Revenue (1897) Department.

PRESS SERIES.

G.O., No. 233 & 234

DATED: 2nd April

[Despatch Abstract.]

Resolving to address the Govt. of India in view to the delegation to this Govt. of the power to declare permanent such portion of the Income tax establishment as it may be thought undesirable to retain on a temporary footing.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Revenue (1897) Department.

CURRENT No. 1206

GOVERNMENT OF MADRAS
9 FEB 97
REVENUE DEPARTMENT

Order

From the Secretary to the Commissioner
Salt, Abkari and Separate Revenue
Madras.

His No. 305

Dated 28th January 1897

Received 9-2-97

Registered 9-2-97 recd 10/2/97

Enclosures

Spare copies

SUBJECT

Communicating to the Collector of Madras Government Order Revenue Department approving and transferring to the Financial Department proposition statement for the permanent retention of the fourth Income Tax Inspector and his peon in the Madras Collectorate; informing Government that the increase in the proposition statement was shown in the column headed 'Temporary,' as the whole of the Income Tax Establishment is temporary and requesting the orders of Govt in the matter

BACK PAPERS.

G.O.	No.	Department.	Date.
"	322	Rev	20-1-97
"	593	"	28-7-90

FURTHER PAPERS.

G.O.	No.	Department.	Date.
581 16-7-97			

1,000
19-4-95.

210

Proceedings of the Board of Revenue

(Separate Revenue),

Dated 28th January 1897.

No. 305 Mis.

Read Proceedings of the Madras Government Revenue Department. Mis No 322 Revenue dated 20th January 1897.

Resolution

Communicated to the Collector of Madras for information.

2. With reference to the remarks of Government regarding the entry in the proposition statement of the increase on account of Board's Proposals in the Column headed "Temporary" the Board begs leave to state that the whole of the Income Tax Establishments is regarded as temporary under the orders of the Government of India. Contained in its letter No 3361 dated 10th July, 1890, Communicated in Government Order No 593 Revenue dated 28th July 1890, and that by the term 12 'permanent'

"Permanent retention" it is intended that the 4th Inspector should be retained on the same footing as the ordinary Income Tax Establishment, without reference to any fixed period. As all previous proposition statements relating to Income Tax Establishments have been filled up in accordance with this principle, the Board requests to be informed whether in cases such as that under reference entries should in future be made in the column headed "Permanent."

(True Extract)

Assistant Secretary

To
the Collector of Madras.
" Secretary to Government, Revenue Department.
" Accountant General.

8/2/97

Revenue (1897) Department.

CURRENT No. 1295

GOVERNMENT OF MADRAS
11 FEB 97
REVENUE DEPARTMENT

From
The Secretary to the Commissioner of Salt, Abkari & Separate Rev. Madras
Mis No 378

Order

Dated 3rd February 1897
Received 11 - 2 - 97
Registered 12 - 2 - 97
Enclosures 2
Spare copies

SUBJECT

Reporting to Government that the rule requiring extra hands engaged for Income Tax work to be taken from the permanent Establishment may be cancelled in the case of inferior servants but not in the case of the superior servants.

12/2/97

3

4

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

5

Revenue (1895) Department.

81

CURRENT No.

13676

BOARD OF REVENUE
20 DEC 96
SEPARATE REVENUE

Order

From

The Accountant General
to the Govt of Madras

No. 3916

Dated 19° December 96

Received

Registered

Enclosures

Spare copies

SUBJECT

Stating that there is ~~[illegible]~~ no objection to the Cancellation of the ruling that extra hands engaged for income tax work should be taken from the permanent establishment and their places filled by temporary

1897
REVENUE DEPARTMENT.
1
CURRENT No 1295

Refs
[illegible]
22/12

4

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Treasury Account DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
18th December 1896.

No. 3916

48

From

J. C. Harrison Esqr,
Offg. ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To

THE Secretary to Government,
Revenue Department,
Through the Board of Revenue,
Separate Revenue.

