M.R.O. 14–5,450—22-10-25.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 891 Press ~~Mis.~~

278-279.

Dated 16—4—1867.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 16th April 1867.

No. 278. Read the following letter from the Secretary to the Board of Revenue, to the Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 12th April 1867 :—

1. In continuation of my letter, dated 1st April 1867, I am directed by the Board of Revenue to report that they have conferred personally with the Municipal Commissioners on the subject, and find, as they anticipated, that it is impossible to collect the Imperial and Municipal License taxes by the same agency, at the joint expense of the State and Municipality.

2. Without a change in the Law, assimilating the Municipal to the Imperial Act in its incidence, rating, &c., such joint action is impracticable, and even if their Law be thus altered, the Commissioners expressed their conviction that the collection of the tax would be most efficiently performed by the Officers of Government.

3. The Government will observe that Section 4 of Act XXI. of 1867, does not empower their officers to *collect* the sums payable to the Municipality, but only to deduct them from the amount which would otherwise have been payable under that Act. The sums to be thus deducted must, moreover, have been paid in the *previous* year. It will be necessary, therefore, also to modify Act XXI. of 1867, before joint action is possible.

4. The Board consider that the work in the Town of Madras should be entrusted to a special agency, to be employed under the Collector. The assessments under the Income Tax Act were 12,000 in number, and though the Board have no means of judging how many will be made under the License Act, they have no hesitation in saying that the work will be more than any of the officers of the district could undertake, without neglect of other important duties. The introduction of the Act will also need much tact and care. The special establishment, however, will not be required for more than four months.

5. The Board would recommend the employment of a European Officer of position and experience, and considering the character of the work and the brief tenure of the appointment, they would assign to him a salary of Rupees 1,200 per mensem. They would give him a moderate establishment, comprising a competent and trustworthy Native officer of the district, on Rupees 250 per mensem, to aid him in his personal duties, two Writers (one on 50 and one on 30 Rupees per mensem), and four Messengers on 7 Rupees each. The total cost would be Rupees 6,232 for the four months, or with contingencies Rupees 6,500 in round numbers. The Income Tax Establishment cost upwards of Rupees 57,000 during the first year.

6. With reference to the Order of Government, dated 5th April 1867, No. 799, I am directed to submit for approval a draft of the instructions which the Board propose to issue to Collectors, prepared in accordance with the instructions of Government, and their two Notifications as issued in the Gazette, dated 5th instant. Separate instructions will be given to the Collectors of Nellore and North Arcot on the subject of the concluding paragraph of the Government Order.

7. With advertence to paragraph 1 of Government Order, the Board wish me to explain that their recommendation to vest the powers conferred by Section

12 and the first part of Section 13 on the Divisional officers, and to restrict the Talook officers to the assessment and issue of licenses, based on the wording of Section 22, which enables the Government to confer "*all or any*" of the powers of a Collector on any other officer or person. It seemed to them that this placed it quite within the power of Government to select the officers who should exercise any particular power under the Act, and they observe that in respect to Section 18, the Government have acted on this principle. The plan suggested by the Board possessed several administrative advantages and conveniences, besides securing for the public an appeal to an unbiassed officer, which they think the public would have appreciated.

8. It was also in accordance with the plan adopted in the Income tax, when the assessing officers, the Tahsildars, had no revising or appellate powers. The Board are inclined to doubt the expediency of conferring the powers of a Commissioner on all Divisional officers.

9. The Board are still of opinion that it is not desirable to vest Salt Deputy Collectors with powers under the Act, as they consider that a multiplication of Licensing officers, in the same range, will cause considerable inconvenience and confusion, and it is certainly advisable that the Tahsildar should so act in his own talook.

