

*Proceedings of the Madras Government, Revenue Department,
28th August 1871.*

No. 297. Read the following Proceedings of the Board of Revenue, dated 18th July 1871, No. 2,986 :—

Read the following letters :—

From the Superintendent of Stamps, to the Acting Secretary to the Board of Revenue, dated Madras, 6th June 1871, No. 820.

In acknowledging the receipt of your docket on the Proceedings of Government dated the 13th ultimo, No. 844, I have the honour to state that I see no reason to change the opinion expressed in paragraph 2 of my letter of the 1st February last, No. 154, namely, that instead of issuing any stamps without payment, it would be better to require the Vendor to prepay for all stamps supplied to him, a slightly enhanced rate of discount being allowed to him in return on so much of the stamps as may be equal to the amount of refunds made by him in each month.

From the Officiating Collector of Madras, to the Acting Secretary to the Board of Revenue, dated 15th July 1871, No. 113.

I HAVE the honour to acknowledge the receipt of the Board's Proceedings Miscellaneous No. 1,725 of 30th May 1871, calling for my opinion on the plan proposed by Government in their Order No. 844 of 13th idem, for supplying the Stamp Vendor of the Small Cause Court with an advance fund to enable him to pay the refunds ordered by that Court.

2. Before giving an opinion on the subject I shall describe the arrangement proposed as I understand it. Supposing, for instance, on the new arrangement coming into force, the Vendor indents on the Deputy-Collector of Madras for a supply of stamps for Rs. 2,000 (of value of Rs. 50 or under), he is to pay for it only Rs. 1,440, or Rs. 560 less than the value of the stamps, Rs. 60 being the discount on Rs. 2,000 at three per cent., and Rs. 500 being the advance contemplated. With the proceeds of the sale of these stamps the Vendor is to commence making refunds, and as soon as he has discharged certificates to the extent of Rs. 500 or thereabouts he is to present them to the Deputy-Collector who is thereupon to issue to him stamps equal to the aggregate value of the certificates. I will suppose that he has produced certificates for Rs. 450 and consider how the above transactions should be exhibited in the Treasury Account. Discount on stamps advanced to Vendors, I observe, is not charged before the stamps have been sold by them to the public, and the proceeds paid into the Treasury. As in this case the Government propose to allow it at the time of the advance of the stamps, and as no sale accounts are to be called for from the Vendor, I think that both the transactions should be treated as sales, the full value of the stamps issued, Rs. 2,450, being entered under "Receipts," and the discount Rs. 73½ under "Disbursements." Under "Disbursements" will further be shown as advance recoverable Rs. 500, amount for which stamps were issued without actual cash payment. The amount for which he produced discharged certificates, Rs. 450, will be entered as "Court Refunds" under "Disbursements." Thus an advance of Rs. 500 will appear in the accounts to the credit of the Vendor from month to month. As the contemplated

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advance in stamps will therefore in effect be a permanent cash advance, I should prefer making a cash advance at once. The Vendor also prefers it.

3. With reference to paragraph 6 of the Government Order, I beg to bring to notice that at present there is a licensed Vendor at the Custom-house which adjoins the Court premises. I presume it is not meant that he should be discontinued. He has been a Vendor there for several years, and sells "General" as well as "Court Fees" stamps to the public. His sales average about Rs. 6,000 a-month, and I think that, for the convenience of purchasers, two Vendors ought to be maintained in this busiest quarter of the town. Moreover, the Court Vendor himself has no objection to the continuance of the Sea Custom Vendor. Should, however, the Sea Custom Vendor ever resign his license, it may be transferred to the Court Vendor on condition of his opening a branch at the Custom-house.

4. I request also instructions whether an engagement should not be taken from the Vendor specifying the terms between him and Government, such as the amount to be forfeited by him in case he should delay payments or fail to keep a proper account of the refunds he makes.

SUBMITTED to Government, with reference to Government Order, dated 13th May 1871, No. 844.

2. The Stamp Vendor at the Small Cause Court at present undertakes the duty of paying refunds on two conditions, viz., 1st, that he shall have a monopoly of the vend; 2nd, that he shall be allowed a discount of 2 per cent. on stamps purchased by him.