SIR,

In reply to Government Order No: 4957, dated the 4th December 1896, I have the honour to state that I see no objection to the cancellation of the ruling contained in Government Order No: 319 Reve: dated 5th May 1886, that extra hands engaged for income tax work should be taken from the permanent establishment, and their places filled by temporary men.

I have the honour to be,
Sir,
Your Most Obedient Servant,

J. C. Harrison
Offg: Accountant General

W 18/12

5

(189) DEPARTMENT.

From

THE ACCOUNTANT-GENERAL,

MADRAS,

To

THE

No.

Dated
Received

No.

SUBJECT.

Cor. 10,000—21-5-96.

Statement showing the establishment sanctioned for Income Tax work in the Madras Presidency

	Inspectors on					Clerks on									Inferior servants						Remarks
															Process Servers on	Attenders on	Peons on				
	Rs 75	Rs 70	Rs 60	Rs 50	Rs 40	Rs 100	Rs 80	Rs 45	Rs 40	Rs 35	Rs 30	Rs 25	Rs 20	Rs 15	Rs 10	Rs 10	Rs 8	Rs 7	Rs 6	Rs 5	
Collector's offices									1	1	6	(a) 5	.	1	.	1					(a) 4 of these are for 2 months
Divisional ..													5	(b) 2							(b) 1 of these is for 6 months
Taluk "					1									(c) 9					(d) 6		(c) 3 of these are for 6 months
Deputy Tahsildars ..														(e) 7					(f) 5		(d) 2 . . . . 6 . . (e) 3 of these are for 6 months & 1 for 4 months
Treasury Deputy Collector's office													1								(f) 2 of these are for 6 months
Madras Deputy Collector's office	1 -	1	1	1	.	1	.	1	.	1	1	3	4	2	3	1	1	7	.	.	
Board's office							1	.	.	.	.	1	(g) 1								(g) for 2 months
Total	1	1	1	1	1	1	1	1	1	2	7	9	11	21	3	2	1	7	11	.	

N. B. Besides the above the Deputy Collector, Madras, gets an allowance of Rs 100 per mensem for Income Tax work.

Board of Revenue (S. R.)
Madras dated —
3rd February 1897

Assistant Secretary

10/2/97

2
1295

Proceedings of the Board of Revenue

(Separate Revenue.)

Dated 3rd February, 1897.

Mis No. 378.

Read Government order Mis No. 4957 Revenue, dat 4th December, 1896.

Read also letter from the Accountant General Madras No. 3916 dated 18th December, 1896.

Resolution.

5P

With reference to the government order read abo the Board begs leave to submit that the rule requiring that extra hands engaged for Incom Tax work should be taken from the permanent establishment, their places being filled by temporary men, was based on para 3 of the Government of India resolution embodied in government order No. 129 Revenue dated 15th February 1886. The reasons which led to its adoption will be found fully set forth in the speeches of the Honorable Messrs Hunter, and Hope when the Income Tax bill was

introduced

7

introduced in 1886 and the Board is of opinion that the arguments in favor of the rule are still very strong

2. A list of the Income Tax establishments employed in this Presidency is appended to these Proceedings. There are three principal classes viz Inspectors, Clerks & inferior servants. The latter have nothing to do with the assessment of the income tax and their opportunities being, therefore, very slight there does not appear to be any good reason why the employment of permanent men should be insisted upon in their case. On the other hand the Inspectors are employed for the purpose of making inquiries into the financial circumstances of possible assessees and as final assessments depend to a great extent upon their reports it is important that they should be responsible men. The duties of the Clerks are various; they

are

are principally, no doubt, entertained for the purpose of keeping up the accounts and as such cannot interfere with the assessment or collection of the tax, but they have also to examine or assist in the examination of the accounts produced by the assessees which, except in the Presidency Town, are almost always in the Vernacular and they exert, therefore, a certain amount of influence, indirectly in the assessment of the Income Tax revenue. For these reasons, the Board considers that the abrogation of the existing rule in their case would be inexpedient. It is true that as at present constituted, the Income Tax establishment is pensionable, but the position of the employés is nevertheless not exactly similar to that of the men on the ordinary establishment, as they are liable to lose their appointments at

any

any time should the Income Tax Act be repealed and they have not therefore the same inducement to do honest work.

