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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue — DEPARTMENT

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PROCEEDINGS of the MADRAS GOVERNMENT.

Dated 5th August 1859, No. 1053.

* December 31st 1858.

A Despatch from the Home Government to the Government of India* discussed the policy of permitting the redemption of the land tax in India and the creation by that means of absolute freeholds.

2. The objection to such redemption in India has always been felt to be that in this country the land tax is the main constituent of the public revenue, and not a mere insignificant portion of it as in England. In the opinion of the Government this objection is decisive as respects the land revenue generally; and they would not appreciate such a sacrifice of the State income. But the objection does not apply to building land and land occupied by buildings. Such land is limited in total extent, and unimportant as respects the revenue; but at the same time it is very largely distributed throughout the community, and it is a species of property in which security of tenure is peculiarly important, and is recognized to be so in all countries.

3. With the view of giving house-owners in this country the advantage of an absolute freehold right, the Governor in Council has resolved to sell outright the fee-simple of all land now used or hereafter required and available for building, without any reservation of quit-rent, and with an absolute and indefeasible title.

4. The operation of this resolution will vary according to the nature of the case.

First; land hereafter sought for building purposes, by Europeans or Natives, will be put up to auction sale and sold out and out to the highest bidder, the upset price being twenty times the amount of the yearly quit-rent or rate on the land.

Second; in the case of land now occupied wholly or in part by buildings and paying quit-rent, or justly liable to it, the owners shall have the option of converting it into freehold, by payment of a sum of money equal to twenty times the yearly quit-rent.

Third; in the case of land in towns now actually occupied and not liable to quit-rent, and not being inam or gramanattam or village site, it shall be open to the holder to convert his holding into an absolute freehold tenure on application only and without any payment. The applicant however will be required to produce good *prima facie* evidence of title, equal to that arising in the preceding case out of the payment of quit-rent and holding the puttah.

5. In all the three cases above described, a title deed will be given on the completion of the transaction, under the seal of the Government, declaring the absolute title of the holder, free of all demands on account of land revenue, and with full power to the holder to alienate the land or dispose of it otherwise at pleasure.

It is to be understood however that this transaction will not affect the liability of the premises to payments for municipal or other local purposes, or for the motarfah so long as that tax shall continue.

It is also to be understood that the title to be given by Government will be absolute only as against Government. It will be given on *prima facie* evidence of title; but other parties claiming the land will be as free as before to sue the holder in the Civil Courts.

6. This order will be held to apply to the contemplated railway towns. The existing arrangements respecting these towns are based on a yearly quit-rent and a small fine on entry. The terms have not yet been taken advantage of in any single instance; they are hereby wholly abrogated, and those above detailed are substituted for them. The other rules and regulations respecting these towns, viz. all excepting those relating to the two points above specified, will still remain in force.

7. The foregoing paragraphs have reference to land occupied for buildings. But the Governor in Council is further of opinion that in the Collectorate of Madras the rules may have a larger application. In this District the land revenue is very limited; the total revenue in it amounts to fifteen lacks of Rupees, independently of Sea Customs; but the land revenue, excluding what is called ground-rent, is no more than Rupees 68,000. This small sum is paid by nearly 30,000 persons; and the land is occupied partly by buildings and partly in gardens and rice fields. Considering the circumstances of this Collectorate, the large proportion of the land occupied with buildings, the insignificant amount of the land revenue, and the special import-

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ance of valid titles in such a locality, the Governor in Council resolves to make this order applicable to the whole of the tax-paying private land within the Collectorate of Madras. The case of the Government land occupied on a monthly ground-rent will be considered separately after further enquiry.

8. For similar reasons he resolves to make the order applicable also to the whole of the land on the Nilgiri, the Sheryeray, and Pulney Hills, and to coffee lands in the Wynaud talook. In the last mentioned case it will generally be the land tax only that is redeemed, not the proprietor's fee or rent; but where the proprietary right is vested in the Government, he will be prepared to allow the redemption of the rent also.

9. The foregoing rules contemplate the redemption and extinction of the land tax; but some holders of tax-paying land, from want of capital or other cause, may be unable or indisposed to redeem the tax. In such cases the Governor in Council will be prepared, with the view of strengthening the tenure, to issue, in place of the yearly puttahs, permanent title deeds, under the seal of the Government, and resembling in every respect the absolute freehold title deeds spoken of above in para. 5, except in reserving the usual yearly tax or quit-rent.

In such cases also this qualified freehold will be capable of being at any time converted into an absolute freehold, by the payment of a sum equal to twenty years' tax or quit-rent.

10. Resolved that this order be communicated to the Board of Revenue with the request that they will take the necessary measures to make it generally known throughout the Districts, and to encourage the holders of land of the descriptions specified to take advantage of its provisions.

11. Resolved also that they be requested to submit for approval drafts of title deeds to be issued in the several cases; these should be based on those approved for the inams, with the necessary modifications to suit the different circumstances of the land.

(True T. Fact.)

(Signed) J. D. BOURDILLON,

Secretary to Government.