

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

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28/6/70

*Proceedings of the Madras Government, Revenue Department,
28th June 1870.*

No. 316. Read the following letter from the Acting Secretary to the Board of Revenue, to the Acting Secretary to Government, Revenue Department, Fort Saint George, dated 28th February 1870, No. 1,403:—

With reference to paragraph 7 of Government Order, Revenue Department, dated 5th May 1868, No. 1,232, I am directed by the Board of Revenue to forward, for transmission to the Government of India, the prescribed annual returns, showing details of assessments made under Schedule A. of Act IX. of 1868.

2. Thirty-two thousand three hundred and fifty-four Natives and 600 Europeans were assessed under the Act, and the realizations during the year under all heads, inclusive of stoppages from salaries, amounted to Rupees 5,42,200.

3. In the return of the transactions under Certificate-tax for the last quarter, submitted with Board's Proceedings, dated 9th September 1869, No. 6,763, the total number of persons assessed was given as 34,303. Between this number and that given in the foregoing paragraph there is a difference of 1,288. This is owing to the exclusion of 1,083 assessments from the annual return for the Town of Madras, of 205 from the return for Tinnevely, and of one from the return for the Neilgherries, on account apparently of there being no prospect of realizing the money. The Collectors concerned have been called upon to explain the discrepancy.

4. Compared with the License-tax of 1867 the Certificate-tax exhibits a decrease of Rupees 2,68,771. Subjoined is a Comparative Statement of the collections under the two Acts in each district of the Presidency.

Districts.	Collections under the License-tax Act XXI. of 1867.	Collections under the Certificate-tax Act IX. of 1868.	Increase.	Decrease.	Remarks.
	RS.	RS.	RS.	RS.	
Ganjam	17,155	7,390	.....	9,765	
Vizagapatam	24,144	11,889	.....	12,255	
Godavery	41,520	36,154	.....	5,366	
Kistna	54,366	25,920	.....	28,446	
Nellore	38,300	37,866	.....	434	
Cuddapah	48,309	25,529	.....	22,780	
Bellary	1,06,814	57,496	.....	49,318	
Kurnool	46,910	16,010	.....	30,900	
Madras	13,982	3,096	.....	10,886	
Town of Madras	86,158	1,24,475	38,317	.....	
North Arcot	29,846	14,295	.....	15,551	
South Arcot	22,795	7,653	.....	15,142	
Tanjore	60,779	39,175	.....	21,604	
Trichinopoly	12,336	5,889	.....	6,447	
Madura	41,161	25,886	.....	15,275	
Tinnevely	34,213	18,653	.....	15,560	
Coimbatore	36,578	10,187	.....	26,391	
Neilgherries ... ..	.....	5,446	5,446	.....	
Salem	30,301	16,628	.....	13,673	
South Canara	15,148	10,984	.....	4,164	
Malabar	28,306	21,149	.....	7,157	
Stoppages from salaries of officials at the Presidency	21,850	20,430		1,420	
Total...	8,10,971	5,42,200	43,763	3,12,534	

and

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5. The decrease occurs in all the districts, with the exception of the Town of Madras, where the large number of Companies doing business, and the higher rates of duty imposed on them, contributed to the exceptional increase.

6. The causes of the general decrease are obviously the exemption accorded to incomes below 500 Rupees, and the adoption of lower rates of taxation in regard to all incomes below 25,000, than were prescribed by the previous Act of 1867.

7. Out of the total amount realized during the year only 460 Rupees was paid as discount. The smallness of this amount shows either that the discount system was not understood by the people, or that if they understood it, they did not think it worth their while to take advantage of it.

8. A Statement is subjoined, showing the tax-payers of each district, classified according to their different callings. The results disclosed make it appear that Bellary is the largest commercial district, and that next to it stands Nellore. The realizations also in those districts correspond with their apparent commercial importance, except that the collections in Tanjore are slightly in advance of those of Nellore. The Town of Madras, of course, occupies the first place, and the few other districts of importance in this respect are noted in the margin.

Tanjore. Cuddapah.
Godavery. Madura.
Kistna.