3. The Accountant General's report on the subject is herewith submitted

(True Extract)

Assistant Secretary

To

The Secretary to Government,
Revenue Department
with the Accountant General's letter
in original

D/4 1,000--11-6-96.

Re: Income Tax
Establishment

REVENUE DEPARTMENT.

C. Nos 1206 & 1295 of 97

From the Board of Rev: Sep' Rev.

Sec G

~~The Hon: Mr Bliss C.I.E.~~
Circulated to the Honble Mr Grose as the course suggested by the Honble Mr Bliss involves the modification of G.O. No 405 Rev. d/ 5-6-90

19.3.97

Dated 28th Janr & 3rd Feby 1897.

FOR ORDERS.

In the first of the papers (C. No 1206 of 97) read above, the Board of Rev: with reference to G.O. No 322 d/ 20th January 1897, points out that in the proposition statement for the permanent retention of the fourth Income Tax Inspector and his peon for the City of Madras, it showed the proposed increase under the head "temporary", because under the Govt of India's orders communicated with G.O. 693 28th July 1890 all income tax establishments were to be treated as temporary. The Board also enquires whether in future it is the intention of Govt that in all such cases entries should be made in the column headed "permanent".

2 With the second paper the Board of Rev: submits, with

C. 18/3/97. Co 20/3/97.
R. 19/3/97 RO. 25.3.97.

with its own views, the report received from the Accountant General in reply to G.O. 4957 dy 4th Decr 1896, enquiring whether ~~the Accnt General is of opinion that~~ there is any objection to cancelling the ruling contained in G.O. 319 dy 5th May 1886 that extra hands engaged for income tax work should be taken from the permanent establishment and their places filled by temporary men. The A.G. sees no objection to this being done. The Board on the other hand holds that it is inadvisable to depart from the existing practice except in the case of menial servants who have nothing directly to do with income tax assessment. It states ~~maintained~~ that this practice is based on para 3 of the G.I. Resolution embodied in G.O. 129 dy dy 16th Feby 1886, ~~and~~ that "the reasons which "led to its adoption will be found set-"forth in the speeches of the Hon: "members, Messrs Hunter and Hope "when the Income Tax Bill was "introduced," and that the arguments in favour of the rule are still very strong, inasmuch as the Inspectors and Clerks have responsible duties connected with assessment entrusted

to

FOR ORDERS.

The Board apparently misunderstands the object of the proposal to cancel the rule laid down in G.O. 319 5-5-86. What Govt contemplated was the introduction of a permanent special income tax establishment in lieu of ~~the~~ ~~establishment borrowed from~~ hands borrowed from the general establishment. The Board seems to think it intended to entertain a separate temporary income tax establishment.

D
14-2-97

These are reasons and arguments against the employment of temporary hands for income-tax work.

D
14-2-97

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to them and should therefore be men who can be thoroughly relied on.

3. In submitting the draft of G.O. No 322 dy 20th Jany 1897, the Office it is regretted was not aware that the term "temporary", ~~the~~ as applying to the income tax Establishment in Madras City, had been used by the Board in a special sense, — that, is to say, as equivalent in meaning to "lasting as long as the Income-"Tax Act remains in force," & not requiring an annual renewal of sanction. ~~"permanent" and "temporary" when speaking of the Madras Income tax establishment were not made use of by the Board in their ordinary signification. The Office was also misled by the fact that unlike the Madras establishment and like the temporary hands entertained in other Depts (not for a fixed period) the~~ D Income tax establishments in the mufassal which also are known as "temporary" are sanctioned from year to year; but ~~even now~~ it is doubtful whether such ~~the~~ establishments ~~in question~~ D ~~are filled by~~ consist of men actually doing income tax work or of individuals ~~by those who do~~ who are given revenue work in place of permanent "revenue" men employed on income tax duty.

