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Revenue DEPARTMENT

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*Proceedings of the Madras Government, Financial Department,
22nd April 1875.*

Municipal Budget.

No. 236. Read the following letter from G. D. LEMAN, Esq., President of the Municipal Commissions, Kistna District, to the Hon. W. HUDLESTON, Chief Secretary to Government, Fort St. George, dated Masulipatam, 9th March 1875, No. 352:—

I have the honor to submit the Budget Estimates of the Guntoor Municipal Commissioners for 1875-76.

2. The Vice-President's letter accompanies it, and he shows that to provide for an expenditure equal to that of last year, it will be necessary to raise the House-rates from four to seven and a-half per cent. on the value; the Cart-tax from Rupees 1-8-0 to Rupees 2; and the Tolls from half to three-quarter rates.

3. *Paragraph 8.*—It is proposed to raise the House-tax from four to seven and a-half per cent. on the valuation. In paragraph 14 of my letter, printed in G.O., No. 2109, of the 16th December 1874, I expressed my opinion, to which I still adhere, that the rate on houses ought not to be increased; but I see no other way of providing sufficient funds for next year's expenditure.

4. *Paragraph 9.*—The addition of 8 Annas to the Rupees 1-8-0 tax now being paid on carts will not be felt heavy by the people. Sanction is accordingly requested to this addition.

5. *Paragraph 10.*—I cannot recommend an increase in the rates of Tolls. In reviewing the Budget Estimates for 1872-73, the Government refused to allow the rates to be raised from half to three-quarters, and I think the higher rates would be burdensome.

6. It is presumed that the wish of Government, expressed when the Profession-tax was taken off, still exists; it was laid down that it was desirable to curtail expenditure and not increase the present rate. Bearing this carefully in mind it is necessary to arrange for increased taxation (for without it sufficient funds cannot be found) and decreased expenditure.

7. The net demand (current) of House-tax in 1873-74 was Rupees 2,737 at four per cent., of which Rupees 2,495 were collected. Accepting this latter figure, or say Rupees 2,490, as the basis of calculation, the collection at seven and a-half per cent. would amount to Rupees 4,600 in round numbers, not Rupees 4,100 as the Vice-President notes.

8. *Paragraph 16.*—In reviewing the Local Fund Budget of the Guntoor Circle for 1875-76, the Revenue Board* have reduced the Local Fund contribution to the usual amount of Rupees 1,500 for the Dispensary. The Rupees 1,800 taken credit by the Commissioners must be altered.

9. The Tolls and the Dispensary contribution being left at their present rates and the House-tax raised from Rupees 4,100 to Rupees 4,600 (see paragraph 7 above), the total assets of the Municipality amount to Rupees 20,935, falling short of the Commissioners' estimate by Rupees 3,375. This deficit I would propose meeting as under.

	RS.
Commissioners' Estimate	24,310
<i>Deduct.</i>	
Tolls at quarter rates	3,575
Portion of Dispensary contribution disallowed by the Revenue Board	300
	3,875
Add sum not taken into account in calculating the House-tax	500
Total	20,935

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10. The expenditure on account of the quarters of the Hospital Assistant should be limited to the extent of the endowment, or say Rupees 1,090. The saving would be Rupees 478.

11. The expenditure on Sanitary Petty Works and Reserve should be reduced from Rupees 1,375 to Rupees 305. Saving Rupees 1,000.

12. The charges on account of the conservancy of the town are put down in the Commissioners' estimates at Rupees 6,700. I consider this too lavish an expenditure, especially at a time when they are short of funds. The town of Masulipatam, with a population of 36,188, is kept clean at an expenditure of Rupees 5,400. The population of Guntoor (18,033) is smaller, and the houses much closer to each other and less straggling. The Commissioners should, therefore, be able to manage the conservancy of the place at the same cost (if not a less one) as that of Masulipatam, and quite as effectively. I would, therefore, reduce their estimate to Rupees 5,400. Saving Rupees 1,300.

