ryot is liable to pay for Village Service; and, in fact, the financial result of the revision, *after including the calculated proceeds of the Service Cess*, is a *decrease* below the existing demand on the ryot, while the estimated income from the Cess will still have to be supplemented by a contribution from the Government revenues to meet the cost of the Village Establishments. Under these circumstances, it appears to Government, on re-consideration, that the customary fees having, in fact, hitherto been practically paid by the ryot to the Village Servants, they would again become legally demandable by those officers from the ryot, were Government not to introduce the Cess, and to withhold the cash payment, in whole or in part, on the ground that these dues are not included in the revised rates of land-tax as they clearly are not. The spirit and the letter of the law as well as the equity of the case thus appear to warrant the introduction of the Cess under the Act, and the Government accordingly resolve, in modification of their former orders, to direct that it be so introduced *pari passu* with the revised rates on the land. The difficulty anticipated by Mr. Banbury in regard to the Road-cess and the fractional rates will disappear under this decision.

Proceedings of the Madras Government, Revenue Department, *13th December* 1870.

4. The Board will submit a draft of the Notification to be published in the Gazette under Section 11 of the Act.

5. It has already been pointed out that the Cauvery Channel Establishments, which are remunerated by grain-fees, do not come within the scope of the enactment.

(True Extract.)
(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.
,, the Acting Director of Revenue Settlement.

Exd. F. R. Bantleman.

J. W. J

with

6.7.03

Govt. of 1870; Madras.

REVENUE.

To
THE BOARD OF REVENUE.

Dated December, 1870
Recd.

G. O., 13th December 1870, No. 2,011.

DECEMBER
Nos. 253-254.

Village Service Cess in Salem District—
Passing orders on the subject of introducing it with the revised rates on the land.

We will discuss this in Council. N.

I have carefully considered the Bd's arguments & am still of opinion that the Act cannot be applied to Salem & think their apprehensions groundless.

The only argument that strikes me as of real weight is that the Road Cess will be calculated on the ordinary assessment plus the village cess. I hardly think this sufficient to warrant passing a special law for Salem. We had better discuss this point in Council.

The Board any should add the full rate in their report or fractions. I Do. 9/11.

6703 ✓

Council

FOR ORDERS.

Salem Village Cess -

Revenue Department

No. 2011.

PROCEEDINGS of the MADRAS GOVERNMENT.

Under date the 13th December 1870.

Read ~~the following~~. again G.O. dated 8th Augt 1870 No 1188

Read also the following Prs of the Board of Revenue

Subtg remarks with reference to order directing that one Anna in the Rupee should be added to sanctioned Settlement rates in Salem Dist. on account of Village Cess. } Mo. 28th Oct. 1870 No 8378

I do. I understand it is consistent with our decision in Council

I prefer the draft.
A. J. A.

I have again carefully considered this question and still think G.O. 8 Augt 70 No 1188 correct
J. D. S.

The Govt, on reconsideration, see cause to modify their formerly expressed view as to the applicability of the Village Service Cess Act (IV of 1864 Madras) to the Salem district in conjunction with

with the revision of the Land assessment.

2. It does not admit of question that the customary fees were paid to the village servants in Salem under the former Govts & until the settlement of the District was revised by Col. Read after Salem became British territory. In that revision this item of charge on the land was not deducted from the gross produce prior to its apportionment between Govt & the Ryot as was done in some districts at the earlier settlements, but it was in fact collected by Govt from the Ryot and paid over to the village servants in the form of money salaries

which

which have continued down to the present time

3. In the recent revision of the Salem land-tax, the settling officers expressly contemplated the levy of a village service cess under the Act in addition to their proposed rates of land tax, and this was also contemplated by the Board & by Govt in their orders on the proposals. The principles of the present assessment are moreover so distinct from those of the earlier settlements that it cannot be argued that the rates include what the Ryot is liable to pay for village service, and in fact the

financial

financial result of the revision after including the calculated proceeds of the Service Cess is a decrease below the existing demand on the
that the customary income of the cess with others have to be supplemented by a contribution from the Govt. revenues - to meet the cost of the Village Establt. -
Ryot. Under these circumstances it appears to Govt on reconsideration that the customary fees having in fact, hitherto been partially paid by the Ryot to the village servants, ~~and~~ that they would again become legally demandable by those officers from the Ryot, were Govt not to introduce the cess, & to withhold the cash payment [illegible] on the ground that

that these dues are not included in the revised rates of Land-tax as they clearly are not. the spirit and the letter of the law as well as the Equity of the case thus appear to warrant the introduction of the cess, under the act & the Govt accordingly resolve in modification of their former orders, to direct that it be so introduced pari passu with the revised rates on the land. The difficulty anticipated by Mr. Banbury in regard to the Road Cess & the fractional rates, will disappear

10

disappear under this decision.

4. The Board will submit a draft of the Notification to be published in the Gazette under Sec XI of the Act.

5. It has already been pointed out that the Cavery channel establishments which are remunerated by grain fees, do not come within the scope of the Enactment

14 Folio [illegible] Dec 14
13 — [illegible]

15/4

9P

Salem Village

Cess -

I should like to
see Mr Hinckler's
report on Salem
first.

J. D. S.

26/11

Des [illegible]

SOM

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