10. I am also to explain, with reference to paragraph 3 of the Government Order, that they made the recommendation there referred to in the belief that an expression (similar to that contained in paragraph 6 of the Government Order) of the wishes of Government would lead the Magistracy to act on Section 36 of the Criminal Procedure Code, and withdraw prosecutions under the Act from the Courts of the Talook officers, whom the Board then proposed to vest with the assessing powers of a Collector. I am also to state that the Board were under the impression that the words, "*as required* by this Act," included the taking out of a *lower* license than the Act prescribed, and that prosecutions would lie for this as well as for the easily adjudicable charges of not taking out or refusing to shew a license.

11. The enclosed instructions have been prepared in conformity with the decision at which Government have arrived, and will, the Board think, render any precise rules under Section 23 unnecessary.

12. The Board are in communication with the Collectors as to any extra establishment which may be necessary to carry out the provisions of the Act, especially in Zemindaries.

No. 279. ORDER THEREON, 16th April 1867, No. 891.

Miscellaneous.

1. Under the authority conveyed in the letter from the Financial Secretary to the Government of India, dated 13th March 1867, No. 1,422, the Government sanction the employment, for four months, of the temporary establishment proposed by the

Proceedings of the Madras Government, Revenue Department,
16*th April* 1867.

Board for the administration of the License Act No. XXI. of 1867 in the Town of Madras, as hereunder detailed:—

Assessor and Collector,	at	Rupees	800	monthly.
Native Assistant	at	,,	250	,,
1 Clerk	at	,,	50	,,
1 Do.	at	,,	30	,,
4 Peons at 7 Rupees		,,	28	,,
			1,158	

2. The monthly charge will be Rupees 1,158, and the total cost for four months Rupees 4,632.

3. The Government will appoint an officer for the post of Assessor, and will vest him with the powers of a Collector under the Act, with an appeal to the Collector of the District exercising the powers of a Commissioner of Revenue.

4. The Government approve and sanction the instructions proposed to be issued by the Board to Collectors.

5. They cannot concur with the Board as to the competency of Government to withhold from officers authorized to make assessments, the power to revise such assessments provided by the Act, and to confer this power on a distinct officer, intermediate between the assessing officer and the officer vested with the appellate authority of a Commissioner of Revenue under the Act, thus in effect creating a system of appeals and special appeals not contemplated by the Act.

6. Nor can the Government agree with the Board in thinking that the words, "as required by the Act," in Section 13, were intended to render a person liable to criminal prosecution and penalties for obtaining a license in a lower class than that to which he might be subsequently held to belong. In point of fact the whole *onus* of the original classification is thrown by the Act on the assessing officer. A distinct penalty is provided for producing false evidence, or making false statement to induce a favourable revision of the assessment.

7. The Board will bear in mind that the sanction of the Government of India is necessary to allow of the abatement on account of payments of Municipal License Tax. This was applied for on 27th March, and will probably be received in time to be notified to the Collectors before 1st May, or at least before collections commence, and the preliminaries need not be delayed for want of it.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.
,, the Accountant General.
,, the Examiner of Claims.

Exd. S. T. Augustin.

ENCLOSURE No. 1.

DRAFT INSTRUCTIONS TO ALL COLLECTORS.

1. I am directed to forward, for your information, the accompanying correspondence between the Board and the Government, regarding the License-tax imposed by Act XXI. of 1867, and to request that you will be guided by the following remarks in working the Act:—

2. You will observe that persons liable to the tax are themselves to apply* for their licenses, and pay the sums at which they are assessed at once and in full to the Licensing Officers. The Government have conferred the powers of a Collector, under Sections 6, 11, 12, and 13, on Tahsildars and Divisional Officers, within their respective ranges, but it is desired that the work of granting licenses be left as much as possible to the Tahsildars. It is essential that you should arrange for these officers visiting such a number of places in their taluks as will prevent the people of any town or village having to travel more than 10 or 15 miles to obtain their licenses. Due notice should be given as soon as possible in every village of the places where the Licensing Officer will attend for the purpose of issuing licenses, as well of the date of his arrival, and the duration of his stay at each. It will of course be optional with persons to be licensed to attend at any of the specified places.

* Form No. 1.

