

(1) Number of pages 6
(2) Date of repair 25-11-1982
(3) Initials of the Referencer _____

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU
REVENUE DEPARTMENT

G.O. No.	689	Press.
B.P. No.		Mis.
Dated	16-3-1878	197 .

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GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

1st March 1878. No. 395.

Municipal-Budgets.

Read the following papers:—

No. 10. *From R. DAVIDSON, Esq., President of the Municipal Commission, Kurnool, to the Chief Secretary to Government, dated Kurnool, 26th January 1878, No. 1.*

I have the honor to submit the Budget Estimate of Receipts and Expenditure for the year 1878-79 as passed by the Commissioners at a meeting held on the 22nd instant, and to enclose an extract of the Proceedings of the meeting.

2. RECEIPTS.—A consideration of the Regular Estimate based on the actuals of eight months shows that there will probably be a small balance of about Rupees 60 at the commencement of the year. The receipts during the year are estimated to amount to Rupees 16,240. The following statement is an abstract of them:—

	RS.
(1.) Balance on 1st April 1878	60
(2.) Assignment by Government	50
(3.) Rates and Taxes	12,700
(4.) Hospital Endowments	200
(5.) Contributions from Local Funds to Hospital	2,250
(6.) Miscellaneous	1,040
Total	16,300

3. The following are the items under the heads of Rates and Taxes:—

	RS.
(1.) House-tax	6,000
(2.) Tax on Vehicles	1,600
(3.) Carts	300
(4.) Tolls	4,500
(5.) Fees	200
(6.) Fines	100
Total	12,700

The chief difference between the budget of 1878-79 and that of this year is in the item of House-tax. Under this head a sum of Rupees 5,100 appears in this year's budget, but it is expected that only Rupees 4,000 will be realized and the remainder will have to be collected next year; hence Rupees 6,000 is the amount budgeted for 1878-79. As regards Tolls, the same sum has been entered in the budget of 1878-79 as in this year's budget, for though it is expected that a sum of Rupees 5,600 will be realized before the end of March, this increase is due to very large traffic consequent on importation of grain, and is not likely to be permanent.

4. The contribution from the Local Fund Board of Rupees 2,250 is that given to the Dispensary and to the Lying-in Hospital; they give two-thirds of the estimated expenditure to the former and one-half to the latter. The expenditure does not vary very much.

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FINANCIAL DEPARTMENT, 1ST MARCH 1878, No. 395.

5. EXPENDITURE.—The following is an abstract of the estimated expenditure in the year:—

	RS.
Grant I, Public Works	780
" II, Education	480
" III, Sanitation and Medical Services	9,850
" IV, Miscellaneous Municipal Purposes	4,600
" V, Supervision and Management	1,440
Advances recoverable	500
Total	17,650

6. The most important grant is necessarily No. III; it is thus composed:—

	RS.
(1.) Hospitals, including Lying-in Hospital	3,500
(2.) Vaccination	190
(3.) Registration of Births and Deaths	160
(4.) Conservancy	6,000
Total	9,850

These figures are much the same from year to year, and do not admit of any alteration. They are the smallest sums that could be put down consistently with keeping up the institutions in question and providing a tolerably efficient conservancy establishment.

7. Under Grant IV the chief expenditure proposed is a sum of Rupees 4,000 to be paid as usual to the Madras Irrigation and Canal Company for water supplied to the town. It is money well laid out, as the town is amply provided with an abundant supply of good water; the population being 25,632, the cost is about 2½ Annas a head, which is not extravagant. The other expenditure under this grant consists of small sums for lighting, planting and watering avenues, and maintaining the travellers' bungalow. There is no market or slaughter-house to be provided for, nor is it likely there ever will be unless there is a considerable increase in funds.

8. Deducting the estimated expenditure from the receipts, it will be seen that the year 1878-79 is expected to close with a deficit of Rupees 1,350. This result under present circumstances is unavoidable. I do not think we can safely calculate upon the receipts being more than has been put down. The expenditure has certainly been kept down as much as possible. Under Grant I nothing is provided for New Works and very little for Repairs, and the sum allotted to Education under Grant II is very small.

9. Something will have to be done in order that the receipts of the Municipality may be able to meet the ordinary expenditure, and the Commissioners trust that the Government will see the desirability of adopting one or other of the courses suggested in the enclosed resolution.

EXTRACT FROM the Proceedings of the Kurnool Municipal Commission, dated 22nd January 1878.

C. J. Knox, Esq., for President.
N. Gopalakrishnamah Chetty, Vice-President.
C. Ramsing Garoo.
Chithambara Row Garoo.

Read Budget Estimates of Receipts and Expenditure for the year 1878-79.
Resolved that they be passed and submitted to Government for approval.

2. The estimates show that there will be a deficit at the close of the year 1878-79 of Rupees 1,350. The accounts have been carefully looked into and it has been found impossible to avoid this result, as the receipts under various heads as they stand at present cannot be increased, and the expenditure has been put down at the lowest figures possible, no provision at all being made for new works within the town.

3. The Commissioners are unwilling to propose any increase to the house-tax, as it would fall heavily on the poorer classes, and is even now difficult to collect. Government, in their Order, No. 1080, dated 17th July 1871, agreed with the Commissioners in thinking it undesirable to increase this tax.

