

Not to be folded or roughly handled

PROCEEDINGS OF THE BOARD OF REVENUE, dated 13th April 1878.

Read the following letter from G. H. M. BATTEN, Esq., Officiating Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce (Customs), to the Secretary to the Government of Madras, dated Calcutta, 21st March 1878, No. 49:—

THE Governor-General in Council desires to call attention to certain provisions in the Sea Customs Act, 1878, which were the subject of much discussion when the Act was under consideration.

2. Section 32 deals with the case of goods undervalued for duty. It takes the place of Section 27 of Act VI of 1873, a new power is given to the Customs-collector when goods taken over by the Government have been brought to sale by public auction, and when the highest offer made at such sale is, in his opinion, inadequate. Under such circumstances the Customs-collector is empowered either to adjourn the sale or to buy in the goods and dispose of them for the benefit of the Government.

3. Some apprehension has been expressed that this power may be abused. It has been pointed out that when a firm imports goods out of season and has to hold them over for some months before it can dispose of them, it must take into consideration interest, storage, cost of establishment, fire insurance, and other charges to which it will be put before the goods are disposed of. If the Customs-collector is not satisfied with the valuation of such goods and takes them over for the use of Government, it is feared that the goods may be kept until the season when the prices have risen, the Customs-collector not being deterred by the consideration of the charges of the kind above mentioned, and using his own judgment as to what is an "unnecessary delay."

4. It is needless to say that such a use of the power given by Section 32 to the Customs-collector involving, as it would a commercial speculation would not be approved by the Government.

5. Then, again, the power of adjournment of the sale or of buying in the goods for subsequent disposal for the benefit of Government is one which should only be exercised on clear necessity being shown for such a course. In the Presidency towns it will probably be less necessary than in smaller centres of commerce, for the large number of dealers would be generally a sufficient safeguard against inadequate offers.

6. His Excellency in Council thinks it may be desirable that periodical returns should be made by the Customs-collector showing the instances in which he has delayed the original sale by auction beyond one fortnight and those in which he has either adjourned the sale or bought in the goods, and in the latter case how and when he has disposed of them, with explanations of his reasons for so acting. I am directed to request that this suggestion may be taken into consideration of His Grace the Governor in Council.

7. The power given by Section 178 of Act VI of 1863 and continued by Section 195 of the new Act to take samples of goods for the purpose of ascertaining their value is also viewed with some apprehension by merchants. It is alleged that in certain cases, as those of prints or fancy goods, the ideas of the importers may be communicated to others who would pirate them to the detriment of the importer. The officers employed in valuing goods for the Customs-house should, His Excellency in Council is of opinion, be warned to guard against this to the utmost of their power by taking care not to show the samples publicly or to persons who might make use of them in the manner apprehended. Any flagrant instance of carelessness in this respect would be deserving of punishment.

FORWARDED to the Board of Revenue.

FORT ST. GEORGE,
27th March 1878.

(Signed) C. G. MASTER,
Secretary to Government.

COMMUNICATED to all Collectors of Maritime Districts who will submit a quarterly return of the nature indicated in paragraph 6 of the letter from the Government of India, through the Board, for the information of Government; a blank statement should be forwarded when there are no transactions. Collectors will also impress upon all subordinates employed in the valuation of goods the necessity for acting with discretion and in good faith in the cases referred to in paragraph 7.

(A true Copy and Extract.)

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

To all Collectors of Maritime Districts.
Copy to the Secretary to Government, Revenue Department.

Exd. W. H. French.

See Customs Act, 1878. — Requesting Collectors of Maritime Districts to submit quarterly returns regarding sales of goods undervalued for duty and taken over by Government; and issuing instructions to those officers relative to the valuation of goods.

APRIL.
No. 1093.

PROCEEDINGS, 13th April 1878, No. 1, 093.

Board of Revenue,
MADRAS.

1877.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 13th April 1878.

Read the following letter from G. H. M. BATTEN, Esq., Officiating Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce (Customs), to the Secretary to the Government of Madras, dated 21st March 1878, No. 1093.

The Governor-General in Council desires to call attention to certain provisions in the new Customs Act, 1878, which were the subject of much discussion when the Act was under consideration.

2. Section 24 deals with the case of goods undervalued for duty. It takes the place of Section 27 of Act VI of 1874, a new power is given to the Customs-collector when goods taken over by the Government have been brought to sale by public auction, and when the highest offer made at such sale is, in his opinion, inadequate. Under such circumstances the Customs-collector is empowered either to adjourn the sale or to buy in the goods and dispose of them for the benefit of the Government.

3. Some apprehension has been expressed that this power may be abused. It has been pointed out that when a firm imports goods out of season and has to hold them over for some months before it can dispose of them, it must take into consideration interest, storage, cost of establishment, and insurance, and other charges to which it will be put before the goods are disposed of. If the Customs-collector is not satisfied with the valuation of such goods and takes them over for the use of Government, it is feared that the goods may be kept until the season when the prices have risen, the Customs-collector not being deterred by the consideration of the charges of the kind above mentioned, and using his own judgment as to what is an "unreasonable delay."

4. It is needless to say that such a use of the power given by Section 24 to the Customs-collector involving, as it would, a commercial speculation, would not be for the benefit of the Government.

5. Then, again, the power of adjournment of the sale or of buying in the goods for subsequent disposal for the benefit of Government is one which should only be exercised on clear necessity being shown for such a course. In the Presidency towns it will probably be less necessary than in smaller centres of commerce, for the large number of dealers would be generally a sufficient safeguard against inadequate offers.

6. His Excellency in Council thinks it may be desirable that periodical returns should be made by the Customs-collector showing the instances in which he has delayed the original sale by auction beyond one fortnight and those in which he has either adjourned the sale or bought in the goods, and in the latter case how and when he has disposed of them, with explanations of his reasons for so acting. I am directed to request that this suggestion may be taken into consideration of His Grace the Governor in Council.

7. The power given by Section 178 of Act VI of 1863 and continued by Section 195 of the new Act to take samples of goods for the purpose of ascertaining their value is also viewed with some apprehension by merchants. It is alleged that in certain cases, as those of prints or fancy goods, the ideas of the importers may be communicated to others who would attribute them to the detriment of the importer. The officers employed in valuing goods for the Customs-house should, His Excellency in Council is of opinion, be warned to guard against this to the utmost of their power by taking care not to show the samples publicly or to persons who might make use of them in the manner apprehended. Any flagrant instance of carelessness in this respect would be deserving of punishment.

FORWARDED to the Board of Revenue.

Fort St. George,
27th March 1878.

(Signed) C. G. MASTER,
Secretary to Government.

13-1-73
1-5-73
12-8-73
15-7-74

COMMUNICATED to all Collectors of Maritime Districts who will submit a quarterly return of the nature indicated in paragraph 6 of the letter from the Government of India, through the Board, for the information of Government; a blank statement should be forwarded when there are no transactions. Collectors will also impress upon all subordinates employed in the valuation of goods the necessity for acting with discretion and in good faith in the cases referred to in paragraph 7.

(A true Copy and Extract.)

W. H. French
Acting Secretary.

To all Collectors of Maritime Districts.

Copy to the Secretary to Government, Revenue Department.

Exd. W. H. French.

See Customs Act 1878. — Requiring Collectors of Maritime Districts to submit quarterly returns regarding sales of goods imported for duty and taken over by Government; and issuing instructions to those returns relative to the valuation of goods.

APRIL
No. 1093

PROCEEDINGS 13TH APRIL 1878. No. 1093.

24-9-5-78

Board of Revenue,
MADRAS.

Revenue 1878
1878-79