The men are not generally employed on Income Tax work.
17.3.97.

4. It is also very much regretted that in preparing

the

" the note under G.O. 4957 dt 4th Decr 1896, the correspondence ending with G.O. 593 dt 28th July 1890 which throws considerable light on the points at issue was overlooked. In its letter under the G.O. last mentioned, the Govt of India has definitely declared that while service rendered on the Income tax establishment should be treated as qualifying for pension it is not its intention that "the "establishment itself should be "declared to be permanent". It will however be seen from G.O. 405 dt 5th June 1890 that this declaration was made at a time when it was thought that the tax might be abolished at any time and the staff employed on that account dispensed with on three months' notice. While therefore the main reason for originally treating these establishments as temporary can hardly be considered to exist now it would appear that the sanction of the Govt. of India would be required for a departure from the

?

This was a serious oversight and Shews careless reasoning.

17-3-97.

A P

of 97

17.3.97.

the practice, at present followed.

5. ~~The Board's reasoning that because the work of assessment should be entrusted to responsible men i.e. men taken from the permanent staff it is not desirable that the establishment should be declared permant. is it is submitted not understood.~~ So long as the work is done by experienced hands in the permanent staff as appears to be the case now, it seems almost immaterial whether the special establishment is treated as temporary or permanent. The declaration referred to above that service on the income tax establishment should be considered pensionable apparently applies also to the temporary hands entertained in place of permanent men employed on income tax work. If so it is submitted that there does not seem to be any special object ~~in~~ getting obtaining India's sanction to the conversion of the so-called temp. establishments into a permanent one, because for all practical purposes

Stet.

Yr. 17/3/97

purposes they are to be treated as "permanent". The point however is doubtful and orders are solicited as to what should be done.

6. The question whether the increase in the case of the proposition statement under G.O. 322 dated 20th January 1897 should be shown under the head "permanent" or "temp." may perhaps be referred to the Acct General for report. These establishments are generally shown as permanent in all Civil budget estimates (except in cases where special temporary hands are entertained when they are shown as temporary). The Acct General was furnished with a copy of G.O. 405 dated 5th June 1890, but not with a copy of G.O. 693 dated 28th July 1890. He must apparently have seen the G.I. letter on the subject as all general rulings of the Finance & Commerce Dept are communicated to the Comptroller General and thro' him to all Acct Officers.

LD
14-3-97

If, as appears to be the case, all "temporary" income tax establishments are pensionable, it seems unnecessary to take any action unless Govt. consider the objections raised by the Board in 1890 (G.O. No. 405 / 5-6-90) to warrant a recommendn. that income tax establishment shd. be declared permanent as well as pensionable.

LD
14-3-97

I was "the Bd." of 1890 & I must say that I am of the same opinion now as then that the best work cannot be looked for from men whose appointments are labelled as temporary & therefore liable to abolition, even though ~~[illegible]~~ their own service is pensionable. These inc: tax men are few in number, so that there wd. be no difficulty in finding them other employment in the improbable contingency of the repeal of the Act. The declaration that the appts. are permt. wd. do no harm in the way of imposing addl. liabilities on Govt. while it would certainly improve the men's position. I wd. propose to India about it.

HS
18/3/97

JG
25/3/97

26/II/97
Secy

I regret the delay in submitting this paper. As the Secy. is aware all my spare time during the last few weeks has been devoted to the Godavari resettlement papers, just finished. I have for these reasons laid aside a few files requiring a little time for their disposal until now.

LD
17.2.97. 14.3.97

P.S.