13. Lastly, I would reduce the expenditure on account of the Municipal Schools from Rupees 1,194 to Rupees 597.

14. These retrenchments amount to Rupees 3,375.

15. If the Government approve of my proposals to alter the Commissioners' Budget, the subjoined abstract shows their receipts and expenditure as revised by me:—

RECEIPTS.		EXPENDITURE.	
	RS.		1874-75. 1875-76.
Balance brought forward ...	10,000	GRANT I.	
Assignment by Government ..	125	New Works—	
Tax on Houses ...	2,400	Communications ...	1,000
Tax on Vehicles ...	1,000	Buildings ...	3,900
Registration of Carts ...	900	Repairs—	
Tolls ...	7,300	Communications ...	1,000
Fees ...	700	Buildings ...	1,500
Fines ...	200	Other Items ...	756
School Fees ...	150	GRANT II.—	
Endowments, &c. ...	1,652	Municipal Schools ...	1,452
Contribution from Local		Result Grants ...	500
Funds ...	1,500	Inspection ...	40
Miscellaneous (including Rs. 50		Miscellaneous ...	100
on account of "Arts" for		GRANT III.—	
1874-75) ...	465	Hospitals ...	2,736
		Vaccination ...	330
		Registration of Births and	
		Deaths ...	200
		Conservancy ...	6,700
		GRANT IV.—	
		Lighting ...	1,192
		Other Purposes ...	894
		GRANT V.—	
		Supervision and Manage-	
		ment ...	2,198
		Balance ...	1,684
Total ...	26,242	Total ...	26,242
	20,935		20,935

16. There will be a closing balance of Rupees 380.

17. The accompanying statements are exact copies of the estimates received from Guntoor except that a few clerical errors have been rectified by me.

From H. NEWMAN, Esq., Vice-President of the Municipal Commission, Guntoor, to G. D. LEMAN, Esq., President of the Municipal Commissions, Kistna District, dated Prattipad, 16th January 1875, Extra No. 1.

I have the honor to enclose the Budget Estimates of the Guntoor Municipality for the ensuing year 1875-76, passed at a meeting of the Commissioners.

2. The Professional tax having been abolished, it is found that the income of the Municipal Commission will not be sufficient to enable the Commissioners to maintain their present Conservancy and other Establishments, unless proposals are made for an increase of some of the remaining taxes.

3. In their Proceedings of the 29th April last, Government suggested that it would be necessary either to have recourse to a loan, or to raise the rate of the House-tax.

4. The Commissioners do not wish to reduce the present Conservancy Establishment, which has undoubtedly done great good to the town. They desire to erect the quarters for the Hospital Assistant, for which the estimates have been prepared at the local rates, with the aid and supervision of the Public Works Department. Also, it is desired to make an allotment towards carrying on the improvement of the Black Tank on the plan suggested by the District Engineer.

5. The allotments, which have been entered in the enclosed draft Budget, therefore, are on the assumption that Government will be willing to sanction an increase in the remaining taxes to compensate for the loss of the Professional tax. Since the Commissioners discussed the question a copy of your letter of the 21st November has been received. You expressed the opinion that the House-tax should not be raised, as Guntoor is the most expensive place in the district for a native to live at, and the poorer people would be seriously troubled by any increase.

6. The members who were present when the draft Budget was passed were of opinion that the taxes should be increased, but I do not think that there is unanimity among all the members on the subject, as the native members were in favor of making the House-tax as low as possible at the time when the list was revised.

7. A great many taxpayers appealed then on account of the small increase which was proposed. This circumstance must be taken into consideration.

8. It is calculated that the present incidence of the House-tax is 136 of a Rupee per head of population, and Rupees 1,622 per head of taxpayers. This appears to me to be extremely moderate. The meeting thought that if the works are to be carried out as planned, and the conservancy maintained as heretofore, it would be necessary to raise the House-tax from four per cent. on the valuation as at present to seven and a-half per cent., the maximum rate. The produce of the tax at four per cent. is about Rupees 2,500.

9. It is proposed to raise the tax on carts kept within the town from Rupees 1-8-0 each to Rupees 2.

10. The tolls are now being collected at half the maximum rates. Formerly they were collected for some time at three-quarter rates, but in 1872 the Government reduced them to half rates. The Professional tax being now abolished, it is suggested that the three-quarter rates may be resumed.

