

(1) Number of pages 8
(2) Date of repair 14. 4. 50
(3) Initials of the Referencer _____

MADRAS RECORD OFFICE

Government of Madras

Revenue

DEPARTMENT

G.O. No.	<u>63A</u>	Press
B.P. No.		Mis.
Dated	<u>31. 1. 1891.</u>	

Not to be folded or roughly handled

31st JANUARY 1891, No. 63A, REVENUE.

GOVERNMENT OF MADRAS.
REVENUE DEPARTMENT.

Read—the following Proceedings of the Court of Wards, dated 17th January 1891, No. 10:—

Read—the following G.O., dated 10th October 1890, No. 6162, Revenue:—

Read—the following Proceedings of the Court of Wards, dated 6th September 1890, No. 2240.

Read—again Proceedings of the Court of Wards, dated 30th July 1890, No. 1873.

Resolution—dated 6th September 1890, No. 2240.

The Court resolved to direct that, in future, Government commission due from estates under the Court of Wards shall be levied monthly, as soon as the accounts are closed, at the rate of $2\frac{1}{2}$ per cent. on the gross receipts, excluding the items noted on the margin. A statement showing how the commission is calculated should be forwarded along with the account current.

1. Cash balance at the time of the assumption of charge.
2. Cash balance at the beginning of each month.
3. Sale-proceeds of Government Promissory notes.
4. Interest on Government Promissory notes.
5. Refunds.
6. Amounts borrowed.
7. Formal adjustments between estates not involving gain to the one or expenditure by the other.

2. All Collectors are requested to see that the Government commission, due up to the close of fasli 1299, is recovered at once and that this matter is specifically reported on in the administration reports for the past fasli.

(A true Extract.)

(Signed) H. A. SIM,
Acting Secretary.

To the Collectors in charge of Wards' estates.

Copy to other Collectors.

„ to the Secretary to Government, Revenue Department.

Order—dated 10th October 1890, Mis., No. 6 Revenue.

The Government does not understand why the estate should be excluded. The Court of Wards is requested to report on this point and as to the exclusion of the following items: (1) amounts repaid; (2) advances and (3) amounts borrowed to pay debts or improve the estate.

(True Extract.)

1) C. A. GALTON,
Secretary to Government.

To the Court of Wards.

Resolution—dated 17th January 1891, No. 164.

The Court, in issuing its Proceedings of 6th September 1890, No. 2240, proceeded on the assumption that the income of estates should pay commission once only: for this reason, it excluded "amounts borrowed" on the ground that these amounts would pay commission, when the income was collected by which they would eventually be paid off: the Court did not consider that, in themselves, loans, whether received or paid off, constituted income, for the purpose of payment of commission, the income concerned in such cases would be the money received from the estate by which the loan was paid off, and this would pay commission as it was received from the estate, and credited in the accounts, and not at the time at which it was subsequently used to repay debts. For the same reason, advances would not pay commission: the income that went to pay them off would pay. The case of loans or advances remaining unrepaid at the time of the Court's surrender of charge is not likely to happen.

The case of sale-proceeds of property would depend on the question of whether the purchase money of such property had already paid commission, in other words whether the property had been purchased within the period of the Court's charge of the estate or before it: if before, as in most cases it would be, the sale-proceeds would pay commission, if after, they would not.

(True Extract.)

(Signed) H. A. SIM,
Acting Secretary.

To the Secretary to Government, Revenue Department.

ORDER—dated 31st January 1891, No. 63A, Revenue.

Miscellaneous.

The Government considers that in determining the commission due to Government for management of Wards' estates

all casual receipts, such as sums borrowed, advances, debts recovered and sale-proceeds of property sold, should be excluded as these items are not strictly speaking included in the term "income."

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Court of Wards.

Exd. G. A. Lewis.

40 Copies.

Current No. 452 of 1891

From The Court of Wards

Dated 17 January

1891.

FOR ORDERS.

As to whether the principle expounded by

the Court of Wards in the above current

meets with approval.

2. What the Court means that money

borrowed to pay up debts or improve an

estate does not come within the meaning

of the word "Income" and should therefore

be excluded in determining the commission

due to Govt. If the Court is right in this, it

should exclude three other items—viz—(1)

sums received by the estate; (2)

sale proceeds of property; and (3) money repaid to the estate.

Our view would exclude the first, but not

FOR ORDERS.

purchase before the estate was taken up
for management. The court does not
express an opinion as to the third item.

3. It is submitted that all the items under
consideration should be treated in one
way - i.e. either included in the income
or else excluded.

The best plan is I think
to exclude all casual
receipts such as loans
received, advances, etc.
received & not paid
of repaying 1st which
are not strictly payments
included in the term
income.

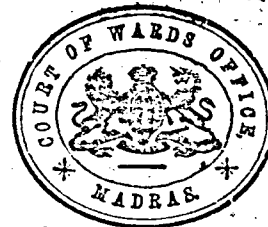
22/1/91

Lapse - Sale proceeds of the
property of the estate which was
sold as donee to the estate
& to the income on the
commission of the charge.

25/1/91

HCS
26 Jan

Re. the items that should be excluded in
calculating the Commission due to Govt.
in Wards estate.



Proceedings of the Court of Wards,

Dated 17 January 1891.

No. 162.

Read L.O. R.D. dated 10 October 1890 N.O. 6162.

Resolution: The court, in issuing its proceedings of 6
September 1890, N.O. 2240, proceeded on the assumption
that the income of estates should pay Commission once
only: for this reason, it excluded amounts borrowed
on the ground that these amounts would pay Commission
when the income was collected by which they would
eventually be paid off: the court did not consider
that, in themselves, loans, whether received or paid off,
constituted income, for the purpose of payment of Commission,
the income concerned in such cases would be
the money received from the estate, by which the loan
was paid off, and this would pay Commission as it was received
from the estate, and credited in the account and not at the
time at which it was subsequently used to repay debts.
For the same reason, advances would not pay Commission
if to pay them off would pay. The case
of income that is of loans or advances remaining unpaid at the time
of the Court's decree is of charge is not likely to
happen.

The case of the
question of when
had already paid
property had
the Court's charge
before, as in the
proceeds would
would not.

proceeds of property would depend on
the purchase money of such property
Commission; in other words whether the
purchased within the period of
the estate or before it: if
yes it would be, the sale
Commission, if after, they
In the abstract

The Secretary

Puene 1891. Dept
Court of Wards,
MADRAS.

Print 30/1

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Misc: Order No. 634
31 Jan/91

To

No. 452

7. 634-91, No. 634

The Secretary

to Government

Rev Dept

734

31 Jan/91

Recd 19 Jan/91

Proceedings, dated 17 Jan/91, 1891

No. 162

Subject.

Reporting of certain matters
regarding the instructions
the Court issued about share
commission at 2 1/2 p.c on
wards' estates.

St. New Govt. considers that in calculating
the commission due to Govt. Wards

estates, all partial receipts such as sums
borrowed, advances, debts recovered &

sale proceeds of property sold, ^{should be excluded} as these elements

do not strictly speaking included in the

term income

27/1/91

The Court of Wards

P.C. Dec 21-2

40/1

is forwarded

With an order

Original

Govt. of {1891} Madras.
REVENUE.

9-1-23 ✓

26.4.23 II ✓

Issued

Recd.

Encl.

G.O., 31st January 1891, No. 63A.

JANUARY.

Wards' estates

Considering that in determining the commission due to Government for management of — all casual receipts, such as sums borrowed, advances, debts recovered and sale-proceeds of property sold, should be excluded as these items are not strictly speaking included in the term "income."