No. 167. Read the following letter from the Acting Secretary to the Board of Revenue, to the Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 18th February 1871, No. 777:—

With reference to the Orders of Government, dated 3rd May 1870, No. 635, I am directed by the Board of Revenue to forward, for transmission to the Government of India, the accompanying Returns showing the transactions under the Income-tax Act XVI. of 1870 for the quarter ending 30th June 1870.

2. The forms prescribed* by the Government of India for assessments under Part IV. and Part III. seem slightly defective. A reference to the form will show that the demand to be entered in column 6 is simply the instalment demand of the quarter, *plus* any fines imposed in excess of that amount by Magistrates. Thus, the figures in column 6 will be exclusive of the demand on account of future quarters. On the other hand, there may be collections in advance on account of future quarters, which, when exhibited in full in column 7, will show an excess over the demand entered in column 6. This anomaly renders the entry of correct balances in column 9 impracticable. Moreover, the form of the Government of India enjoins that the refunds, under Section 27 (column 8) as well as the realizations (column 7), should be deducted from the demand (column 6) to arrive at the balance in column 9. Refunds under Section 27 are invariably cash re-payments out of collections already made, and are, therefore, included in the figures entered in column 7. Their deduction from the demand alone (column 6), as directed by the Government of India, will lead to an undue diminution of the demand without effecting a corresponding reduction in the realizations. The process, moreover, will involve an erroneous double deduction. For these reasons the Board have slightly modified the form, and Government will see that the Returns submitted by them are free from the above anomalies. A set of Returns in the form prescribed by the Government of India is, however, submitted in manuscript, but they are necessarily not complete, owing to the difficulties above detailed attending the calculation of the balance.

* *Vide* paragraph 14 of their Resolution, communicated with Government Order, dated 3rd May 1870, No. 635.

3. The following is an abstract of the Returns and exhibits exclusively the transactions under Act XVI. of 1870:—

| Items. | Demand. | Collection. | Balance. | Refunds under Section 27. |
|---|---|---|---|---|
| | RS. A. P. | RS. A. P. | RS. A. P. | |
| Assessments under Part IV. ... | 27,540 9 0 | 7,069 11 9 | 20,470 13 3 | ... |
| Do. on Companies under Part III. ... ... ... ... | 9,182 8 6 | 9,182 8 6 | ..... | ... |
| Do. on servants, etc., of Companies under Part II ... | 9,706 15 0 | 9,706 15 0 | ..... | ... |
| Total ... | 46,430 0 6 | 25,959 3 3 | 20,470 13 3 | ... |

4. Deductions under the above enactment from the salaries of Government servants are not included in the above abstract, as it is presumed that the Government of India will obtain statistics regarding them from the Account Department direct.

Government servants in the Mofussil, Rs. 50,251-8-0.

5. Apart from the collections above accounted for there have been large realizations under arrears, etc., on account of the sums due under Acts IX. and XXIII. of 1869:—

| Items. | | | | Rs. | A. | P. |
|---|---|---|---|---|---|---|
| Part II. | Government servants | | | 107 | 7 | 0 |
| „ II. | Companies' servants | | | 5,666 | 1 | 0 |
| „ III. | On Companies | | | 1,374 | 0 | 0 |
| „ IV. | General | | | 1,21,050 | 8 | 0 |
| Amounts entered in the monthly Returns of Tanjore | | | 794 | | | |
| Do. | do. | do. | of Trichinopoly. | 409 | | |
| Do. | do. | do. | of Madura | 72 | | |
| Do. | do. | do. | of Coimbatore | 627 | | |
| | | | | 1,902 | | |
| but omitted in the quarterly Returns for reasons to be detailed below | | | | 1,902 | 0 | 0 |
| | | | Total | 1,30,100 | 0 | 0 |

Thus the total Income-tax collections up to the end of the quarter amount to Rs. 2,06,311. To this must be added Rs. 31,167-3-0, being the stoppages made by the Accountant-General from the salaries of Government servants at the Presidency Town, which raises the total to Rs. 2,37,478.