11. It is clear that the carrying out of the plans, which the Commissioners have had in view, must depend upon whether the Government think it expedient to increase the existing taxes to a moderate extent or not.

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12. The establishments and the plans for building and for excavating were all framed on the supposition that the receipts of the Municipality would be as heretofore. The abolition of one of the most important taxes renders it necessary that either the remaining taxes must be somewhat increased, or else the proposed expenditure on establishments and works must be reduced.
13. The estimates are framed on the supposition that the taxes will be increased. If not, then the proposed expenditure must be revised.
14. The gain by alteration of rate of House-tax would be over Rupees 1,500, probably after deducting remissions which might be made on appeals. That on registration of carts would be about Rupees 300. If the tolls were sold at three-quarter rates for a proportionate sum to that which has been bid lately, they would realize, say, Rupees 2,500 more than at present.
15. Rupees 60, the endowment of Whishe's Choultry, is entered among the receipts. It has been assigned to the Municipality.
16. The amount expected to be contributed by the Local Fund Board towards the expenses of the Dispensary and Hospital is Rupees 1,800, which has been noted by the Local Fund Board, and entered in that Budget.
17. The increase in expenditure under the item Sanitary New Works is owing to the proposed new Hospital Assistant's quarters. The endowment of Rupees 1,092 can be applicable to this and is included in the General Budget, and a moiety of the balance may be afterwards contributed from Local Funds.
18. The endowment money is at present deposited in the Savings Bank.
19. It is proposed to expend Rupees 1,000 nearly on small improvements to roads.
20. The office establishment has been reduced by abolishing the offices of Accountant at ... and one tax collector of Rupees 7 during the current year. These are not, therefore, provided for. Also one waterman will be dismissed I think, but this has not been decided at a meeting.
21. It is proposed to entrust the repairs of Mr. Whishe's Choultry, for which an estimate has been made by the Department of Public Works, to that department for execution. It is proposed to open new windows for ventilation in the rooms, so that professional skill will be required to prevent damage to the building.

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No. 237. ORDER THEREON, 22nd April 1875, No. 908.

The annexed abstract shows the estimated receipts and charges of the Guntoor Municipality for 1875-76, compared with those for the current year:—

RECEIPTS.	1874-75.		1875-76.		CHARGES.	1874-75.		1875-76.	
	RS.		RS.			RS.		RS.	
Balance brought forward ...	10,000		2,408		GRANT I.				
Assignment by Government ...	125		125		New Works—				
Rate on Houses, &c. ...	2,400		4,100		Communications ...	1,000			
Tax on Arts, &c. ...	50				Sanitary and Miscella- neous ...	3,960		4,268	
Tax on Vehicles, &c. ...	1,000		1,000		Repairs—				
Registration of Carts, &c. ...	900		1,200		Communications ...	1,000		1,000	
Tolls ...	7,300		10,875		Sanitary and Miscella- neous ...	1,500		2,000	
Fees ...	700		500		Establishment ...	756		756	
Fines ...	200		300		GRANT II.—				
School Fees ...	300		150		Municipal Schools ...	1,452		1,194	
Endowments, &c. ...	1,652		1,652		Results Grants ...	500		500	
Contribution from Local Funds ...	1,500		1,800		Contributions to Local Funds for Inspection ...	40		40	
Miscellaneous ...	115		200		Miscellaneous ...	100			
Total ...	26,242		24,310		GRANT III.—				
					Hospitals ...	2,736		3,486	
					Vaccination ...	330		230	
					Registration of Births, &c. ...	200		200	
					Conservancy ...	6,700		6,700	
					GRANT IV.—				
					Lighting ...	1,192		1,192	
					Markets ...	240		240	
					Choultries ...	60		60	
					Other Purposes ...	594		360	
					GRANT V.—				
					Supervision and Manage- ment ...	2,198		1,704	
					Balance ...	1,684		380	
Total ...	26,242		24,310		Total ...	26,242		24,310	

2. The estimated opening balance does not correspond with the closing balance of the regular estimate for 1874-75.

3. The Vice-President proposes to make up for the loss of revenue caused by the abolition of the Profession-tax, and hitherto not seriously felt in consequence of the large unexpended balances in the hands of the Commissioners by raising—

- (1) the House-tax from four to seven and a-half per cent. on the annual rental value;
- (2) the fee for the Registration of Carts from $1\frac{1}{2}$ to 2 Rupees; and
- (3) the Tolls from one-half to three-fourths of the maximum rates.

