

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	298	Press Mis.
286-87.		
Dated 25-2-1870		12

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Revenue Department,
25th February 1870.*

Read the following papers :—

No. 286. From the Under-Secretary to the Government of India, Financial Department, (Expenditure—Stamps,) to the Secretary to the Government of Fort Saint George, dated Fort William, 7th January 1870, No. 58.

I AM desired to acknowledge the receipt of your letter, No. 2,806, dated 16th October 1869, forwarding, for the approval of the Governor-General in Council, a draft of rules prepared under Section 48 of the General Stamp Act (XVIII. of 1869) for regulating the vend of stamps. In reply, I am desired to forward, for the consideration of His Excellency the Governor in Council, a note prepared in this Office, including a set of draft rules. His Excellency the Governor-General in Council generally agrees with the remarks made in this note, and would be glad if the form and principles of the draft rules therein proposed could be adopted. It will be seen that much latitude is left for the regulation of details which the local Governments are competent to deal with by executive orders. As remarked in the note it might be found inconvenient to give the force of law to such details, which are liable to alterations, suggested by the experience of the working of the rules, as in such a case it would be necessary for the local Governments to obtain the sanction of the Governor-General in Council to all such alterations. Although, from the varying circumstances of different provinces, it is impossible to prescribe strict uniformity in all details connected with the vend of stamps, yet there are certain points in which such uniformity is possible and desirable, and such points seem to be sufficiently dealt with in the rules proposed, which would have the force of law. At the same time if His Excellency the Governor in Council should be of opinion that there are matters which are not dealt with in the proposed rules, and to which the force of law should be given, His Excellency the Governor-General in Council will be prepared to consider favourably any additions or emendations that may be proposed.

2. You are accordingly requested to submit a fresh draft of rules based on those proposed in the accompanying note, with such changes as His Excellency may see fit to recommend.

3. It will be kept in view that the main object of these rules is to provide for the convenience, or rather to prevent inconvenience to the general community by enabling them to obtain such stamps as they may require with the least possible trouble. In this view the remuneration to vendors would be fixed rather with reference to the difficulty in various localities in obtaining persons to undertake the vend. Where there is a large demand for stamps, the competition for the office of vender will probably be great, and the remuneration may be lower than where the reverse is the case.

FORWARDED to the Board of Revenue who will be good enough to submit a draft of the revised rules called for by the Government of India with any observations they may desire to offer.

FORT SAINT GEORGE,
18th January 1870.

(Signed) R. A. DALYELL,
Acting Secretary to Government.

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25th February 1870.*

No. 286A. From the Sub-Secretary to the Board of Revenue, to the Acting Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 7th February 1870, No. 883.

With reference to your Endorsement on a letter from the Under-Secretary to the Government of India, dated the 7th January 1870, No. 58, I am directed to submit a draft of rules under Section 48, Act XVIII. of 1869. All the rules appended to the Under-Secretary's note have been adopted, though the last rule can hardly be said to be a rule under Section 48, inasmuch as it relates to Section 49, but the Board have deemed it necessary to make some additions to them.

2. I am to remark in the first place that whilst the Board concur with the writer of the note in thinking that Section 48, Act XVIII. of 1869, does not give authority for inflicting penalties on parties other than stamp venders who infringe rules promulgated under the Section, they are strongly of opinion that the law is defective in this respect, and should be amended. Until this is done, that part of the Section, which authorizes rules for determining the persons by whom the sales of stamps are to be conducted, must be partly inoperative, since persons, who are not authorized to sell stamps by Government, will be able to do so without incurring punishment. Whilst the law is in its present state, such rules as 1 and 17 of those submitted with Board's Proceedings, dated 5th October 1869, No. 7,374, must be omitted.

3. The Board consider it necessary to retain Rules 16 and 17. Experience shows that it is desirable to have the power of realizing sums due from the sureties of venders in the same manner as arrears of land-revenue. This was specially provided for in Act X. of 1862, but the power is not retained by Rule 9. It is desirable also that the Collector should have power to examine all such accounts as may be kept, besides the register prescribed by Rule 11, by venders. In the case of venders on commission, this is obvious. In the case of venders who purchase their stamps for ready-money, power to inspect accounts will be useful whenever extensive stamp forgeries, like those lately discovered in South Canara, take place.

4. Of the rules submitted with my letter of the 5th October 1869, No. 7,374, Nos. 1 and 17 have been omitted, because the existing law does not sanction them, and Nos. 6, 8, and 13, have been omitted as unnecessary. Nos. 15 and 18 have been added to the rules proposed in the note. The remainder relate to points which are provided for in those rules.

