

Revenue (1898) Department.

MISCELLANEOUS SERIES.

G.O., No. 1775

DATED 25th April

[Despatch Abstract.]

Income-tax registers and records.

Recording B.P. communicating to the Collector of N. Arcot for information and guidance notes of inspection by the acting Second Member of the Board of Revenue, of the _____ of the Sub-Collector's and Head Asst^{ts} Collector's Offices, N. Arcot.

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 (1898) Department.

CURRENT No. 2544.

From

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

Mis. No. 1087.

Dated 20th March 1898.

Received 30

Registered 31

Enclosures

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SUBJECT.

Communicating to the Collector of North Arcot for information and guidance notes of inspection by the Acting Second Member of the income-tax registers and records of the Sub Collector's and Head Assistant Collector's offices, North Arcot.

2000
31-3-98

P.R.
31/3/98

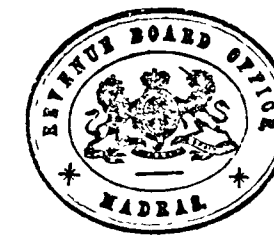
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BACK PAPERS.

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Proceedings of the Board of Revenue

(Separate Revenue),

Dated 20th March 1898.

His No. 1087

Resolution.

The following notes of inspection by the Acting Second Member of the Board of Revenue of the Income Tax Registers in presence of the specially noted officers in the

Name of officer. Date of inspection. North Arcot district will
Sub Collector's office. 11th March 1898.
Head Assistant Collector's office. 12th March 1898. be communicated to the

Collector for information and guidance.

2. Sub Collector's office. The following statement shows the final assessments made by the Sub Collector under Part IV since 1891-92:-

Year	No of assesses	Final Demand. Amount of tax
1891-92	71	6975
1892-93	82	7374
1893-94	83	8422
1894-95	117	10695
1895-96	125	11511
1896-97	118	10911
1897-98	124	11826

(Original Demand)

The fall in 1896-97 is ascribed to the transfer of a few assesses to the Collector's file.

3. Register No. I of 1897-98. Column 4 of the register requires

the name and residence of the person on whom notices were served to be shown therein. In a few cases the particulars of ~~the~~ residence, for instance, the door No. and the street in Municipal towns have not been given.

Column 11 - 12. In most cases these columns are left blank.

In cases where there were no objection petitions column 10 should have been filled up immediately after the time allowed for presenting objections expired; where there were objections it should have been filled in immediately after the objections were disposed of. The entry of class should, when there are objection petitions, follow the amount of income settled on their disposal. The register is correctly maintained in other respects.

4. Register No. II. Fifty-two cases are brought on this register involving a tax of Rs. 1214. In twenty-six cases the tax was reduced by Rs. 726 and in the remaining twenty-six cases the tax was confirmed.

Case No. 1. One of the items of income of the assessee was fixation of Rs. 12 on tax in ground nuts. It is not clear whether the 12 acres of this crop which is sown or is the village cultivation generally or petitioner's. Witnesses say he did not trade in it. If the 12 acres were his cultivation he could not be taxed in respect of it.

Case No. 23. The assessee was originally assessed on Rs. 5700 on income tax on an income of Rs. 3000 viz:-

Item No. 1	Rs. 1000	From grain trade
2	600	Rentals
3	5000	Money lending
	<u>3600</u>	

On disposal of objection petitions these figures were altered as below:-

Rs. 4500	under item No. 1.
600	" "
<u>1030</u>	" "
3600	

Under the last item a deduction of Rs. 2000-3-0 was allowed as interest paid by the assessee on his borrowed capital; but it is not clear from the records that the capital borrowed was utilized solely for the purposes of trade.

Case No. 19. The assessee was originally assessed on Rs. 5700 as below:-

(i) Trade	Rs. 5000-0-0
(ii) Rental	100-0-0
	<u>5700-0-0</u>

Under the head (i) he produced certain accounts and an abstract and claimed to have been dealing only on commission. His total transactions amounted to Rs. 104363, which gave him a profit of Rs. 2097 at two per cent (but not at two annas in the rupee as was stated in the decision). It was further stated that he purchased articles when cheap and sold when prices rose, but this income was not shown in the accounts and the Mahildar's estimate of the assessee's profits Rs. 5600 was accepted. A number of cancelled documents were produced and thereon a sum of Rs. 600 was deducted as apparently the interest paid on sum borrowed. In this case also it is not clear from the records whether it was ascertained that the sums

sums borrowed were solely for the purposes of trade.