Secy (from orders)

233-4
20-4-97

G.O. 6

Mackintosh
Coy

A P

Read, C.R. No. 1206 & 1297 of 97

[illegible]

Order

H.E. the G. in C. on a reconsideration of the views expressed in para 1 of G.O. No. 405 dated 5th June 1890, with reference to the present position of the Income tax establishment in this Presy. and to the arguments now adduced by the Board, has come to the conclusion that in the interests of efficient administration it is no longer desirable to keep these establishments labelled as "temporary" and therefore liable to abolition, tho' service in them has been declared to be pensionable. The men now entertained in connexion with the work are only a few in number and it should not be difficult to find them other employment in the improbable contingency of the repeal of the India Act, II of 1886. The declaration therefore that the establishments [illegible] are permanent while imposing no additional liabilities on the State is, in the opinion of Govt, likely to considerably improve the status of the men concerned. The Govt of India will accordingly be requested to delegate to ~~Local Govt~~ H.E. in C the power of declaring "permanent" such portion of the season establishments now existing or which may hereafter be entertained as he may from time to time deem fit.

2. The question raised in para 4 of G.R. No 306 dated 26th Jany 1897 will lie over pending the receipt of a reply from the Govt of India.

3. The following letter will be despatched to the Supreme Govt.

Some of the existing hands are entertained for only 2 or three months in the year.

H.M. has not passed orders on this point"

The Secy to the Govt of India
Civil & Comm^l Dept

Sir,

Adverting to the correspondence ending with Mr Kensington's letter No 3361 dated 10th July 1890, I am directed to submit for the consideration of the Govt of India the question of the advisability of delegating to Local Govts the power of declaring 'permanent' such portion of the seasonal establishments in their provinces as they may from time to time deem fit.

2. The present practice under which these establishments are treated as temporary and service in them is counted towards pension is based upon certain orders of the Govt of India issued at a time when the repeal of Act II of 1866 was considered not an [illegible] sufficiently evident. Now that the [illegible] have been established as a permanent part of the financial machinery of the country, H.E. the G. in C. is of opinion that in the interest of efficient administration it is no longer desirable to keep the establishments in question

labelled as temporary and therefore liable to abolition. The men who are entertained from year to year in connection with the work are only a few in number and it would not [illegible] but [illegible] difficulty to find them other employment in the [illegible] probable contingency of the repeal of the Act. The declaration therefore that the establishments are permanent while imposing no additional liabilities on the State is likely to considerably improve the status of the men concerned. [illegible] therefore to request that the Govt of India will be pleased to reconsider the orders already issued II of 1896 and to delegate to the Local Govt power [illegible] of declaring "permanent" such portions of the establishments now existing or which may hereafter be sanctioned in this Prest. as he may deem fit [illegible] I [illegible] to add that as the Civil Budget estimates of most of the Provinces show these establishments both under the heads of "permanent" and "temporary" this Govt is not aware whether any special orders in respect of those provinces have already been issued by the Govt of India

Drm
30.iii.97

these establishments both under the heads of permanent and temporary this Govt is not aware whether any special orders in respect of these pensioners have already been issued by the Govt of India

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READ G. O. No. 405 Rev. d/ 6th June '90, Current 1206 and 1297 of 1897.

Sep. Rev. No 22.

ORDER:- No 233 d/ 2nd April 1897.

On a reconsideration of the views expressed in para. 1 of G.O. No. 405 Rev. dated 6th June 1890, H. E. the Governor in Council resolves to address the Govt. of India in view to the delegation ~~to the Local~~ this Govt. of the power to declare permanent such portion of the income-tax establishments, as it may be thought undesirable to retain on a temporary footing. Pending the receipt of a reply ~~of~~ from that authority, the question raised in para. 2 of the Board's Proceedings No. 305 Misc d/28th Jan. 97, will lie over.

Tothe Board of Revenue (Sep. Rev.)

.. Accountant-General.

-:-:-:-:-:-:-:-

Checked 1/5/97

40/3

Letter

Sep. Rev. No 23.

[illegible] 1/5/97

Letter No. 234

To

The Secretary to the Govt. of India,

Dep. of Finance & Commerce.

