

(1) Number of pages 12

(2) Date of repair 16. 4. 72

(3) Initials of the Referencer _____

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

G.O. No.
B.P. No.

855

Press
Mis.

Dated

27. 2. 1877 197

Not to be folded or roughly handled

85-5-1

*Proceedings of the Madras Government, Revenue Department,
27th February 1877.*

No. 856. Read the following Endersement of the Assistant Secretary to the Government of India, in the Department of Revenue, Agriculture, and Commerce, No. 123 :—

Read the following letter from J. A. CRAWFORD, Esq., Collector of Customs, Calcutta, to the Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, dated 22nd January 1877, No. 157.

A QUESTION having arisen in this office as to the proper classification of iron ore, of which an importation of 35 tons, value at Rupees 1-8-0 per cwt., has just been passed, I have the honor, in terms of your letter No. 627, of the 16th ultimo, addressed to the Secretary, Bengal Government, to request you will favor me with instructions as to whether duty should be levied, and if so, under what head of Tariff. My own opinion is that it should be exempt as "Raw material."

2. A duty of 1 per cent. on the declared value was voluntarily tendered by the importers and has been accepted pending the result of this reference.

3. I take this opportunity to inquire also whether Section 5 of the Indian Tariff Act, 1875, is to be applied to sulphuric ether, chloroform, tinctures, and other chemical preparations containing large quantities of spirits, and if so, whether it will be sufficient to tax the quantity of the liquids as if they consisted of spirit of the strength of London proof, as being mixed with other ingredients, the actual strength of the spirit cannot be ascertained by Syke's hydrometer or without careful chemical analysis.

From G. H. M. BATTEN, Esq., Officiating Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, to J. A. CRAWFORD, Esq., Collector of Customs, Calcutta, dated Calcutta, 21st February 1877, No. 121 (*Statistics*).

I AM directed to acknowledge the receipt of your letter of the 22nd ultimo, No. 157, inquiring

(1). Whether iron ore should be considered subject to duty on import, and if so, under what head of the tariff.

(2). Whether Section 5 of the Indian Tariff Act, 1875, is to be applied to sulphuric ether, chloroform, tinctures, and other chemical preparations containing large quantities of spirit, and if so, whether it will be sufficient to tax the quantity of the liquids as if they consisted of spirit of the strength of London proof.

2. In reply, I am directed to state, with reference to the first inquiry, that iron ore not being specifically mentioned in the tariff schedule, if it is dutiable at all, it must be subject to the rate of 5 per cent. to which "Iron, all other sorts," is liable. But obviously it would be inconsistent to tax iron ore at 5 per cent. when pig iron is taxed at only 1 per cent. The Governor-General in Council considers that iron ore ought not to be subject to duty at all, I am and to request that you will in future pass it free on import.

3. In reply to your second question I am to say that it seems clear that nothing can be included under the sub-head Spirit in Item No. 32 of the Tariff Schedule, unless it contains alcohol of some sort. Now, neither chloroform nor sulphuric ether contains any alcohol of any kind except as the result of accident or adulteration. It is true that alcohol is employed as one of the bases of their preparation, but the result of chemical combination is something totally different from alcohol. From both a chemical and a commercial point of view these articles are totally distinct from alcohol. They properly fall under the head "Chemical products and preparations" (Item No. 9 of the Schedule), and are taxable at 5 per cent. *ad valorem*.

4. "Tinctures," on the other hand, are commonly solutions of some drug in proof or rectified spirit, and when this is the case they should be regarded as mixed articles, composed partly of

No 157

From

J. A. Crawford Esq
Collector of Customs, Calcutta

To

The Secretary, Government of India
(Department of Revenue, Agriculture
and Commerce)

Dated the 22nd January 1877.

Sir,

A question having arisen in
this office as to the proper classification of
Iron ore of which an importation of 35 Tons
value at Rs 40/- per cwt has just been passed.
I have the honour in terms of your letter No 627
of the 16th ultimo addressed to the Secretary,
Bengal Government to request you will favour
me with instructions as to whether duty should
be levied and if so under what head of
Tariff. My own opinion is that it should be
exempt as "raw material".

2. A duty of 10% on the declared
value was voluntarily tendered by the im-
porters and has been accepted pending the
result of this reference.

3. I take this opportunity to enquire
also whether Section 5 of the Indian Tariff
Act

Cost of [1877] 33/10/11

REVENUE.

THE BOARD OF REVENUE.

Dated February, 27th.

