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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No.
~~B.P. No.~~

577

Press
~~Mis.~~

Dated 5-5-1876 196- .

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Revenue Department,
5th May 1876.*

No. 38. Read the following Proceedings of the Board of Revenue, dated 11th April 1876, No. 989 :—

Read the following letters :—

From R. J. MELVILLE, Esq., Acting Collector of Sea Customs, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Madras, 23rd March 1876, No. 512.

In respect to locomotive engines and other machinery imported for the railway, the practice of this office has been, under the old Tariff Act XIII. of 1871 and the present Act XVI. of 1875, to pass them free as machinery.

Board's Proceedings, dated 15th January 1876, No. 107.

Board's Proceedings, dated 22nd January 1876, No. 184.

Board's Proceedings, dated 8th February 1876, No. 386.

Board's Official Memorandum, dated 11th November 1875, No. 1,848.

2. From the papers marginally noted, however, I observe that such items passed free under the old Act XIII. of 1871, and entered in the Monthly Trade Returns for April, May, June, and July 1875, have been objected to by the Government of India and

the Board of Revenue and explanation called for.

Letter to Board, dated 22nd December 1875, No. 1,843.

3. In the paper marginally noted, it was explained to the Board, in regard

to the item in the July return, that it was passed free as machinery.

4. No orders have been received on this explanation, and I observe that a similar item in the return for September 1875 passed free under the present Tariff Act XVI. of 1875 has not been objected to. I have, therefore, the honor to request the definite orders of the Board as to whether duty should be levied on locomotive engines and other machinery imported for the railway.

5. I beg to submit, for the Board's information, copy of a letter (dated 21st March 1876, No. 332) from the Consulting Engineer for Railways, Madras, raising the same question and of my reply thereto.

—
ENCLOSURE No. 1.—Copy of letter from Consulting Engineer for Railways.

—
ENCLOSURE No. 2.—Its Enclosure.

—
ENCLOSURE No. 3.—Copy of Collector's reply.

From A. J. STUART, Esq., Acting Collector of Tinnevely, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Strivilliputtur, 16th March 1876, No. 175 :—

I HAVE the honor to submit, for the orders of the Board, the following letter from the Head Assistant Collector. The point referred appearing to me as to him doubtful :—

“The Assistant Engineer, South Indian Railway, Tuticorin, has submitted an application to the Superintendent requesting him to pass free a few pieces of engine left, lathe, and drill imported by him from London, but on perusal of

items Nos. 25 and 48 of the Tariff Act XVI. of 1875 and page 3 of the Board's Proceedings, No. 184, dated 22nd January 1876, and paragraph 5 of Board's Proceedings, No. 107, dated 15th idem, I am doubtful whether these articles can all be passed free of duty."

"It seems to me that, with reference to item 48 of Schedule A annexed to Act XVI. of 1875, the articles are dutiable at the rate of 1 per cent.; but, as the Assistant Engineer claims them to be passed free, I request you will be good enough to refer the matter to the Board for instructions. Copies of the application and the report of the Superintendent are herewith forwarded for your information."

SUBMITTED for the orders of Government.

2. The question raised in the letters read above is whether locomotive engines and other machinery imported from foreign ports for Railway purposes are dutiable or not under the Tariff Act XVI. of 1875.

* 48, Railway Materials—

(1.) Of Iron.

(2.) Steel rails and other articles made of steel intended for Permanent-way of Railways.

(3.) All other sorts including carriages, trucks.

3. There is no doubt that machinery imported for purposes other than Railway are not liable to duty, *vide* item No. 25 of Schedule A of the Tariff Act, and the Board do not think that the item 48* of the Act is intended to include similar machines imported for Railway.

4. The Board are, however, led to make this reference, as the Government of India have, in reviewing the Trade Return for April 1875, inquired why locomotive engines and tenders were allowed to pass free.

5. It is true that in April on the returns of which month the Government of India have made the observation in question, Act XVI. of 1875 was not in force, but the Board observe that the wording of the Tariff Act in regard to Machinery and Railway plant is almost identical with the terms of the Act then in force—*vide* items Nos. 29 and 40, Schedule A, Act XIII. of 1871.

6. No reply to the enquiry of the Government of India has as yet been despatched. The Board think it desirable that a definite ruling on the point should be obtained.

(True Copies and Extract.)

(Signed) C. A. GALTON,
Acting Secretary.

No. 39.

ORDER THEREON, 5th May 1876, No. 577.

Separate Revenue, No. 4.