3. As each license is issued it should be entered by the Licensing Officer in a General Register,† and as soon as the issue of licenses of any town or village is completed, a list of them should be extracted from the Register and filed in the office of the Licensing Officer, with reference to Section 2 of the Act; and a copy of this extract should be forwarded to the Monigar, or other Revenue Officer of the town or village to be posted there.

† Form No. 2.

4. You will observe that the Licensing Officers are themselves to dispose of petitions preferred against their own assessments under Section 12, the appeals from their decisions on these petitions under Section 13 lying to the Divisional Officers who have been invested with the powers of a Commissioner, save in respect to assessments originally made by them. The appeals against these last will lie to you, while appeals from assessments originally made by yourself, will lie to the Board.

5. Under the authority granted in paragraph 5 of the Government Order, dated 5th April 1867 No. 799, you are at liberty to transfer to the Deputy Collector in charge of the Treasury, or one of your Assistants, the duties of a Collector under the Section quoted above in any taluks which may be under your own direct charge. In accordance with paragraph 6 of the same Order, you will yourself abstain as much as possible from making original assessments, and will instruct your Divisional Officers to follow the same course.

6. Each Licensing Officer will keep a Register‡ of the petitions received under Section 12 showing his decisions, the grounds thereof, and the date on which his orders were passed. When the Licensing Officer reduces, or annuls, his original assessment, an entry to that effect should be made across the license under his signature, and in his Register and List.

‡ Form No. 3.

7. A Register§ of Appeals should be kept by all officers disposing of appeals under Section 13, as Commissioners.

§ Form No. 4.

8. All refunds should be paid at once in cash. Licensing Officers, when at the Taluk Cusbahs, should pay their collections daily into the Taluk Treasury, and when elsewhere should pay them similarly to the Head of the Village for remittance to the Taluk Treasury.

9. Each Licensing Officer should send you monthly a statement¶ of his assessments, collections, and of the refunds made by him. Each Divisional Officer should send you similar returns of his own assessments (if any) and of the refunds ordered by him.

¶ Form No. 5.

10. You will [illegible] it to the Board, at the end of each month, a statement in the same form as No. [illegible]ing the number of assessments, &c., made during the month in your district.

11. It will be the duty of all Village Officers, when they receive the lists of persons licensed, to report to the Licensing Officer the names, &c., of any persons in their villages who, being liable to the tax, have not taken out licenses.

12. With reference to Section 8 you will inform your Licensing Officers, that no licenses are to be [illegible]ted before the 1st of May of this year.

13. Under Section 16 you will generally empower all Deputy Tahsildars, Sub-Magistrates, Taluk Serishtadars to require the production of licenses, at their discretion. The order should be published in several successive issues of your Gazette. You will exercise your discretion as to the propriety of specially empowering others, and every person so empowered, will be furnished with a written authority under your seal and signature, (which authority he must exhibit when making his requisition,) and his name and the range over which his authority extends should be published in the District Gazette.

14. You will impress on all your officers the necessity of affording the people every assistance, and information they may need, and in the matter of prosecutions, particular attention will be paid to the instructions conveyed in paragraph 6 of Government Order, dated 27th March 1867, No. 725.

15. I am to request that you will have the enclosed Notification translated and published in your Gazette, and copies sent to every village.

FORM No. 1.

License for 1867-68 *under Act XXI. of* 1867.

Name of the applicant with his place of residence.	Trade or Profession.	The place or places where Licensee intends to exercise his trade or profession during the year.	Class under which the Licensee claims to be assessed.	Class and assessment fixed by the Licensing Officer.	Deduct abatement for sum paid for Municipal License on or before 1st May 1867.	Net sum paid by the Licensee.
1	2	3	4	5	6	7

Granted at ——— (place) on ——— (date).

by

(Signature of the Licensing Officer.)

FORM No. 2.

Register of Licenses granted under Act XXI. of 1867, *by* ——— *of* ——— *Taluk in* ——— *for* 1867-68.

