Secrt. I (i)-I—10,006—7-10-70.

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(3) Initials of the Referencer

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

G.O. No. 1425 Press
~~B.P. No.~~ ~~Mis.~~

Dated 14.4.1877 197-.

ot to be folded or roughly handled

No. 323. Read the following endorsement of the Under Secretary to the Government of India, dated 6th April 1877, No. 80 :—

Read the following letter from T. LANE, Esq., Collector of Customs, Calcutta, to G. H. M. BATTEN, Esq., Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, dated 1st March 1877, No. 529.

I HAVE the honor to acknowledge the receipt of your letter, No. 121, dated 21st ultimo, replying to certain questions raised in my No. 157 of the 22nd January, and your orders have been noted in this office.

2. I have, however, to point out that a misapprehension appears to exist with regard to the composition of "Hoffman's anodyne," which is stated by "Squire's Companion to the British Pharmacopœia" to consist of 92 per cent. of ether and 8 per cent. of rectified spirit, whereas your letter says that "neither chloroform nor sulphuric ether contains any alcohol" except as the result of accident or adulteration.

3. I regret to find that chloroform was inadvertently mentioned in Mr. Crawford's letter for spirits of chloroform. It is the latter and similar spirituous compounds about the assessment of this they are largely imported here; and as regards the drugs, it appeared to him that Mr. Crawford wished to inquire, for applicable to them. them is easily separable from Tariff Act was particularly

4. In your 6th paragraph a suggestion is made that some equitable arrangement should be come to with impose elaborate calculations which would be required by the strict application of Section 5, but I should like to be further informed what the Government consider the best basis for such an arrangement.

5. It will not be out of place to refer to the procedure in England with regard to similar articles, and this is to charge with duty as spirits sweetened (at 10*s.* per gallon) all "Tinctures, Extracts, and other" pharmaceutical preparations containing spirit in *however small proportions*," and also to charge a duty equal to that which the spirit would have paid on importation on all articles *in the manufacture of which* spirit is used.

6. The former rule applies, I presume, to "Perry Davis' pain-killer" and "Extract of sarsa parilla containing spirit," which seem very unlikely to be imported solely with a view of serving as a beverage.

7. In conclusion I remark that it would seem the only equitable way of dealing with these spirituous compounds is to charge them with the full spirit duty as is done in England, or to exempt them altogether from the operation of Section 5 and merely tax them as medicines at 5 per cent. *ad valorem*. Pending receipt of your further instructions I am disposed to think of adopting the latter course.

Proceedings of the Madras Government, Revenue Department,
14th April 1877.

ENCLOSURE No. 1.

From G. H. M. BATTEN, Esq., Officiating Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce (Customs), to T. B. LANE, Esq., Collector of Customs, Calcutta, dated Simla, 6th April 1877, No. 78.

I AM directed to acknowledge the receipt of your letter, No. 52[illegible], dated the 1st ultimo, regarding the levy of duty on certain chemical preparations containing a large proportion of spirit, and in reply to state as follows.

2. As pointed out in paragraphs 5 and 6 of your letter under acknowledgment, it appears to be the rule in England to charge duty as spirits on all tinctures, extracts, and other pharmaceutical preparations containing spirits in all proportions. But a rule which may be necessary for the protection of the revenue in [illegible] may be unnecessary in this country, and may operate harshly on trade. In the Government of India it is questionable whether it would not cost as much to import into this country in the form of chemical preparations, paying duty at 5 per cent., as in the form of potable spirit, paying duty at 4 rupees per gallon, and whether while of any importer to undertake the decomposition of such preparations the liability the spirit alone. It is desirable not to impose any unnecessary restriction on the importation of drugs, medicines, and chemical preparations, and the Governor-General in Council is therefore, is not prepared to apply the English rule in India.

3. It is probable, however, that restrictions may be useful to prevent possible fraud. His Excellency in Council reasonably assumed that no drug containing less than 20 per cent. of spirit is imported into India in view to the evasion of the revenue, and His Excellency gly pleased to direct that, in supersession of the orders already conveyed, all preparations containing less than 20 per cent. of spirit shall be taxed at 5 per Schedule, and that all those which under No. 9 or 17 of the Tariff Import Rs. 4 per gallon, Section 5 of the and upwards shall be taxed as spirit at

4. These instructions will to them.
recognised formulæ. On other or chemicals prepared in accordance with duty of 5 per cent. should be charged reparations as, *e.g.*, patent medicines, the article imported is of a character it should seem on examination that the pay duty as spirit. liable, under the terms of paragraph 3, to

Copy of the correspondence the Government of Madras for information and guidance in endorsement, No. 123, dated 21st February 1877.

)

ned) C. J. LYALL,
Under Secy. to the Govt. of India.

No. 324. ORDER TH 877, No. 1,425..

Separate Revenue, M
Customs.

COMMUNICATED to the Board of ue in continuation of G.O., 27th ary 1877, No. 855, for the inform- and guidance of Collectors of ns.

D. F. CARMICHAEL,
Offg. Chief Secretary.

To the Board of Revenue,
Exd. A. F. Goodal.

No 78

1425/27

From

G. H. R. Batten, Esquire,

Officiating Secretary to the Government of India,

Department of Revenue, Agriculture and Commerce

To

The Collector of Customs,

Calcutta.

dated the 6th April 1877

Customs.