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4. The increase of revenue expected by the Vice-President from these proposals is—

	RS.
House-tax	1,600
Registration Fee	300
Tolls	3,500
Total	5,400

5. The Vice-President considers the present rate of House-tax to be unduly low, and the Commissioners who passed the Budget would seem to be of opinion that if the works proposed are to be carried out and the conservancy operations maintained on their present footing, it will be necessary to increase the House-tax from four to seven and a-half per cent. The President however adheres to the view already expressed by him that "as it is, Guntur is the most expensive place in the district for a native to live at, and the poorer people would be seriously troubled by any increase," but would not now object to the Vice-President's proposal as he sees no other way of providing sufficient funds for next year's expenditure. He also thinks that the increase to the rate of House-tax would lead to an enhancement of the revenue by Rupees 2,100, and not Rupees 1,600 as proposed to the fee for the Registration of Carts will not be less by the proposed

6. As to Tolls, the President thinks the higher rate proposed would be burdensome, and accordingly submits proposals for the reduction of expenditure which the removal of the increased provision under Tolls will entail. They are—

	RS.
1. To save in allotment for the Hospital Assistant's Quarters	478
2. Sanitary Petty Works and Reserve	1,000
3. Conservancy	1,300
4. Municipal Schools	597
Total	3,375

7. The existing rate of House-tax being low, the Government consider that it may fairly be raised to five per cent. on the annual rental value. The fee for the Registration of Carts may also be increased as proposed, but the Government concur with the President in believing any increase to the rate of Tolls to be unadvisable under the circumstances. The reduction under Conservancy, however, which is proposed by him seems to be undesirable in the present unsatisfactory sanitary state of the town, and as any decrease in the expenditure on Education is also much to be deprecated, the Government will have no objection to sanction the revival of the Profession-tax as regards the first five classes of Schedule B in the event of the Commissioners being willing to meet the difficulty in that way. From the special return forwarded with the report for 1871-72 it appears that the receipts from that source may be estimated at Rupees 3,800, and if this be adopted, and the contribution from the Local Fund Board raised to Rupees 1,800

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as proposed by them in their Budget, the following reductions will be necessary:—

	RS.
Petty New Works and Reserve	200
Hospital Assistant's Quarters	225
Balance	380
Total	805

8. An abstract of the Budget as revised by Government will then be—

RECEIPTS.	RS.	EXPENDITURE.	RS.
Opening Balance	2,408	Public Works.	
Assignment by Government	125	New Works—	
Rate on Houses	3,070	Sanitary and Miscellaneous	3,843
Tax on Arts, &c.	3,800	Repairs—	
Tax on Vehicles	1,000	Communications	1,000
Registration of Carts	1,200	Sanitary and Miscellaneous	2,000
Tolls	7,300	Other Items	756
Fees	500	Education	1,734
Fines	300	Hospitals	3,486
School Fees	150	Vaccination	230
Endowments	1,250	Registration of Births and Deaths	200
Miscellaneous	200	Lighting	1,192
		Miscellaneous	600
		Supervision	1,704
Total	23,505	Total	23,505

(True Extract.)

W. HUDLESTON,
Chief Secretary.

To the President of the Municipal Commissions, Kistna District.
 " Public Works Department.
 " Revenue Department.
 " Board of Revenue.
 " Accountant-General.
 " Sanitary Commissioner.
 " Surgeon-General, Indian Medical Department.
 " Director of Public Instruction.
 " President of the Local Fund Boards, Kistna District.

Ed. J. Wright.

over 10:00
Ch. 1746.

Govt. of 1876

FINANCIAL.

THE PRESIDENT OF THE
MUNICIPAL COMMISSION.

to, to,

Dated April, 22nd, 1876.

Received

Recd. - 1/13

O.O., 22nd April 1876, No. 618.

APRIL
1876 230,007.

Municipal Property - D. 1876 - 230,007.

1876

Adopted

14th July 1876.