Number of Licenses.	Name of the applicants, with their places of residence.	Trade or profession.	The place or places where Licensee intends to exercise his trade or profession during the year.	Class and assessment fixed by the Licensing Officer.	Deduct abatement for sum paid for Municipal License on or before 1st May 1867.	Net sum paid by Licensee.	Date and place of payment.	Remarks.
1	2	3	4	5	6	7	8	9

N. B.—This form will also be the List of Licenses granted by the Heading being altered to "List of Licenses granted by the Taluk of ——— for 1867-68."

In Taluks where there are no Municipal Association [illegible] during the year, the Municipal Officer's [illegible]

[illegible]

Register of Pe[illegible] received and disposed of in [illegible] *Office of* [illegible] *District, regarding the License-tax for* 1867-68.

Number.	Date of Petition.	Name of the Petitioner and number, &c., of License.	Purport of the Petition.	Decision with its grounds.	Refund ordered.		Remarks.
					Date.	Amount.	
1	2	3	4	5	6	7	8

FORM No. 4.

Register of Appeals received and disposed of in *Office of* *District, regarding the License-tax for* 1867-68.

Number.	Date of Appeal.	Name of the appellant and number, &c., of his License.	Purport of the Appeal.	Decision with its grounds.	Refund ordered.		Remarks.
					Date.	Amount.	
1	2	3	4	5	6	7	8

FORM No. 5.

Statement of License-tax collected in , *for the month of*

Schedules and Classes.	In this month.										Up to the end of this month.								
	Trades and Professions.		Government Servants.		Total.		Deduct Refunds.			Net Collections.	Trades and Professions.		Government Servants.		Total.		Deduct Refunds.	Net Collections.	Abatement.
	Number of persons.	Amount.	Number of persons.	Amount.	Number of persons.	Amount.	On Petitions of objections.	On Appeals.	Total		Number of persons.	Amount.	Number of persons.	Amount.	Number of persons.	Amount.			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Schedule A.																			
Class 1																			
,, ... 2																			
,, ... 3																			
,, ... 4																			
,, ... 5																			
,, ... 6																			
Total...																			
Schedule B.																			
Class 1																			
,, ... 2																			
,, ... 3																			
Total...																			
Grand Total...																			

(Date and place.)

(Signature.)

Abstract of License-tax.

Items.	Up to last month.	In this month.	Total.
	Rupees.	Rupees.	Rupees.
Receipts.			
Tax as per Statement			
Penalties...			
Charges.			
Refunds made on orders...			
Charges of Establishment..... ...			
Contingencies...			

ENCLOSURE No. 2.

NOTIFICATION.

IT is hereby notified that every person, excepting those mentioned below, who, on and after the 1st May 1867, shall exercise any Profession or Trade in any part of British India, and whose annual profits from such trade or profession shall be Rupees 200 or upwards, must take out a license under Act XXI. of 1867.

The only persons exempt from License duty are—

1. Commissioned Officers of the Army whose pay and allowances do not exceed Rupees 6,000 per annum, and who are not in Civil employ other than Police employment.
2. Non-Commissioned Officers and Privates of the Army who are not in Civil employ, other than Police employment.
3. Police Officers of all ranks and grades, not receiving more than the pay and allowances of a Captain of Infantry.
4. Persons in Government employ receiving less than Rupees 1,000 per annum.
5. All ryots or cultivators who do not keep shops for the sale of their produce or anything else.

NOTE.—Government servants drawing Rupees 1,000 and upwards per annum need not apply for or take out licenses, as their License-tax will be deducted from their pay for May next.

The rates of License-tax are as follow:—

(Here enter Schedules A. and B. of the Act.)

NOTE.—Any person commencing a trade or profession on or after the 1st November 1867, will only be required to pay half the amounts above specified.

Any person who during the twelve months ending on May 1st, 1867, may have paid a license-tax to a Municipality, for the exercise of his trade or profession, will receive an abatement of the sum so paid, on producing his receipt or license from the Municipality.