Customs.

THE question raised in the above Proceedings and in the papers submitted therewith is whether locomotive engines and other machinery imported for Railway purposes falls under "All other sorts" under Article No. 48, or under "Machinery," mentioned under the exception to Article No. 25 of Schedule A of the Tariff Act XVI. of 1875. If the former is the case, 5 per cent. duty is leviable; but, if included under the latter, the articles should be passed free. The provisions of the old Act XIII. of 1871 in regard to Railway materials and

machinery were identically the same as in the new Act, except in the matter of duty, items 29 and 40 of Schedule A of the old Act corresponding almost entirely to items 25 and 48 of the Schedule A of the new Act.

2. The practice under the old and new Acts in this Presidency has been to class the articles referred to under "Machinery" and pass them duty free; but the Government of India have pointed out to the Board of Revenue in connection with the Trade Returns submitted by them for some months of the past year (1875) before the introduction of the new Tariff Act that duty should have been levied on the Railway machinery, and inquired the reason for passing them free. It would have been well if the Board had explained without delay the uncertain state of the law on the subject, and the practice prevailing in this Presidency. Under the present circumstances, however, it appears to Government that the intention of the Government of India being made known in regard to the provisions under the old Act, and the new Act being practically identical as the old on the point raised, the proper course to adopt is to levy duty on the articles referred to subject to further instructions from the Government of India, who will be addressed in view to obtain a clear ruling on the subject. The Board will issue instructions to this effect to the Customs Officers of the Presidency, and will also call attention to the

Section 185 of Consolidated Customs Act
No. VI., 1863.

provision of the law, which enacts that duties short-levied shall be paid by the person chargeable, on demand made within six months.

(True Extract.)

(Signed) D. F. CARMICHAEL,
Secretary to Government.

To the Board of Revenue.

Exd. W. J. Lewis.

*Locomotive Engines and other Machinery
imported for Railway purposes.—Directing the
Board of Revenue to issue instructions to the
Customs Officers of the Presidency to levy duty on—
subject to further instructions from the Government
of India, and also to call attention to the provision
of the law which enacts that duties short-levied
shall be paid by the person chargeable, on demand
made within six months.*

MAY.
Nos. 38-39.

G.O., 6th May 1876, No. 677.

Dated May, 6th.

Encl.

THE BOARD OF REVENUE.

REVENUE.

Oct. of 1876, Madras.

No. 989.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 11th April 1876.

Read the following letters :—

From R. J. MELVILLE, Esq., Acting Collector of Sea Customs, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Madras, 23rd March 1876, No. 512.

In respect to locomotive engines and other machinery imported for the railway, the practice of this office has been, under the old Tariff Act XIII. of 1871 and the present Act XVI. of 1875, to pass them free as machinery.

2. From the papers marginally noted, however, I observe that such items passed free under the old Act XIII. of 1871, and entered in the Monthly Trade Returns for April, May, June, and July 1875, have been objected to by the Government of India and the Board of Revenue and explanation called for.

3. In the paper marginally noted, Letter to Board, dated 22nd December 1875, No. 1,843, it was explained to the Board, in regard to the item in the July return, that it was passed free as machinery.

4. No orders have been received on this explanation, and I observe that a similar item in the return for September 1875 passed free under the present Tariff Act XVI. of 1875 has not been objected to. I have, therefore, the honor to request the definite orders of the Board as to whether duty should be levied on locomotive engines and other machinery imported for the railway.

5. I beg to submit, for the Board's information, copy of a letter (dated 21st March 1876, No. 332) from the Consulting Engineer for Railways, Madras, raising the same question and of my reply thereto.

ENCLOSURE No. 1.—Copy of letter from Consulting Engineer for Railways.

ENCLOSURE No. 2.—Its Enclosure.

ENCLOSURE No. 3.—Copy of Collector's reply.

From A. J. STUART, Esq., Acting Collector of Tinnevely, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Strivilliputtur, 16th March 1876, No. 175:—

I HAVE the honor to submit, for the orders of the Board, the following letter from the Head Assistant Collector. The point referred appearing to me as to him doubtful :—

“The Assistant Engineer, South Indian Railway, Tuticorin, has submitted an application to the Superintendent requesting him to pass free a few pieces of Engine-left, Lathe, and Drill imported by him from London, but on perusal of items Nos. 25 and 48 of the Tariff Act XVI. of 1875 and page 3 of the Board's Proceedings, No. 184, dated 22nd January 1876, and paragraph 5 of Board's Proceedings, No. 107, dated 15th idem, I am doubtful whether these articles can all be passed free of duty.”

