

Proceedings of the Madras Government, Revenue Department,
1st August 1871.

No. 127. Read the following *order* of Revenue, dated 1st August 1871, No. 5,212.

Read the following letter from the Acting Collector of Madras, to the Acting Secretary to the Board of Revenue, dated 6th June 1871, No. 86.

WITH reference to paragraph 19 of the Proceedings of the Board of Revenue, 1871. I have the honour to inform you that in my opinion no reduction in the income-tax establishments of this district is practicable at present. A copy of Deputy-Collector Ragoonatha Rau's letter dated 29th May, No. 224, upon this subject is herewith forwarded, from which the Board will observe that nearly 1,800 cases of assessment still remain to be settled under the old Act, and that it will take more than six months to make the collections. If to this work be added the assessments to be made under Act XII. of 1871, and the more tedious and difficult procedure prescribed by the present Act for making collections, the necessity for continuing the establishment on its present scale at least is fully obvious.

2. I beg to avail myself of the present opportunity to forward copy of a letter dated 12th May 1871, No. 210, from the same officer, on the advisability of modifying the present Act with regard to the mode of realizing the tax from the defaulters. I fully concur with the Deputy-Collector in considering that the delay in the collections of the tax will be very great, as the several processes which will have to be adopted, either under (Madras) Act VI. of 1867 or Act VIII. of 1859, will take up much time to go through. Moreover, it would appear that, in 1870-71, 1,054 persons out of 1,904 assessed had to be summoned to recover their tax. I would especially draw the attention of the Board to paragraphs 4, 5, and 6 of the Deputy-Collector's report under reference. I beg to suggest that, as similar difficulties will also be felt in the Presidency towns of Bombay and Calcutta, the Board, should they deem it fit, will ascertain from the Collectors of those towns whether the modification now suggested will not greatly facilitate the realization of the tax.

ENCLOSURE No. 1.

From R. RAGOONATHIA ROW, Deputy-Collector, to the Collector of Madras, dated Madras, 29th May 1871, No. 224.

WITH reference to paragraph 19 of the Board's letter of the 9th instant, No. 1,923, and your endorsement thereon, I beg to state that I do not think it possible to dispense with at once any portion of the present Income-tax establishment.

2. The total number of assessments for the last year amounted to 4,562. Of these 2,788 have been fully disposed of up to date, that is, in ten months, commencing from July last, nothing having been done in the first quarter owing to the lateness of receipt of instructions, etc. There remain 1,774 cases still to be settled. At the rate at which the work has hitherto been done, which Mr. Blair has often told me was very rapid, it would take more than six months to complete it if the present mode of collection were to exist; but it has been changed for the worse, as detailed in my letter of the 12th instant, No. 210. The reduction of work that can be calculated from the fact of the rate of income-tax having been reduced and the omission of the last class of incomes from taxation is more than counterbalanced by the addition of work imposed by the new procedure. Under the old, the Police and the Magistracy with their establishments helped to collect the tax, which work has now to be performed by the Income-tax establishment. Under the old procedure it took a month to collect the tax due from an individual, while under the new it would either take

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PROCEEDINGS, 1st AUGUST 1871, No. 3,212.

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Received. 14 Aug.

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Income tax Act No XII of 1871, — Proposal of
Collector of Madras to modify, with regard to
mode of realizing tax from defaulters, rejected.

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