The power of granting licenses and fixing the amount of each person's license-tax has been conferred on who will attend at the places mentioned in the margin, and remain at the time stated.

...in a letter from the Secy to Govt to the Secy to Govt R D dated 12 April 1867 No 2335.

All persons liable to the tax must attend at one of these places, (whichever may be most convenient to them,) and apply to
for a form of application which will be furnished to them gratis. The following is the form prescribed:—

(Here enter Form No. 1.)

On receiving the form each applicant must himself fill in Columns 1, 2, 3 and 4, and give it back to
who will then determine the amount to be paid by the applicant and enter it in Column 5. This amount the applicant must at once pay, and the
will then fill up the other columns and sign the paper and return it to the applicant, as his license for the year ending 31st March 1868.

Persons failing to apply at the places abovementioned, or commencing a trade or profession, on or after the 1st November 1867, must apply for these licenses to
at his Cusbah.

In filling up Column 4 of the form, applicants must be guided by their profits for the year ending 30th April 1867. If for instance these were between Rupees 199 and 500 rupees for the year, they will enter Clause VI. in Column 4; if between Rupees 499 and Rupees 1,000, they will enter Clause V., and so on.

The will afford applicants every information they require as to the proper mode of filling up the forms.

Every person who is liable to the License-tax, and does not take out a license is liable, on conviction before a Magistrate, to a penalty not exceeding five times the amount of his proper license-tax.

Every person required by the Act to take out a license must show it whenever required by the Tahsildar, Deputy Tahsildar, or Serishtadar of his taluk, the Collector, Sub-Collector, and Head Assistant, and to any Assistant, or Deputy Collector, and also to any other person specially authorized by the Collector to make such requisition. The names of the persons thus specially authorized in each taluk will be published in the District Gazette, and each such person will have a written authority under the Collector's seal and signature which he must produce when making his requisition.

Any licensee refusing to show his license as above explained, will be liable on conviction before a Magistrate to a fine not exceeding 100 rupees.

As soon as possible after the licenses for each place have been issued, a list of them will be filed and sent to the chief Revenue Officer of the place, and any person may then inspect them at all reasonable times without any payment.

Any person who is dissatisfied with the decision of the Tahsildar as to the amount of his tax, may at any time, within thirty days after the list of his place has been filed as above explained, apply to him for a reconsideration of his decision, but payment of the tax cannot be delayed in consequence of this application.

The application must be on stamped paper of the value of eight annas, and be drawn up in the form given below, or as near to it as circumstances will permit. The statements contained in it must be verified by the petitioner, or some other competent person, in the same way as plaints in Civil Suits are verified, and any person making a false statement in any such petition is liable to imprisonment for a period not exceeding seven years, and fine.

(Here enter Schedule C. of Act.)

Any person dissatisfied with the decision of the
may within fifteen days from the date then of appeal to the
such appeal must be on stamped paper of the value of one rupee, and be accompanied by a copy of the petition to the his order thereon, and all other documents (if any) connected with the case.

Rec'd 16 April 67

the Collector. The assessments under the Income Tax Act were 12,000 in number, and though the Board have no means of judging how many will be made under the License Act, they have no hesitation in saying that the work will be more than any of the Officers of the District could undertake, without neglect of other important duties. The introduction of the Act will also need much tact and care. The Special Establishment however will not be required for more than four months.

5. The Board would recommend the employment of a European Officer of position and experience, and considering the character of the work and the brief tenure of the appointment, they would assign to him a salary of Rs. 1200 per mensem. They would give him a moderate Establishment comprising a competent and trustworthy Native Officer of the District

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said Diwan in his personal duties,
two writers one on 50 and one on
30 Rupees per mensem / and four
Messengers on 7 Rs. each. The total
Cost would be Rs. 6232 for the four
months or with Contingencies Rs.
6500 in round numbers: The Income
Tax Establishment cost upwards
of Rupees 57.000 during the first
year.