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Districts.	PROFESSIONS.		EMPLOYMENTS.		COMMERCE.				Total.		Grand Total.		
	Euro- pean.	Native.	Euro- pean.	Native.	Merchants		Traders.		Wholesale manufacturers.				
					Euro- pean.	Native.	Euro- pean.	Native.	Euro- pean.	Native.			
1. Ganjam ...	...	8	...	5	4	173	...	...	11	...	17	514	518
2. Vizagapatam ...	...	28	...	12	14	503	...	...	162	...	3	713	727
3. Godavery... ..	1	49	...	...	23	2,917	...	11	...	...	...	2,531	2,571
4. Kistna	...	16	...	...	1	1,254	...	...	828	...	17	2,124	2,125
5. Nellore	...	1	...	...	2	2,229	...	...	541	...	852	3,684	3,687
6. Cuddapah	...	46	...	...	...	3,811	...	...	194	...	120	2,101	2,104
7. Bellary	1	28	...	35	2	2,338	...	...	1,924	...	4	4,884	4,891
8. Kurnool	...	22	...	6	1	56	...	...	705	...	82	1,361	1,362
9. Madras	...	1	...	8	1	71	...	...	16	...	3	102	103
10. North Arcot	...	29	...	2	...	64	...	1	337	...	105	1,137	1,138
11. South Arcot	...	21	...	...	...	20	...	...	220	...	172	623	624
12. Tanjore	2	61	...	...	5	2,186	...	2	198	...	48	2,431	2,490
13. Trichinopoly	...	8	...	...	1	291	...	2	34	...	19	370	375
14. Madura	4	56	...	...	...	1,134	...	...	323	...	17	1,538	1,542
15. Tinnevely	2	59	...	...	9	794	...	...	95	...	63	1,011	1,022
16. Coimbatore	...	24	...	...	1	254	...	...	437	...	1	716	717
17. Nilgherries	10	...	...	18	6	87	...	15	39	...	...	144	185
18. Salem	1	15	...	3	12	687	...	1	525	...	1	1,284	1,299
19. South Canara	...	49	...	13	2	568	...	1	40	...	...	670	677
20. Malabar	3	70	...	...	123	882	...	3	79	...	...	1,060	1,190
21. Town of Madras	51	41	144	226	50	573	116	2,392	...	...	68	3,303	3,667
Total...	75	632	165	369	257	19,519	152	9,523	11	2,281	...	32,351	33,014

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9. It will be observed that the European section of the commercial community is comparatively very small, and that the chief manufactures of the Presidency are cotton goods and indigo.

10. The Collectors report that no difficulty was experienced in introducing the Act.

11. Assessing Officers appear to have benefited by the experience gained under the Act of 1867, and assessments made by them were rarely appealed against.

12. It was not necessary to adopt coercive measures to any considerable extent for the realization of revenue.

13. The Collector for the Town of Madras reports that the prosecution of defaulters entailed considerable trouble on his office, as parties held out to the last; and he observes that if Magistrates were allowed the discretion of fining up to a certain limit, the number of prosecutions would diminish. The Act contained a provision, empowering Magistrates to fine defaulters twice the sum mentioned in the Notice of assessment, and the Board do not consider that further penal provisions were called for. The Collector for the Town of Madras probably meant that this punishment was not sufficient in all cases.

14. The main reason of the Acts of 1867 and 1868 having proved financially unremunerative was, the exemption of profits from agriculture and interest from Government Securities. The ill-graduated scale of taxation under the Act of 1868 was a defect, which the Board observe has been removed by the more elaborate scale under the Income-tax of 1869.

15. The Certificate Act having long since ceased to exist, further remarks are unnecessary.

Rev^d Department

No 962

*Proceedings of the Madras Government
Under date the 28th June 1870*

*Read the following
Proceedings of the Board
of Revenue.*

*Forwarding for trans.
mission to Govt of India Returns
showing details of assessments
made under Schedule A of
Certificate Tax Act of 1868
during 1868/69.*

(Ld. 28th Feb'y/70 No. 1403)

N.

J. D. S.

M. A.

*It appears
from the foregoing report,
that the Certificate Tax
of 1868 realised Rs. 542,200
against Lt. 810,971 col.
lected under the Licence
Tax*

Tax of the previous year.
The tax was collected in
from 33,014 persons being
little more than from one in
800 of the population. Of
these more than one-seventh
were resident in the Bel-
-long District. The towns
of Chidrae and the Kellore
and Godavery Districts
stand next in the order
of productiveness, while
in Trichinopoly but 375
persons were assessed
to the tax and in Ganjam
but 518.

2. Of the whole
number assessed (including
apparently

6
apparently Government
officials) only 600 were
Europeans, and of them,
only one was assessed
on an income of over
£ 20,000, and only nine
on incomes below that
amount but in excess
of £ 5,000.

3. Among the natives
no income of £ 10,000
was assessed, and only
3 between that amount
and £ 5,000. There were
29 assessments of in-
comes between £ 2,500
and £ 5,000, and 131 on
incomes between £ 1,000
and £ 2,500.

The

4. The Board explain
that the Licence Tax and
Certificate tax have both
proved financially un-
remunerative, owing to the
exemption from tax of
profits from agriculture
and interest from Govern-
ment securities.

5. The Board's
report and returns
will be submitted for
the information of the
Government of India.

102-103.
5-5-68.
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20.9.68

14. Letter to Prof. C. V. Deshpande

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S. P. Ball