| | Rs. | A. | P. |
|---|---|---|---|
| Amount of tax under Act XVI. of 1870, accounted for in the quarterly Returns | 25,959 | 3 | 3 |
| Do. under do. on Government servants in Mofussil | 50,251 | 8 | 0 |
| Arrears, etc. | 1,30,100 | 0 | 0 |
| Total | 2,06,310 | 11 | 3 |

6. The following differences are found on examination to exist between the demand and collections entered in the monthly Income-tax Returns and the quarterly Returns:—

| Items. | Total entered in the monthly Return. | Total entered in the quarterly Return. | Difference. | |
|---|---|---|---|---|
| | | | Increase. | Decrease. |
| | Rs. | Rs. | Rs. | Rs. |
| Demand | 42,454 | 46,430 | 3,976 | ..... |
| Collections | 27,861 | 25,959 | ..... | 1,902 |

The increase of Rs. 3,976 under the head Demand in the quarterly Return is due mainly to the fact that the Collectors of Vizagapatam, Godavery, and Tanjore,

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*13th March* 1871.

entered the collections as demand in their monthly Returns instead of the proper figure. They have now been requested to rectify the mistake.

7. The decrease of Rs. 1,902 in the collections entered in the quarterly Return is the result of the exclusion from it of the sums marginally noted, entered opposite Tanjore, Trichinopoly, Madura, and Coimbatore in the monthly Returns. The sums against Trichinopoly, Madura, and Coimbatore, were erroneously collected at wrong rates, and have, therefore, been omitted. They will be duly brought to account in the next quarterly Return. The omission of the amount entered against Tanjore is due to the fact that it does not refer to the transactions under Act XVI. of 1870.

| | Rs. |
|---|---|
| Tanjore | 794 |
| Trichinopoly | 409 |
| Madura | 72 |
| Coimbatore | 627 |
| Total | 1,902 |

8. The delay which has occurred in the submission of these Returns is due to the repeated references to the district officers, rendered necessary by the mistakes observed in their Returns, which were in a measure occasioned by the defects in the forms furnished by the Government of India. The Board take this opportunity to request that they may be permitted to submit the Returns for the succeeding quarters in the amended forms which have been circulated to Collectors in anticipation of the sanction of Government.

[Form adopted by the Board.]

Return of Assessments under Part IV. of the Indian Income-tax Act for the quarter ending 30th June 1870.

| Items. | Number assessed. | Amount assessed. | Demand at the end of the quarter. Amount of instalments which have fallen due. | Fines by Magistrates under Sections 31 and 38, in excess of amounts shown in column 4. | Total demand column 4, *plus* column 5. | Realizations. | Remission or amount written off. | Balance column 3, *minus* columns 7 and 8. | Cash refunds under Section 27, exclusive of fees. |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | RS. A. P. | RS. A. P. | | RS. A. P. | RS. A. P. | | RS. A. P. | |
| Companies whose incomes or profits are assessed at not less than Rs. 500 but at less than Rs. 750... | 323 | 6,298 8 0 | 1,574 10 0 | ..... | 1,574 10 0 | 916 8 0<br>*189 9 0 | ..... | 5,192 7 0 | ..... |
| 750 do. 1,000... | 201 | 5,427 0 0 | 1,356 12 0 | ..... | 1,356 12 0 | 1,140 12 0<br>*205 8 0 | ..... | 4,080 12 0 | ..... |
| 1,000 do. 1,500... | 55 | 2,145 0 0 | 536 4 0 | ..... | 536 4 0 | 380 4 0<br>*105 12 0 | ..... | 1,659 0 0 | ..... |
| 1,500 do. 2,000... | 76 | 4,104 0 0 | 1,026 0 0 | ..... | 1,026 0 0 | 877 8 0<br>*395 0 0 | ..... | 2,831 8 0 | ..... |
| 2,000 do. 10,000... | 41 | 4,971 5 6 | 1,242 13 4 | ..... | 1,242 13 4 | 777 0 9<br>*359 5 6 | ..... | 3,834 15 3 | ..... |
| 10,000 do. 1,00,000... | 9 | 4,594 11 6 | 1,148 10 10 | ..... | 1,148 10 10 | 968 10 0<br>*753 14 6 | ..... | 2,872 3 0 | ..... |
| 1,00,000 and upwards ... | ... | ..... | ..... | ..... | ..... ..... | ..... | | ..... | ..... |
| | ... | ..... | ..... | ..... | ..... | 5,060 10 9 | ..... | ..... | ..... |
| | ... | ..... | ..... | ..... | ..... | *2,009 1 0 | ..... | ..... | ..... |
| Total... | 705 | 27,540 9 0 | 6,885 2 2 | ..... | 6,885 2 2 | 7,069 11 9 | ..... | 20,470 13 3 | ..... |