1200	
250	
150	
210	
28	
1558	
4	
6232	

6. With reference to the Order
of Government dated 6th April 1867
No. 799, I am directed to submit
for approval a draft of the instruc-
tions which the Board propose
to issue to Collectors prepared in
accordance with the instructions
of Government and their 2 Noti-
fications as issued in the Gazette
dated 5th Instant. Separate in-
structions will be given to the
Collectors of Nellore and North
Arcot on the subject of the con-
cluding para of the Government
Order.

Is proposed
to be done
with Collectors
Gazette Notifn.
and under
the amended
Law being
introduced

7. With adverence to para 1 of
Government Order, the Board wish
me to explain that their recom-
mendation to vest the powers
conferred by Section 12 and the first
part of Section 13 on the Divisional
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Draft not
in the records

H

8. It was also in accordance with the plan adopted in the Income Tax when the assessing Officers, the Tahsildars had no revising or appellate powers. The Board are inclined to doubt the expediency of conferring the powers of a Commissioner on all divisional Officers.

9. The Board are still of opinion that it is not desirable to vest Salt Deputy Collectors, with powers under the Act, as they consider that a multiplication of licensing Officers in the same range, will cause considerable inconvenience and confusion, and it is certainly advisable that the Tahsildar should so act in his own Taluq.

10. I am also to explain with reference to para 3 of the Government Order that they made the recommendation there referred to, in the belief that an expression similar to that contained in para

Pro: 27 March 1867 No. 454-6
- 27 " " 468-642
- 3 April - 97-98
- 15 " " 246-7

Pro = 1867 Octr.
Pro of Govt for April
No. 969.
From
Secy to Board of Rev:
To
Secretary to Government
Rev: Dept.
Dated 12th April 1867.
Desp 12th
Received 18th
Enclosures 7 & No.

S.O. No. 891 16th Apl
Submitting draft of Instructions to Collrs relative to the introduction of the Imperial Licence Tax.

No. 278

Revenue Department

No. 891.

Proceedings of the Madras Government

Under date the 16th April 1867.

Read the following letter from the Secretary to the Board of Revenue.

Submitting draft of Instructions to Collectors relative to the introduction of the Imperial License Tax. (Here enter 12th April 1867)

Under the authority conveyed in the letter from the Financial Secretary to the Government of India dated 13th March 1867, No. 1422 - the Government sanction the employment for four months of the temporary establishment proposed by the Board for

for the administration
of the License Act
in Town of Madras
No 21 of 1867 - as here
under detailed -

Assessor & Collr at ~~Rs 300~~ Rs 500 monthly
Native Asstt Rs — 250.
1 Clerk —— 50.
1 — Do: —— 30
4 Peons @ 7 Rs — 28.
~~1358~~
1158

The monthly charge will
be ~~Rs 1158~~ and the total
cost for 4 months Rs ~~4632~~ 4632

The Board will
submit the name of
the officer they would
recommend

Respectfully appoint an
~~recommend~~ for the post
~~Officer~~ of Assessor ~~and Collector~~
(bearing in mind the instruc-
tions in the letter from the
Government of India that
preference should be given
to officers who were en-
gaged in administering
the late Income tax and
who possess local know-
ledge) and ~~the Government~~
will ~~then~~ vest him with
the powers of a Collector
under the Act ~~in the~~ an
appeal to the Collr to the Govt
& vesting the Govt to punish
for Rs.

approve and sanction

the

the instructions proposed
to be issued by the Board
to Collectors.

They cannot con-
cur with the Board as
to the competency to
withhold from officers
authorized to make as-
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provided by the Act and
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The Board will
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Sanction

Revenue 1867 Departt.
Pro of Govt for April
No. 891

Pro: of the Madras Govt.
Dy 16th April 1867

Approving of the
instructions proposed to
be issued to Collrs by the
Board of Revenue regarding
Licensed Arrack -

No. 2784279.