5. I am to point out that the rules reduce the remuneration allowed to venders very seriously. The Board fear that the rate of discount allowed for sales on commission is too low for a maximum. Venders on commission are only employed where the demand for stamps is very small, though the convenience of the public requires that stamps should be kept for sale. The Board recommend therefore that the rate in Rule 9 should be altered from 2 to 4 as it stands at present in this Presidency. With regard to sales on discount the Board are of opinion that the words "not exceeding" should be inserted before the rates named in Rule 6. They believe that it will be found possible hereafter to reduce the rates in many places where there is a considerable demand for stamps, and this might

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be done by a system of tenders like that adopted last year when a vender was appointed for the Madras Court of Small Causes.

6. In conclusion, I am desired to call attention to a passage in the note, where it is stated that Rules 5 and 6 of those formerly submitted by the Board contradict each other as to discount being allowed to Talook Sheristadars. Rule 5 has apparently been misunderstood by the writer of the note. No such contradiction exists.

No 287. ORDER THEREON, 25th February 1870, No. 293.

Separate Revenue, No. 17-A.

Stamps.

RESOLVED that the foregoing letter from the Board of Revenue, with its enclosure, be submitted to the Government of India, with advertence to the

letter from their Under-Secretary in the Financial Department, dated 7th January 1870, No. 58.

2. The Right Honourable the Governor in Council concurs in the remarks of the Board as to the expediency of providing against the unauthorized sale of stamps.

3. His Lordship in Council is also of opinion that it is decidedly desirable to insert in the new set of rules those entered in the Board's former draft and numbered 15 and 18, and which appear in their present draft as XVI. and XVII. These rules are alluded to in paragraph 3 of the Board's letter as numbered in their new draft, and in paragraph 4 as numbered in the old draft.

4. The reduction in the rate of commission proposed in the draft rules received from the Government of India is open to the objection taken by the Board in paragraph 5 of their letter. The increased rate will accordingly be recommended to the Government of India, as also the insertion of the words referred to in the penultimate sentence of paragraph 5 of the Board's letter.

5. The attention of the Government of India will also be requested to the Board's remarks in paragraph 6.

(True Extract.)

(Signed) R. A. DALYELL,
Acting Secretary to Government.

To the Board of Revenue.

Exd. G. A. Turton.

DRAFT RULES.

I.—For the purposes of these rules Stamps are divided into two classes—

1. Adhesive stamps.
Stamps under Schedule I., Articles 1 and 2.
Do. do. II., Articles 1 to 10 and 21.
2. All other stamps.

II.—Stamps in Class 1 may be sold by any person, stamps in Class 2 shall be sold by ex-officio and licensed vendors in accordance with these rules.

III.—Such Officers of Government as the Local Government may appoint shall be ex-officio vendors.

Such persons as may be licensed by the Collector, or other Officer empowered by the Local Government to grant licenses, shall be the licensed vendors.

IV.—Ex-officio vendors shall sell such stamps as they may be directed by Government to sell.

Licensed vendors shall sell such stamps as are indicated in their licenses.

V.—Every license shall be revokable at any time by the authority who granted it.

Every license shall specify the name of the licensee, the description of stamps which may be sold under the license, the place of vend, and such other matters as may be necessary, and shall be signed by the authority granting it.

VI.—Subject to Rule VIII. every licensed vendor who purchases from Government by payment of ready money stamps of Class 2, to the value of Rupees 25 or upwards at one time, shall receive the same at a discount on the nominal value thereof of three per cent. if the stamps be purchased at the head quarters of any district or sub-division, and of four per cent. if the stamps be purchased elsewhere in the interior of a district.

VII.—Subject to Rule VIII. every person who purchases from Government by payment of ready money stamps of Class 1 shall receive the same at a discount not exceeding the following scale:—

Stamps not exceeding in value 8 annas each if purchased at one time in quantities of Rupees 5 value or upwards	6½ per cent.
Stamps exceeding in value 8 annas each, but not exceeding Rs. 5 each, Rupees 20	4 per cent.
Stamps exceeding in value Rupees 5 each, but not exceeding Rupees 50 if purchased in any quantity	2 per cent.

VIII.—No discount shall be given on account of the purchase of any stamp exceeding Rupees 50 in value, nor on any stamp applied on material furnished by the purchaser himself.

IX.—The Local Government may authorise licensed vendors to be supplied with stamps of Class 2 without requiring payment in ready money. Such licensed vendors may receive commission on these stamps sold by them at a rate not exceeding two per cent. on their nominal value. In this case sufficient security shall be taken from the licensed vendors for the payment of any sum due by them to Government. Such sums may be recovered by the Collector in the same manner as revenue or rent due to Government.

