# Revenue (1897) Department.

MISCELLANEOUS SERIES.

G.O., No. 1733-4

DATED 31st March 97

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[Despatch Abstract.]

Stating that the question whether the portion of the Salary of the members of the American Baptist mission in British India paid in America can be levied under the Indian Income Tax Act, will be submitted to the orders of the Govt of India

Enquiring whether such portion of the Salary of the members of the American Baptist mission in India as is paid in America can be taxed under the Indian Income Tax Act

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# Revenue (1897) Department.

CURRENT No. 248

GOVERNMENT OF MADRAS
19 MAR 97
RECEIVED

*Order*

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

Mio No. 758

*Dated* 26th February 1897

*Received* 3-3-97

*Registered* 3-3-97

*Enclosures*

*Spare copies*

SUBJECT.

Submitting to Government letter from the Collector of Godavari requesting orders as to whether the portion of the pay of Missionaries not drawn in India is exempt from Income Tax under the Secretary of State's Despatch Communicated in Gos, Mio No 4360 Rev 5-11-96 and requesting the orders of Government as to whether the words "pay or pension" in that Despatch includes pay etc.

Supersede

Read again in Colony Dept G.O. 1733, dated 31st May 97

REVENUE BOARD OFFICE MADRAS.

18

# Proceedings of the Board of Revenue

(Separate Revenue.)

Dated 24th February, 1897.

Mis No. 758

Read the following letter from the Collector of Godavari

Reference No 5125/Ver of 96 dated 18th February, 1897:—

"With reference to the Resolution of the Government of India, dated 3rd December, 1889 No 6108 embodied in Board's Proceedings No 21 dated 14th January, 1890, L.R. and the Government Order contained in Board's Proceedings No 479 dated 1st December, 1896, S.R., I have the honor to solicit the Board's early instructions whether the members of the American Baptist Mission residing in India are exempt from taxation under the Income Tax Act on so much of their Salary as is paid to them in America. The Salary accrues by their work in this Country. Instead of receiving it here and remitting part of it to their native Country at their own cost, they prefer to receive part here, and to arrange for payment of the rest in America. It is doubtful whether the orders Contained in Board's Proceedings No S.R., dated 1st December 1896, by analogy

Supersede

## BACK PAPERS.

| G.O. | No. | Department. | Date. |
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| " | 154 | Rev | 12-2-97 |
| " | 4360 | " | 5-11-96 |

## FURTHER PAPERS.

| G.O. | No. | Department. | Date. |
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supersede those of 1890."

Resolution

Submitted to Government.

2. In Mr Paterson's Case, Government decided that part of his Salary not drawn in India, was 'Income' under Part III and was liable to assessment; Vide G.O. 154 Revenue dated 10th February 1887. Applying the above ruling to the Case submitted by the Collector of Godavari, the portion of the Salaries of the Missionaries not drawn in India is liable to be assessed. But para 2 of the Secretary of State's Despatch Communicated in G.O Mis No 4360 Revenue, dated 5th November 1896, may possibly affect this Case. Orders are solicited as to whether the words "Pay or pension" in the Secretary of State's Despatch include "pay actually earned in British India or only retired pay or pension". It is observed that all the Cases dealt with in that despatch fell under these descriptions.

(True Copy and Extract)

Assistant Secretary

To The Secretary to Government, Revenue Department

Copy - Collector of Godavari

Rd 1/4/97

The Hon: Mr Bliss C.S.I.

To The Board of Rev: Sep Rev (9 x 0)

Rd 3.4.97

Rd 3.4.97

* Communicated with the order of the Govt of India No 4357 S.R. dt 13th Oct 1896

C 31/3/97
R 31/3/97

Read Civ. 2148 of 97

Order - misc No. 1733 dt 31st March

The question raised in the Proc read above will be submitted for the orders of the Govt of India

LD 1-4-97

To 30 No. 1734

The Secy to the Govt of India Finl & Commercial Dept

Sir,

The Collector of Godavari has raised the question whether under the terms of the Despatch from the Secy of State No 146 Finl dt 3rd Sept 1896* the members of the American Baptist Mission residing in British India should be considered to be exempt from taxation under Act II of 1886 on so much of their salary as is paid to them in America for work done in this country. The despatch it will be observed deals only with cases of "retired pay or pension", but since as the wording of

of para 2 ~~A~~ ~~would~~ S also S would also seem to include pay actually earned in British India but drawn outside of it, I am directed to enquire how the ruling of the Secy of State should be interpreted and whether it should be considered to supersede the instructions conveyed in the Govt of India's Resn No 6108 dy 3rd Decr 1889.

2 I am to add that on a previous occasion (in Febr 1887) when a case similar to that now D ~~of the miscellaneous~~ referred to above came up for orders, H.E. the Governor in Council, after consulting with the Advocate General, held D that salaries accruing and arising in British India but paid elsewhere should be taxed under Part IV of Schedule II of the Income Tax Act.

D. 16.3.97

Ld 11.10.97

Sect

Please see G.O. 5024 dy 16.12.95 & 141 dy 23.9.96

Sect 24.3.97

Please see paras 3 of G.O. 233 dy 16th July 1896

Sect 16.3.97 Ld

* "The pay or pension being issued in this country"

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READ AGAIN G.O., No. 189 DATED

CURRENT.

ENCLOSURES TO C. No.

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| ORDER OF GOVERNMENT | A | A | A | A | A | A | A |
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