3. Government propose to withdraw the privilege of monopoly, and this necessitates either the substitution of some other privilege for the monopoly or the raising of the discount.

4. It is useless to substitute a permanent advance system whether of stamps or cash, until it is ascertained whether it will make a change in the rate of discount unnecessary or not.

5. The simplest way of introducing the change will be either to raise the rate of discount slightly (there are sufficient data for determining what it ought to be) or to entertain a salaried Vendor.

6. The considerations suggested by the Collector of Madras can be easily dealt with, when final orders have been passed.

No. 298. ORDER THEREON, 28th August 1871, No. 1,470.

Separate Revenue, No. 20.

Stamps.

THE Government observe that the withdrawal of the monopoly of sale from the Madras Small Cause Court Vendor of Stamps is simply the consequence of the resolution of Government that it is inadvisable to have a distinct pattern of stamp for the Madras Court which would be useless elsewhere. The Government see no reason to depart from that resolution.

2. The Government are not aware that the Small Cause Court Vendor at present receives any discount on his cash-purchases of stamps in excess of what

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is claimable by any other licensed Vendor; and they are not disposed to adopt the plan of special discount as remuneration for the duty of refunding stamp-duty in compromised suits.

3. There are some points in the letter from the Officiating Collector of Madras which call for notice. He observes that "discount on stamps advanced to Vendors is not charged before the stamps have been sold by them to the public, and the proceeds paid into the Treasury."

It appears to the Government that there is some confusion between discount and commission. The former is not permitted by the rules, except in the case of cash-purchases by licensed Vendors and others, when the proceeds of the sale are at once paid into the Treasury.

It is commission which is calculated on the sales effected on behalf of Government by ex-officio and salaried Vendors, and adjusted after the account sales are closed.

In the case of the Madras Court Vendor the advance of stamps in lieu of cash would, in fact, be equivalent to a cash-purchase by the Vendor on which he could claim discount.

4. The Collector, however, states that he would advocate a cash-advance in lieu of the arrangements suggested by Government, and that the Vendor also would prefer it; and if the Board of Revenue likewise give it the preference, the Government, as already stated, are prepared to sanction the establishment of the necessary advance fund, on security being furnished by the Stamp Vendor.

(True Extract.)

(Signed)

W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.
the Judicial Department.

Ed. F. R. Bantleman.

U. 1470

28. Aug. 1911

13. Prof. Dr. 2450.

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The first observation that
 the establishment of the
 snowshoe of state prison
 the small prison known
 of stamps is simply
 the consequence of the
 institution of the first
 this is inadvisable to
 have a distinct pattern
 of stamps for the Madras
 St. & Bombay
 standards. The first
 reason I object to
 from that institution.
 The second is an estimate
 that the H. of Madras at
 present receives any
 discount in payment
 of stamps in excess

of State is claimable
by any other licensed
vendors - and they are not
disposed to adopt the
plan of special discount
as remuneration for
the duty of depositing
stamp duty in commission
with the Treasury.

3. There are some points
to be taken from the T.P.S.
of London & each pro-
vision shows that
"discount on stamps
advanced to vendors is not
charged before the stamps
have been sold by them
to the public - & the proceeds
paid into the Treasury".

It appears to the J.C.
that there is here a
confusion between
discount and commission.
The former is not permitted
by the rules except in

the case of cash purchases
by licensed vendors
& others. And the proceeds
of the sale are at once
paid into the Treasury.

It is Committee's
is calculated on the
subscription which
is by office &
licensed vendors, subject
after the accounts
are closed.

In the case of the London
St. Vendors the advance of
stamps in lieu of cash
is in fact the equivalent
to a cash purchase by
the vendor or he
could claim discount.

4. The J.C. however
states that in the advance
a cash advance in
lieu of the arrangement
suggested by the J.C.
that the vendor also
is proper it. and

of the 1st of Nov. to which give
supplies the Gov. as
being stated and
referred to in the
revenue account of
the necessary advance
made on account of being
furnished by the State
with...

L. K.

14 To the Ordnance Department
to the General Dept. Dec. 16. 1861