X.—Every licensed vendor shall, at all times, have fixed up in a conspicuous situation, outside the place of vend, a sign-board bearing the name of the vendor, with the words "Licensed Vendor of Stamps" in English, and in the Vernacular language of the district. He shall also have hung up in the place of vend the Acts of the Legislature and their Schedules referring to the stamps sold by him, together with these rules in English and the said Vernacular, so that they can be readily seen by purchasers.

XI.—Every ex-officio vendor selling stamps to any person not a licensed vendor, and every licensed vendor shall write on the back of every stamp of Class 2 which he sells the date of sale, the name and residence of the purchaser, and the value of the stamp in full in words, and his

Govt. of 1870

REVENUE.

THE BOARD OF REVENUE.

Dated February, 25th.

Recd.

Encl.

G. O., 25th February 1870, No. 293.

FEBRUARY.
Nos. 286-287.

Stamp Rules.—Draft submitted by the Board of Revenue, ordered to be forwarded to Government of India.

own ordinary signature; at the same time he shall make corresponding entries in a register to be kept by him in the following form:—

Date.	Description of Stamp.	Value of Stamp.	Name of Purchaser.	Residence of Purchaser.

No vendor shall knowingly make a false endorsement on the stamp sold, or a false entry in his register.

XII.—Every vendor shall, without delay, deliver any stamp which he has in his possession for sale on demand by any person tending the value in any currency, which would be accepted on behalf of Government by the Collector of the district.

XIII.—No vendor shall sell any stamps other than those which they are appointed or licensed to sell, or any stamps, the use of which has been ordered by competent authority to be discontinued.

XIV.—Every vendor shall allow the Collector of the district, or any Officer duly authorised by such Collector or by the Local Government, to inspect the register required to be kept by him under Rule XI. and to examine the store of stamps in his possession.

XV.—Every vendor shall, at any time, on the demand of the Collector or other Officer duly authorised by the Local Government, deliver up all stamps of Class 2 remaining in his possession, and if such stamps have been paid for shall receive back the value thereof, less any discount which may have been allowed.

XVI.—If any vendor refuse or omit to render any account required from him, or to permit the Collector of the district or any Officer authorized by such Collector, to inspect his accounts or to examine the store of stamps in his possession, it shall be lawful for such Collector to proceed against the vendor for the recovery of the value of the balance of stamps standing against him in the books of such Collector, or for the recovery of the balance of money standing against the vendor in the said books in the same manner as Collectors of land revenue are authorised by law to proceed against persons owing revenue to Government.

XVII.—The Collector of the district may call upon the surety of a vendor of stamps to make good the value of the balance of stamps standing against the vendor in the books of such Collector, and on his failure to do so may proceed against such surety for the recovery of the value of the balance of stamps or the balance of money as aforesaid in the same manner as Collectors of land revenue are authorised by law to proceed against the surety of a person owing revenue to Government.

XVIII.—The form of certificate to be granted under Section 49 of the General Stamp Act shall be prescribed by the Local Government, and shall be granted by such Officers and on such terms as the Local Government may authorize.

PROCEEDINGS of the MADRAS GOVERNMENT.

Under date the 25 February 1870.

Read the following Papers:—

Pro. of the Govt. of India, forwarding a note prepared in the Fin. Dept. including a set of draft stamp rules.

H. 2. 7. Jan. 1870. No. 58.

From the Sub-Secy. to the Bd. of Rev., submitting, with remarks,

Draft of Stamp Rules under Sec. 40, Act VIII of 1869.

H. 2. 7. Feb. 1870. No. 883.

Resolved that the

foregoing letter, with its enclosure, be submitted to Govt. of India, with, advertence to the letter from their Under Secretary in the Financial Dept., dated 7. Jan. 1870, No. 58.

2. The Right Honble the Governor in Council concurs in the remarks of the Board of Revenue, as to the expediency

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of proceeding against the unauthorized sale of stamps.

3. His Lordship in Council is also of opinion that it is decidedly desirable to insert in the new set of rules, ^{intended in} those of the Board's former draft ^{and} numbered 15 & 18, and which appear in their present draft as XVI & XVII. These rules are alluded to in para 3 of the Board's letter, as numbered in their new draft, and in para 4 as numbered in the old draft.

4. The reduction in the rate of commission proposed in the draft rules

received

5. received from the Govt of India is open to the objection taken by the Board in para 5 of their letter. The increased rate will accordingly be recommended to the Govt of India, as also the insertion of the words referred to in the penultimate sentence of para 5 of the Board's letter.

5. The attention of the Govt of India will also be requested to the Board's remarks in para 6.

MS. Off. Secy. to Govt. of India, Dept. of Stamps, 25 SC/16 Des. 4, 1/10/1902

25/10/02