Sir,

Adverting to the correspondence ending with Mr. Kensington's letter No. 3361, dated 10th July 1890, I am directed to submit for the favourable ~~of~~ consideration of the Govt. of India, the request of this Govt. ~~question of the advisability of delegating to Local Govts.~~ that the power to declare permanent income-tax establishments ~~[illegible]~~ may be delegated to it.

2. The present practice under which these establishments are treated as temporary, though service rendered therein is counted towards pension, ~~which~~ is apparently based upon certain orders of the Govt. of India, which were issued at a time when the repeal of Act II of 1886 was considered ~~within the range of practical politics~~ to be not improbable at some future date. Circumstances have changed and the abolition of income-tax establishments has now become so remote a contingency, that, in the opinion of H. E. the Governor

Sect

?(a) "Delegating power to Madras etc"

or (b) "declaring permanent"

D

(a) gives Madras option to distinguish if need be, between menials & clerks.

D

in Council, it is no longer desirable

continue to designate them as tempor

more especially in view of the circu

stance that clerks who are employed a

members of such establishments, though

ware that ~~there~~ their service~~s~~ is pensionable, constantly endeavour to obtain transfer to appointments which have been formall declared permanent. The number of indiv

duals employed on income-tax work is no large, and, even in the improbable event of the repeal of Act II of 1886, there would, so far at least as the Madras Presidency is concerned, be no difficulty in finding them employment. The declaration ~~of~~ that their present appointments are permanent, would therefore impose no additional liabilities on the State, while it would certainly serve to improve their position.

pr. D

[illegible]

12/4/97

25/2

1897.

FINANCE AND COMMERCE DEPARTMENT.

From

The Government of Fort St. George.

Recd.	1897.	*Enclosures*	
Regd.		*Spare copies*	

Letter No. 234, 2nd April 1897.

APRIL.

REQUESTING that the power to declare permanent income-tax establishments may be delegated to the Government of Madras.

No. 234, Revenue, 2nd April 1897.

REVENUE DEPARTMENT.

From

The Hon'ble Mr. G. STOKES, I.C.S.,
Acting Secretary to the Government of Madras,

To

The SECRETARY to the GOVERNMENT of INDIA,
Finance and Commerce Department.

Dated Fort St. George, 2nd April 1897.

Sir,

Separate Revenue No. 23.

Adverting to the correspondence ending with Mr. Kensington's letter, No. 3361, dated 10th July 1890, I am directed to submit, for the favourable consideration of the Government of India, the request of this Government that the power to declare permanent the income-tax establishments within Presidency may be delegated to it.

2. The present practice under which these establishments are treated as temporary, though service rendered thereon is counted towards pension, is apparently based upon certain orders of the Government of India, which were issued at a time when the repeal of Act II of 1886 was considered to be not improbable at some future date. Circumstances have changed and the abolition of income-tax establishments has now become so remote a contingency, that, in the opinion of His Excellency the Governor in Council, it is no longer desirable to continue to designate them as temporary, more especially in view of the circumstance that clerks who are employed as members of such establishments, though aware that their service is pensionable, constantly endeavour to obtain transfers to appointments which have been formally declared permanent. The number of individuals employed on income-tax work is not large, and, even in the improbable event of the repeal of Act II of 1886, there would, so far at least as the Madras Presidency is concerned, be no difficulty in finding them employment. The declaration that their present appointments are permanent would therefore impose no additional liabilities on the State, while it would certainly serve to improve their position.

I have the honour to be,
Sir,
Your most obedient servant,

(Signed) G. STOKES,
Ag. Secretary to Government.

Ex'd. C. M. Thumbuswamy.

25 Copies.

Government (1897) of Madras.

REVENUE.

Recd.
Regd. 1897.
Enclosures
Spare copies

G.O., No. 233, 2nd April 1897.

APRIL.

Income-tax Establishment.

Resolving to address the Government of India in view to the delegation to this Government of the power to declare permanent such portion of the — as it may be thought undesirable to retain on a temporary footing.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

Read—again G.O., No. 405, Revenue, dated 5th June 1890.