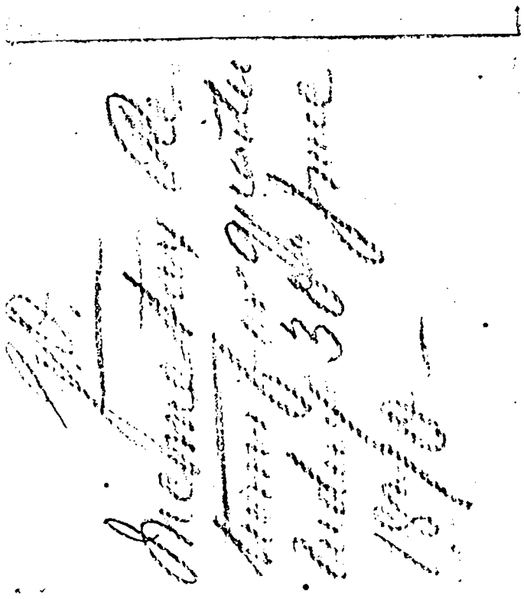
* These figures denote the collections made in advance on account of future quarters.

Return of Assessments on Companies under Part III. of the Indian Income-tax Act for the quarter ending 30th June 1870.

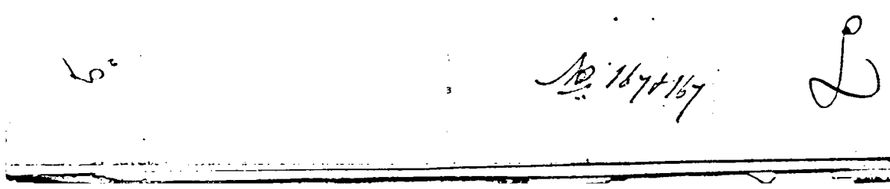
| Items. | Number assessed. | Amount assessed. | Demand at the end of the quarter. Amount of instalments which have fallen due. | Amount of fines under Section 30. | Total demand column 4, *plus* column 5 | Realizations. | Remission or amount written off | Balance column 3, *minus* cols. 7 and 8. | Cash refunds under Section 27, exclusive of fees. |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | RS. A. P. | RS. A. P. | | RS. A. P. | RS. A. P. | | | |
| Companies whose incomes or profits are assessed at not less than Rs. 500, but at less than Rs. 750... | ... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Do. 750 do. 1,000... | ... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Do. 1,000 do. 1,500... | ... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Do. 1,500 do. 2,000... | ... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Do. 2,000 do. 10,000... | ... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Do. 10,000 do. 1,00,000... | 1 | 406 4 0 | 101 9 0 | ..... | 101 9 0 | 101 9 0<br>*304 11 0 | ..... | ..... | ..... |
| Do. 1,00,000 and upwards ... | 1 | 8,776 4 6 | 2,194 1 1 | ..... | 2,194 1 1 | 2,194 1 1<br>*6,582 3 5 | ..... | ..... | ..... |
| | ... | ..... | ..... | ..... | ..... | 2,995 10 1 | ..... | ..... | ..... |
| | ... | ..... | ..... | ..... | ..... | *6,886 14 5 | ..... | ..... | ..... |
| Total... | 2 | 9,182 8 6 | 2,295 10 1 | ..... | 2,295 10 1 | 9,182 8 6 | ..... | ..... | ..... |

* These figures denote the collections made in advance on account of future quarters.

*Proceedings of the Madras Government, Revenue Department, 13th March 1871.*



Vict. L. 1242/51



Govt. of N

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To

THE BOA

Dated, March 18

Recd.

G. O., 18

Nos.

Income-tax c
quarter ending 30th
wards I to Gover
Revenue requested t
amended form.