Sir,

I am directed to acknowledge the receipt of your letter No. 529 dated the 1st Ultimo, regarding the levy of duty on certain chemical preparations containing a large proportion of spirit, and in reply to state as follows:-

2. As pointed out in paragraphs 5 and 6 of your letter under acknowledgment, it appears to be the rule in England to charge duty as spirits on all tinctures, extracts and other pharmaceutical preparations containing spirit, in however small proportions. But a rule which may be necessary for the protection

of the revenue in England, may be unnecessary in this country and may operate harshly on trade. In the opinion of the Government of India it is questionable whether it would not cost as much to import alcohol into this country in the form of chemical preparations paying duty at 5% advalorem as in the form of potable spirit paying Rs 4 per gallon and whether it would not be the object of any importer to undertake the decomposition of such preparations for the purpose of obtaining the spirit alone. It is desirable not to impose any unnecessary restriction on the importation of drugs, medicines and chemical preparations and the Governor General in Council therefore is not prepared to apply the English rule in India.

3. It is probable however that some modified restrictions may be useful to prevent possible fraud. His Excellency in Council thinks that it may be reasonably assumed that no drug containing less than 20% of spirit can profitably be imported into India in view to the levy of the revenue, and His Excellency in Council is accordingly pleased to direct that, in supersession of the orders already conveyed, all drugs and chemical preparations containing less than 20% of spirit shall be taxed at 5% ad valorem under No 9 or 17 of the Import Schedule, and that all those containing 20% and upwards shall be taxed at Rs 4 per gallon, section 5 of the Act being applied to them.

4. These instructions will apply to all drugs or chemicals prepared in accordance with recognised formulæ. On other medicinal chemical preparations as, e.g. patent medicines the duty of 5% should be charged, unless in any case it should seem on examination that the article imported is of a character which would make it liable, under the terms of paragraph 3, to pay duty as spirit.

I have &c

(Sd) G. H. M. Batten
Secretary to the Govt of India.

No 80.

Copy of the correspondence forwarded to the Government of Madras for information and guidance in continuation of Endorsement No 123 dated 21st February 1877.

By order,

Under Secretary to the Govt of India.

No 529

From

J. B. Lane, Esquire,
Collector of Customs, Calcutta,

To

G. H. M. Batten, Esquire,
Secretary to the Govt of India,
Dept of Rev, Agric & Commerce.

dated the 1st March 1877.

Sir,

I have the honour to acknowledge receipt of your No dated 21st ultimo, replying to certain questions raised in my No 157 of the 22nd January and orders have been duly notified in this office.

2. I have to point out that a misapprehension appears to exist with regard to the composition of Ether which is stated by Squires compared with the British Pharmacopoeia to contain 92 per cent of Ether and 8 per cent of rectified spirit, whereas Ether says "neither Chloroform nor Sulphuric Ether contains any alcohol of any kind except as the result of accident or adulteration"

3.

3.— I regret to find that chloroform was inadvertently mentioned in Mr Crawford's letter as spirits of chloroform. It was about the assessment of this latter and similar spirituous compounds that Mr Crawford wished to enquire for they are largely imported here and as the spirit in them is easily separable from the drugs it appeared to him that Section 5 of the Tariff Act [illegible] particularly applicable to them.—

4.— In your [illegible] paragraph [illegible] suggestion is made that some equitable arrange[illegible] should be come to with importers to avoid [illegible] rate calculations which would be required by [illegible] strict application of Section 5, but I should like [illegible] further informed what the Government would [illegible] for such an arrangement.

5.— It will not be out of pl[illegible] to notice here the procedure in England with reg[illegible] to similar articles and thus I find on [illegible]nce to the British Tariff, is to charge with duty, a[illegible] sweetened or mixed (14s per Gallon) all "[illegible]res, Extracts and other" pharmaceutical prepara[illegible] containing spirit in however small proportion" a[illegible] also to charge a duty equivalent to that which [illegible] spirit would have

have paid on importation, on all articles in the manufacture of which spirit is used.— 1405/10

6.— The former rule applies I find even to "Perry Davis' pain-killer" and "Extracts of Sarsa parilla containing spirit" compounds which seem very unlikely to be imported solely with a view of separating the spirit for use as a beverage.—

7.— On consideration I remark that it appears to me the only equitable way of dealing with these spirituous compounds either to charge them with the full spirit duty as done in England or to exempt them from the operation of Section 5 and merely charge as Drugs and medicines @ 5 of ad valorem duty. In either case I shall be glad on receipt of your further instructions I shall be glad on receipt of your further instructions adopting the latter course.

I have &c,
(Sd) T. D. Lane,
Collector of Customs.

(A true Copy)

N. L. Orkney
Registrar,
Supreme Court of New South Wales

Rev: 1877 Dcfte.

No 2,100

From.
Govt of India
Rev: & Ca Dcfte.

Dated 5th
Rec'd 12th April 1877.
No 80.

Forwarding for information and guidance, with the following Customs, Calcutta, on the subject of the duty on certain Chemical Preparations containing a large proportion of Spirit.

No 1428

Communicated to the Collectors of Revenue in continuation of G.O. 27 Feb. 1877 No 855, for information and guidance.

1-4-77

Recd 23-4-77.