Abstract.—Ordering that the Government of India be addressed as to the correct interpretation of its resolution deciding that service on income-tax establishment is permanent and not the establishment itself.

Read—again the following G.O., Mis. No. 4957, Revenue, dated 4th December 1896 :—

Read—again G.O., No. 319, Revenue, dated 5th May 1886.

Abstract.—Directing the Board of Revenue to impress on all officers that the extra hands required for working the Income-tax Act (II of 1886) should be taken from the *permanent establishments*, their places being filled by temporary men.

Order—Mis. No. 4957, Revenue, dated 4th December 1896.

The Board of Revenue and the Accountant-General are requested to report whether there is any objection to the cancellation of the rule laid down in the Government Order read above, viz., that extra hands engaged for income-tax work should be taken from the permanent establishment, their places being filled by temporary men.

(True Extract.)

(Signed) G. STOKES,
Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).
„ the Accountant-General.

Read—also the following Proceedings of the Board of Revenue (Separate Revenue), Mis. No. 305, dated 28th January 1897 :—

Read—G.O., Mis. No. 322, Revenue, dated 20th January 1897.

Resolution—Mis. No. 305, dated 28th January 1897.

Communicated to the Collector of Madras for information.

2. With reference to the remarks of Government regarding the entry in the proposition statement of the increase on account of Board's proposals in the column headed "Temporary," the Board begs leave to state that the whole of the income-tax establishments is regarded as temporary under the orders of the Government of India contained in its letter, No. 3361, dated 10th July 1890, communicated in G.O., No. 593, Revenue, dated 28th July 1890, and that by the term "Permanent retention" it is intended that the fourth inspector should be retained on the same footing as the ordinary income-tax establishment without reference to any fixed period. As all previous proposition statements relating to income-tax establishments have been filled up in accordance with this principle, the Board requests to be informed whether, in cases such as that under reference, entries should in future be made in the column headed "Permanent".

(True Extract.)

(Signed) EDMUND MILLETT,
Assistant Secretary.

To the Collector of Madras.
„ the Secretary to Government, Revenue Department.
„ the Accountant-General.

Read—also the following Proceedings of the Board of Revenue (Separate Revenue), Mis. No. 378, dated 3rd February 1897 :—

Read—G.O., Mis. No. 4957, Revenue, dated 4th December 1896.

Resolution—Mis. No. 378, dated 3rd February 1897.

With reference to the Government order read above, the Board begs leave to submit that the rule requiring that extra hands engaged for income-tax work should be taken from the permanent establishment, their places being filled by temporary men, was based on paragraph 3 of the Government of India resolution embodied in G.O., No. 129, Revenue, dated 15th February 1886. The reasons which led to its adoption will be found fully set forth in the speeches of the Honourable Messrs. Hunter and Hope when the Income-tax Bill was introduced in 1886, and the Board is of opinion that the arguments in favour of the rule are still very strong.

2. A list of the income-tax establishments employed in this Presidency is appended to these Proceedings. There are three principal classes, viz., inspectors, clerks and inferior servants. The latter have nothing to do with the assessment of the income-tax, and their opportunities being therefore very slight, there does not appear to be any good reason why the employment of permanent men should be insisted upon in their case. On the other hand, the inspectors are employed for the purpose of making inquiries into the financial circumstances of possible assessees and as final assessments depend to a great extent upon their reports, it is important that they should be responsible men. The duties of the clerks are various; they are principally, no doubt, entertained for the purpose of keeping up the accounts and as such cannot interfere with the assessment or collection of the tax; but they have also to examine or assist in the examination of the accounts produced by the assessees which, except in the Presidency town, are almost always in the vernacular, and they exert, therefore, a certain amount of influence indirectly in the assessment of the income-tax revenue. For these reasons, the Board considers that the abrogation of the existing rule in their case would be inexpedient. It is true that, as at present constituted, the income-tax establishment is pensionable, but the position of the employés is nevertheless not exactly similar to that of the men on the ordinary establishment, as they are liable to lose their appointments at any time should the Income-tax Act be repealed, and they have not therefore the same inducement to do honest work.