4. There are
three the deficit—

- (1.) To impose a tax on arts, trades, and professions, provided that the Municipality be exempted from any Imperial license or Income-tax.
- (2.) To exempt the Municipality from paying to the Local Fund Board, as at present, the one-fourth of the tolls.
- (3.) To increase the rate of toll from half the maximum rates, as at present, to two-thirds.

5. If the profession-tax (which was in force in 1873-74) be re-imposed, even exempting the last two classes of persons mentioned in the schedule of the Act, it would bring in about Rupees 1,500. A similar amount would be provided if the Municipality was exempted from making any contribution to the local Funds, or if the rates of tolls were raised from half to two-thirds the maximum rates.

6. The Commissioners are of opinion that the first course is the best to be adopted, but they do not know if any exemption from Imperial Income-tax is to be made in favor of Municipalities. If not, they think it would be obviously unfair to tax profession twice over, and would therefore propose the adoption of the second course above mentioned; and if that be thought undesirable, that then the toll be increased.

(True Extract.)

(Signed) C. J. KNOX,
for President.

KURNOOL,
26th January 1878.

No. 11. ORDER THEREON, 1st March 1878, No. 395.

The estimated receipts and charges of the Kurnool Municipality for 1878-79 are compared in the subjoined abstract with the sanctioned estimates for the current year:—

RECEIPTS.				Estimate, 1877-78.	Estimate, 1878-79.
				RS.	RS.
Balance brought forward	...	...	...	...	60
Rates on Houses and Lands	...	...	...	5,100	6,000
Taxes on Vehicles and Animals	...	...	...	1,800	3,800
Registration of Carts	...	...	...	300	300
Tolls	...	...	...	4,500	4,500
Licenses	...	...	...	300	200
Assignments by Government	...	...	...	50	50
Contribution from Local Funds	...	...	...	2,250	2,250
Fines and Fees	...	...	...	150	100
Endowments	...	...	...	250	200
Miscellaneous	...	...	...	1,040	1,040
Loans	...	...	...	1,450	...
Total	...	...	...	17,250	16,300

CHARGES.

	Estimate, 1877-78.	Estimate, 1878-79.
	RS.	RS.
GRANT I—		
Repairs—		
Communications	...	...
Sanitary and Miscellaneous	...	...
	550	630
GRANT II—	150	150
Results do.	96	...
Schools on the Combined System	284	400
Inspection (Contribution)	...	60
	20	20
GRANT III—		
Hospitals and Dispensaries	...	...
Vaccination	3,500	3,500
Registration of Births and Deaths	190	190
Conservancy	160	160
	6,000	6,000
GRANT IV—		
Lighting	...	...
Travellers' Bungalow	250	250
Avenues and Watering Roads	110	110
Miscellaneous	240	240
	4,000	4,000
GRANT V—		
Supervision and Management	...	...
Repayment of Debt	1,700	1,440
Balances	...	500
	...	-1,350
Total	17,250	16,300

2. The estimates appear to have been carefully prepared. They follow pretty closely the figures for the current year, the receipts from the House-tax excepted on the receipt side and the provision for the Repayment of Loan, Rupees 500, on the expenditure side of the account. The increase under "House-tax" is due to the probable large outstandings at the close of the current year.

3. After a rigid scrutiny of the items of expenditure the Commissioners find that the estimated outlay must exceed the receipts by Rupees 1,350, whilst no provision is made for New Works, and that for Education is unduly low. Moreover the town is still unsupplied with a market or slaughter-house.

4. In order to rectify their financial position, and to secure an income more adequate to the requirements of a town with a population of 25,600 souls, the Commissioners propose the adoption of one of the following:—

- (1.) The imposition of the tax on trades exempting the last two classes.
- (2.) The enhancement of tolls from one-half to two-thirds of the schedule rates.
- (3.) The withdrawal of the share of tolls (one-fourth) now paid to the Local Fund Board.

5. The last of these proposals cannot be considered. As regards the second the Government consider it undesirable to raise the tolls until all other sources of local income are exhausted. The raising of the rate of the house-tax, now fixed at 4 per cent., seems open to objection so long as that on trades is not enforced. The Government therefore resolve to sanction the introduction, unconditionally, of this tax, the last two classes, VII and VIII, being exempted from payment. So soon, however, as the town has recovered from the distress consequent on the famine, the Commissioners will consider the propriety of raising the rate of the house-tax.

6. The contribution, Rupees 80, to the Medical College must be provided for. Statement I-A should be revised so as to correspond with entries in Statements I and II.

(True Extract.)

Acting Under Secy. to Govt.

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

Exd. A. F. Goodall.

Revenue 88 p^m
No 1152.
Sobol. of 18781 375 rubles.

FINANCIAL.

THE PRESIDENT OF THE
MUNICIPAL COMMISSION.

Revised.
Kc., Ac., &c.

1 March 18.

10 March

G.O., 1st March 1878, No 398.

MARCH.
Nos. 10-11.

Original—Budgets.—Budget Estimate of Kur-
landqually for 1878-79, revised.

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