

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 427	Press ~~Mis~~
338-339	
Dated 19 th February 1869	

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
19th February 1869.*

No. 338. Read the following letter from the Officiating Secretary to the Government of India, Financial Department, (Separate Revenue—Customs), to the Secretary to the Government of Bombay, dated Fort William, 2nd February 1869, No. 803 :—

1. In reviewing the Abstract of the Proceedings of the Government of Bombay in the Revenue Department (Miscellaneous), the Governor-General in Council has had his attention called to the frequent exercise of the power given by Section 19 of Act VI. of 1863 to exempt goods from the payment of Customs duties by special order under stated circumstances of a special nature ; for instance, in the Proceedings for September last, there are eight instances of such exemptions being allowed, most of them being exemptions of articles of Church furniture.

2. In recent orders to the Government of Bengal, it was laid down as a rule that such articles, when imported by private individuals, should in all cases pay duty, but that in exceptional cases, where a grant of money might reasonably be made by the State, a bill for the Customs charges should be submitted for the sanction of Government in the proper department.

3. Although financially the result is the same, the Governor-General in Council believes that more caution is observed in passing an actual charge submitted in a bill than in granting an exemption. In the latter case, the true question is not always considered, which is whether the State ought fairly to bear the charge ; for to exempt from duties is really to make a State Grant.

4. On these grounds, the Governor-General in Council would recommend, for the consideration of His Excellency the Governor of Bombay in Council, the propriety of refraining from exercising the power referred to, except when the goods are actually the property of Government, and of levying the duties in all other cases. On this principle, orders were lately passed on a reference from the Government of Bombay, regarding the exemption of Military equipments for the Hyderabad Contingent from Customs duty.

5. An advantage of this plan is that the charges appear in the accounts under their proper heads, and are subject to the checks provided by the Budget and by Departmental Rules.

6. If it be thought inconvenient that cash payments should be made to the Customs Department, which have to be refunded in cash by other departments, the bill for the duties might, in the first instance, be submitted to the proper authority, and, if passed, might be accepted as cash by the Customs Department, who would debit the department passing the charge.

7. His Excellency the Governor-General in Council is, on principle, very strongly opposed to exemption from Customs duties of any kind, except under most peculiar circumstances. The principles propounded in the despatch are now thoroughly established in the practice of Her Majesty's Government in England.

Copy to Madras, Bengal, and British Burmah, for information.

(Signed) G. H. M. BATTEN,
Under Secy. to the Govt. of India.

*Proceedings of the Madras Government, Revenue Department,
19th February 1869.*

No. 339.

ORDER THEREON, 19th February 1869, No. 427.

Separate Revenue, No. 16.

Customs.

Communicated to the Board of
Revenue for information and guidance.

(True Extract.)

(Signed) R. A. DALYELL,
Acting Secretary to Government.

To the Board of Revenue.

Ed: W. H. French.

W. 427.

Comms to the
Board of Revenue for
information & guidance.

19th Feby/69

16 Copies to the Secy of the Board

Govt. of 1869 Minutes.

REVENUE.

To

THE BOARD OF REVENUE,

Dated February 19th.

Recd.

For.

G. O., 19th February 1869, No. 427.

FEBRUARY.

Nos. 333-339.

Exemption of Goods from payment of
Customs Duties.—Letter from Government of
India on this subject, communicated to Board of
Revenue.