Nos. 29 and 31. A similar ~~register~~ ^{statement} applies.

No. 44. The assessments have been taken as in receipt of the following income:-

Interest-----	Rs. 2400
Leather trade "	5000
Toll contract--"	200
Rental-----"	20
	<u>1620</u>

He stated that the toll contract on which he was assessed ceased on 31st March 1897. The action of the assessing officer in not deducting this amount of income ^{for} assessment purposes is correct.

Care and industry are shown in dealing with objection petitions.

A few objection petitions bear eight annas instead of one anna Court fee stamps. It is observed that in three cases objection petitions sent originally by ~~messengers~~ ^{messengers} in registered covers did not reach the office. On receipt of reminders from the ~~parties~~ ^{parties} their objections were heard and disposed of after obtaining fresh petitions accompanied with postal receipts.

5. Register No. V. Thirty eight cases are brought ^{on} ~~in~~ this register of which twenty six are still pending. It has been found necessary in almost every case to refer to the Tahsildar for report. This points to insufficient grounds shown in the Tahsildar's orders. The large number of cases on hand is explained by delay on the Tahsildar's part to deal with their assessments. The remedy is obvious, and should be sharply applied.

In one case the revision ^{petition} was rejected on out of time and the decision was drafted on the petition itself by the clerk and is approved by the Revenue Commissioner. A copy of this decision is also

also made by the clerk in the register but does not bear

either the Commissioner's signature or initials. Copies of

orders on objection petitions filed with revision petitions

bear eight annas instead of one anna Court fee stamps in several cases.

6. Income Tax Manual The book recently supplied has subsequent rulings entered.

7. Confidential register. A register ^{of} two volumes is maintained but very little has been entered in it.

8. Head Assistant Collector's office.

The following statement shows the final assessments made by the Head Assistant Collector under Part IV since ---
1895-96:-

	No. of assesses	Final demand.	Amount of tax
1895-96-----	98		8209
1896-97-----	102		8620
1897-98-----	125		8570

9. Register No. I. This is kept with manuscript headings and is incomplete in some respects. Columns 6, 8 and 14 as also 15 and 17 which are important have been left blank. The columns showing collections ~~have been~~ ^{are} left blank. It is explained that it is due to non-receipt of collection reports from Tahsildars. In a few cases even columns showing dates of service of H form notice, name and residence of persons on whom they were served, sources of income and the amount of such ~~income~~ ^{return} sources have been left blank. This is ascribed to the non-~~receipt~~ ^{return} of H. form notice, after service.

10. Register No. II. The purport of petitions is never fully stated; the clerk concerned requires instruction and correction. The register contains forty eight cases involving a tax of Rs. 4572. In 16 cases the tax was reduced by Rs. 752. One case involving a tax of Rs. 101 was wholly remitted. In twenty eight cases the tax originally assessed was confirmed on objection. Three cases involving Rs. 295 are still pending. The oldest that is pending was received in the office on the 20th December 1897-
The orders passed on objection petitions are generally meagre in character and do not indicate that much trouble is taken to arrive at a due understanding of the parties' financial position. In some cases objection petitions received through the post bear eight ^{annas} instead of one anna Court fee stamp. In three cases the objection petitions bear no verification. The parties concerned however, presented themselves on the dates fixed for the hearing their objections when statements were obtained by the assessing officer on solemn affirmation.

11. Register No. V. There are forty three cases involving Rs. 639 in this register. In four cases involving Rs. 40 the tax was wholly remitted. In five cases involving Rs. 142 the amount of tax was reduced by Rs. 41. In twenty two cases the tax (Rs. 527) was confirmed and twelve cases involving Rs. 150 are still pending.

No. 22. In this case the Head Assistant Collector has written his decision on a separate sheet which is attached to the records and this decision is copied into the register by a clerk. It is neither signed nor initialed by the Head Assistant Collector.

No. 42. It would have been more satisfactory if the case had been heard in full and decided on its merits.

12. The same remarks apply as to meagreness of order and want of enquiry as are made in respect of Register No. II. The grounds of appeal are not set forth. In No. 17 the appellant was taxed on the information of the village munsiff, who then came and gave evidence in his favour. It was accordingly held that there were no grounds for supposing that the appellant got a taxable increase.

13. Income Tax Manual. The book received on the 9th July has only one ruling entered since that date.

14. Confidential Register. One volume is maintained but it is not available for inspection.

(True extract)

R. J. Thorley

Acting Assistant Secretary.

To the Collector of North Arcot.

Copy to the Secretary to Government, Revenue Department.

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189

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