Recd.

Encl.

G.O. 27th February 1877, No. 805.

FEBRUARY.
Nos. 805, 831.

Doyle, J. A. Crawford Esq, the Commr,
acting to Board of Revenue for information and
guidance of Collectors of Customs, endorsement of
Government of India on letter to Sd. Customs
Collector, Calcutta, on the subject of—

Act 1875, is to be applied to Sulphuric Aether
Chloroform, Tinctures and other chemical
preparations containing large quantities
of spirits, and if so whether it will be suf-
ficient to tax the quantity of the liquids as if
they consisted of spirit of the strength of
London Proof, as being mixed with other in-
gredients, the actual strength of the spirit
can not be ascertained by Sykes Hydrometer
or without careful chemical analysis.

I have &c

Resd J. A. Crawford
Collector of Customs.

No 121.

From

By H. M. Batten Esqre.

Officiating Secretary to the
Government of India.

Department of Revenue, Agriculture
& Commerce.

To

J. A. Crawford Esqre

Collector of Customs.

Calcutta

Calcutta, dated 21st Feby 1877

Statistics

the receipt of your letter of the 22nd ultimo No
157, enquiring,

(1) whether iron ore should be con-
sidered subject to duty on import and if so
under what head of the tariff,

(2) whether Section 5 of the Indian
Tariff Act, 1875, is to be applied to Sulphuric
ether, Chloroform, tinctures and other Chem-
ical preparations containing large quantities
of spirit, and if so whether it will be suf-
ficient to tax the quantity of the liquids as
if they consisted of spirit of the strength of
London proof.

2. In reply, I am directed to state,
with reference to the first enquiry, that iron
ore not being specifically mentioned in the
Tariff Schedule, if it is dutiable at all it
must be subject to the rate of 5% to which
"Iron, all other sorts" is liable. But obviously
it would be inconsistent to tax iron ore
at 5% when pig iron is taxed at only 1%. The
Governor General in Council considers that
iron ore ought not to be subject to duty at all
and I am to request that you will in future
pass it free on import.

3. In reply to your second question
I am to say that it seems clear that nothing
can be included under the sub-head spirit

in item No 32 of the Tariff Schedule unless it contains alcohol of some sort. Now, neither chloroform nor sulphuric ether contains any alcohol of any kind except as the result of accident or adulteration. It is true that alcohol is employed as one of the bases of their preparation, but the result of chemical combination is something totally different from alcohol. For both a chemical and a commercial point of view these articles are totally distinct from alcohol. They properly fall under the head "Chemical Products and Preparations" (Item No 9 of the Schedule) and are taxable at 5 per cent ad valorem.

4. "Tinctures" on the other hand are commonly solutions of some drug in proof or rectified spirit, and when this is the case they should be regarded as mixed articles, composed partly of ingredients dutiable under item No 17 of the Schedule (Drugs and Medicines) and item No 32 (Liquors), and to these Section 5 of the Act would apply.

5. It appears, however that sometimes the solvent used in these tinctures, is ether, not spirit. In this case the article

3
would be a mixed article composed partly of an ingredient dutiable under Item No 17 and partly of one dutiable under No 9. Under both heads the duty is 5% ad valorem. For statistical purposes a tincture of which the basis is a drug (i.e. an article of vegetable origin employed in pharmacy) should be classed under "Drugs and Medicines" irrespective of the item in the Tariff Schedule under which duty is levied.

6. These remarks will probably be sufficient for your guidance in dealing with most cases of the class referred to, but in the case of a consignment of drugs and chemicals containing small quantities of a large number of different articles, it might probably be found more convenient to come to some sort of equitable understanding with the importer rather than enter upon the somewhat elaborate calculations which would be required for the strict application of Section 5 of the Tariff Act.

I have &c
/s/ H. M. Batter
Officiating Secretary to the
Government of India

No 123.

Copy forwarded to the Government
for information and guidance.

By order,

R. O. L. M. O.

Assistant Secretary to the

Government of India.

Revenue 1871 Sept^r

N^o 1475

From

Gov^r of India

Rev: & Sept^r

Sets 2/
Recd 2)

Feb^r

N^o 123

Forwarding copy of a
letter addressed to the Sea Customs
Collector, Calcutta, on the subject
of duty leviable on Iron &c

N^o 855

Communicated

to the Board of Revenue

for the information &
guidance of Collectors
of Customs.

27-2-77

14 To the Secy of Revenue of 2-2-77

40
3