3. The Accountant-General's report on the subject is herewith submitted.

(True Copy and Extract.)

(Signed) EDMUND MILLETT,
Assistant Secretary.

To the Secretary to Government, Revenue Department,
with the Accountant-General's letter in original.

APPENDIX.

STATEMENT showing the establishment sanctioned for income-tax work in the Madras Presidency.

	Inspectors on					Clerks on				
	Rs. 75.	Rs. 70.	Rs. 60.	Rs. 50.	Rs. 40.	Rs. 100.	Rs. 80.	Rs. 45.	Rs. 40.	Rs. 35.
1	2	3	4	5	6	7	8	9	10	11
Collector's offices	..	..	..	..	..	..	..	..	1	1
Divisional ,, ...	..	..	..	..	..	..	..	..	..	..
Taluk ,, ...	..	..	..	..	1	..	..	..	..	..
Deputy Tahsildar's offices	..	..	..	..	..	..	..	..	..	..
Treasury Deputy Collector's office	..	..	..	..	..	..	..	..	..	..
Madras ,, ,, ...	1	1	1	1	..	1	..	1	..	1
Board's office	..	..	..	..	..	..	1	..	..	..
Total ..	1	1	1	1	1	1	1	1	1	2

—	Clerks on				Inferior servants.					
					Process servers on	Attenders on	Peons on			
	Rs. 30.	Rs. 25.	Rs. 20.	Rs. 15.	Rs. 10.	Rs. 10.	Rs. 8.	Rs. 7.	Rs. 6.	Rs. 5.
	12	13	14	15	16	17	18	19	20	21
Collector's offices	6	5 *	..	1	..	1	..	..	..	..
Divisional ,, ...	..	..	5	2 ‡	..	..	..	..	..	..
Taluk ,, ...	..	..	..	9 §	..	..	..	..	..	..
Deputy Tahsildar's offices	..	..	..	7 ‖	..	..	..	..	6 ¶	..
Treasury Deputy Collector's office	..	..	1	..	..	..	..	..	5**	..
Madras ,, ,, ...	1	3	4	2	3	1	1	7	..	..
Board's office	..	1	1 †	..	..	..	..	..	..	..
Total ..	7	9	11	21	3	2	1	7	11	..

N.B.—Besides the above the Deputy Collector, Madras, gets an allowance of Rs. 100 per mensem for income-tax work.

* Four of these are for two months.
‡ One of these is for six months.
‖ Three of these are for six months and one for four months.
** Two of these are for six months.
† For two months.
§ Three of these are for six months.
¶ Two of these are for six months.

ENCLOSURE.

Letter from F. C. HARRISON, Esq., Officiating Accountant-General, to the Secretary to Government, Revenue Department (through the Secretary to the Commissioner of Salt, Abkári and Separate Revenue), dated Fort St. George, 18th December 1896, No. 3916.

In reply to G.O., No. 4957, dated the 4th December 1896, I have the honour to state that I see no objection to the cancellation of the ruling contained in G.O., No. 319, Revenue, dated 5th May 1886, that extra hands engaged for income-tax work should be taken from the permanent establishment, and their places filled by temporary men.

ORDER—No. 233, Revenue, dated 2nd April 1897.

Separate Revenue No. 22.

On a reconsideration of the views expressed in paragraph 1 of G.O., No. 405, Revenue, dated 6th June 1890, His Excellency the Governor in Council resolves to address the Government of India in view to the delegation to this Government of the power to declare permanent such portion of the income-tax establishments, as it may be thought undesirable to retain on a temporary footing. Pending the receipt of a reply from that authority, the question raised in paragraph 2 of the Board's Proceedings, Mis. No. 305, dated 28th January 1897, will lie over.

(True Extract.)

(Signed) G. STOKES,
Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).
„ the Accountant-General.

Exd. C. M. Thumbuswamy.

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