"It seems to me that, with reference to item 48 of Schedule A annexed to Act XVI. of 1875, the articles are dutiable at the rate of 1 per cent.; but, as the Assistant Engineer claims them to be passed free, I request you will be good enough to refer the matter to the Board for instructions. Copies of the application and the report of the Superintendent are herewith forwarded for your information."

SUBMITTED for the orders of Government.

2. The question raised in the letters read above is whether Locomotive Engines and other machinery imported from foreign ports for Railway purposes are dutiable or not under the Tariff Act XVI. of 1875.

* 48. Railway Materials—

- (1.) Of Iron.
- (2.) Steel rails and other articles made of steel intended for Permanent way of Railways.
- (3.) All other sorts including carriages, trucks.

3. There is no doubt that machinery imported for purposes other than Railway are not liable to duty, vide item No. 25 of Schedule A. of the Tariff Act, and the Board do not think that the item 48* of the Act is intended to include similar machines imported for Railway.

4. The Board are, however, led to make this reference, as the Government of India have, in reviewing the Trade Return for April 1875, enquired why Locomotive Engines and tenders were allowed to pass free.

5. It is true that in April on the returns of which month the Government of India have made the observation in question, Act XVI. of 1875 was not in force, but the Board observe that the wording of the Tariff Act in regard to Machinery and Railway plant is almost identical with the terms of the Act then in force—vide Items Nos. 29 and 40, Schedule A, Act XIII., of 1871.

6. No reply to the enquiry of the Government of India has as yet been despatched. The Board think it desirable that a definite ruling on the point should be obtained.

(True Copies and Extract.)

Ch. Cotton
Acting Secretary.

To the Secretary to Government, Revenue Department,
with three original enclosures, to be returned.

Copy to the Collector of Sea Customs, Madras.
" to the Collector of Tinnevely.

Ed. W. J. Lewis.

Locomotive Engines and other Machinery—imported from foreign ports for railway purposes.—Submitting for orders of Government question whether are dutiable or not under the Tariff Act XVI. of 1875.

APRIL.
No. 989.

Received
25 April 1876

24 April 1876

PROCEEDINGS, 11TH APRIL 1876, No. 989.

1876. Report
Board of Revenue,
MADRAS.

No 577 275 May 1876

Read 27 May 11 April
1876 No 989.

The question raised in the above Proceedings & in the papers submitted hereunto is whether Locomotive Engines & other machinery imported for Railway purposes falls under "All other sorts" under article no. 48. or under "Machinery" mentioned under article no 25 of Schedule A of the Tariff Act. XVI of 1875. If the former is the case, 5 per cent duty is leviable; but if included under the latter, the articles should be passed free. The provisions of the old Act. 13 of 1871. in regard to Railway materials & machinery were identically the same as in the new Act. except in the matter of duty, items 29 & 40 of Schedule A of the old Act. corresponding almost entirely to items 25 & 46 of the Schedule A of the new Act.

The practice under the old &
new Acts in this Presidency
has been to class the articles
referred to under "Machinery"
& pass them duty free; but
the Gov^t of India have pointed
out to the Board of Revenue
in connection with the
Trade Returns submitted
by them for some months
of the past year (1875) before
the introduction of the new
Tariff Act. that duty should
have been levied on the Railways
machinery & engines of this, the
reason for passing them free.
It would have been well, if
the Board ^{had} explained to them
without delay the uncertain
state of the Law on this
point & the practice in this
Presidency. Under the present
circumstances, ^{however} it appears
to Gov^t that the intention
of the Gov^t of India has been
known in regard to the provisions
under the old Act, & the
new Act being much the
same as the old one on this point.

the Gov^t of India, who will
be assured ^{in view} of the
fact that a clear ruling
on the subject

S. CLXXXV
of Consolidated Customs Act,
No VI, 1863.

14. Loko Odaa Dog Dew Dew 15 May

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raised, the proper course to
adopt is to refer to the
on the articles referred to
subject to further instructions.
The Board will issue in-
structions to this effect
to the Customs officers
of this Presidency - I will
also call attention to the
provision of the Law, which
enacts that duties & port-charges
shall be paid by the person
chargeable, on demand made
within 6 months. ~~for the~~

L.S.T.

Machines - Taff
To 13d Rev 11

R.C. 3d May R. 5 May
C. 2d May 16 R 3d May