

Revenue (1898) Department.

PRESS SERIES.

G.O., No. 178

Dated 24 March

[Despatch Abstract.]

Income-Tax Act II of 1886

Commy. the Bd. of Rev. letter from the Gd-
stating that for the purposes of the — the Bd.
of Madras may be relieved of the necessity
for ~~furnishing~~ furnishing separate statements
to the Collr. of the Civil & Military Station
of Bangalore, but that it will suffice if
the profits of the Branch Bank at Bangalore
be included in the statements delivered to the
Collr. of Madras.

BACK PAPERS.

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

FORWARDING PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
C 12 5649/03							

4,000-15 7-97.

Revenue (1898) Department.

CURRENT No. 2/55

From

The Government of India
Finance & Commerce Dept.

No. 1144 S.R.

Order

Dated 12 Mar.

Received 17/2

Registered 17/2

Enclosures

Spare copies.

SUBJECT.

Stating that for the purpose of the Income-tax Act of 1886 the Bank of Madras may be relieved of furnishing separate statements to the collector of Civil & Military Station Bangalore and that the Bank of Madras may be informed that the profits of their Branch Bank at Bangalore should be included in the statements delivered to the collector of Madras.

P.C.
17.3.97

BACK PAPERS.

G.O.	No.	Department.	Date.
	5298	1/1/1	

FURTHER PAPERS.

G.O.	No.	Department.	Date.

No. 1177- S.R.

GOVERNMENT OF INDIA.

FINANCE AND COMMERCE DEPARTMENT.

Calcutta, the 12th March 1898.

To

The Secretary to the Government of Madras,
Revenue Department.

Sir,

I am directed to refer to the correspondence ending with your letter No. 6208, dated 27th Decr. 1897, regarding the head quarters of the Bank of Madras for the purposes of the Income Tax Act of 1886.

2. I am to say that in the opinion of the Government of India the requirements of the case will be sufficiently met if the Bank is relieved of the necessity for furnishing Separate Statements to the Collector of the Civil and Military Station of Bangalore. I am accordingly to request that with the permission of His Excellency the Governor General the Bank may be informed that

W. Brumate

My dear Mr. Brumate
I have the honor to acknowledge
the receipt of your letter of the 10th
inst. in relation to the
matter of the application for
a license.

The Hon Sir Henry
Bliss K.C.S.E.

Notes

The Govt of India says
that the question of the Princi-
pal place of business of the
Madras Bank which has
a branch at Bangalore
may be settled by the Govt in
communication with the
Resident in accordance
with the instructions con-
tained in the letter under
G.O. 481 A. Revenue Dept
14.07.86

the drafts explain the
position. This cannot be
done as long as Section 47
of the Act does not apply to
the C.M. St. If the Section
is extended to Bangalore
then presumably other firms
will also be
wholly assessed here. No
information is available as to
why Sec 47 was not extended
to the C.M. Station. Presumably
the omission was intended
to give them an income from
this source

164
25.11.81

Read Cus 9700 of 97

Order misc

Communicated to
the Board of Rev for in-
formation

2 The Govt ob-
serves that a question
similar to the one now
under consideration was
raised so long ago as
1888 but that the Collector
of the Civil and military
Station at Bangalore con-
tended at the time that
as ^{Sec} 47 of the Income Tax
Act II of 1886 was not
extended to the Station
he must assess firms
separately for their profits
accruing and arising
therein without taking
into consideration whe-
ther they had a branch
or head office in British
India (vide B.P. No 376
Land Rev, dated 24th April
1888). ^{The continuation appears to be correct}
If, therefore, Madras
is now declared ^{to be} the
primary

principal place of business
of the ~~Madras~~ Bank, the

Section 47 of the Act will

~~some procedure will pre-~~
sumably have to be followed

extends to the Civil & Military
Station. If this is done, it will
probably be ~~also~~ ^{advised} ~~also~~
to declare Madras to be the principal
place of business.

in the case of all other
firms which ~~change~~
residing in Bangalore
have their headquarters
in the Pres. Town and
branches at Bangalore.

Do not raise this

6/2

The Resident in Mysore
will be addressed on the
subject and a copy of
the present Progs forwarded
for the information of the
Govt of India

18th
25th Nov. 11

To

The Board of Rev. Sep. Rev.
Govt

Copy to the Govt of India
Finance & Commerce Dept.

To

The Resident in Mysore,
Sir

With reference to
the letter from the Govt
of India's (Finance & Com.
Dept.) ^{letter} No. 4958 S.R. of the
6th

the 6th inst, I am directed
~~to enquire whether the~~
~~town of Madras being~~
~~the headquarters of the~~
~~Bank of Madras upon~~
~~have any objection to its~~
~~being declared the prin-~~
~~cipal place of business~~
~~of the bank is question.~~

~~I am in this~~
~~connection~~ to write your
attention to the fact that
so long ago as 1888, a
question similar to the
one now under reference
was raised but that the
Collector of the Civil and
Military Station contended
at the time that as Sec
47 of the Income Tax Act
II of 1886 had not been
extended to the Station
he must assess firms
there separately for their
profits accruing and
arising therein without
taking into consideration
whether they had a branch
or head office in British

Sir

As far as the India. H.E. in C. is not aware of the provisions of the Sec above quoted have since been extended to the Station, but ~~consider~~ ^{provision} that if the question is to be decided in accordance with the instructions issued by the Govt of India ~~otherwise~~ the same ~~pro~~ declaration ~~it~~ ^{it} proposed to make ~~as~~ ^{as} is ~~adopted~~ ^{made} in the case of the Bank of Madras ~~will~~ ^{ought} ~~presumably~~ ^{presumably} have to be followed in the case of all firms having head quarters in Madras and Branches at Bangalore. I am to request that you will be good enough to communicate your views on the subject for the information of H.E. in C.

DM
23.11.97

HRH
25.11.97

If Madras is now to be declared the principal place of business of the Madras Bank, Section 47 of the act will first have to be extended to the Civil & Military Station in Bangalore. If this course is adopted,

Circulated

1. The First Assistant ^{100 3/12/97}
2. The Finance Assistant
3. The Registrar ³⁰⁰⁰⁷
4. The Head Clerk ^{3/12/97}
5. The Clerks. ^{3/12/97}

100
P.C.
4/12/97
4/12/97
P.C.
4/12/97

87
2/12/97

No.

From

Dated

189 .

FOR ORDERS

Office N.L.

be better ascertain
first whether sec. 47 has been
extended since ¹⁸⁸⁸ so tel.
to Resident, to make sure.

Sy?

"Will you kindly inform
me whether sec. 47 Income
tax act 1886 has been ex-
tended civil & military
station Bangalore".

Despatch
Shank
16
26.11.11
40/11/11

If the answer is in-
negative then we shd
address pt of India
pointing out the difficulty
in taking the course
they propose.

FOR ORDERS.

Drafts. Made to be on a separate sheet preceding the raft)

Letter no. 6207 of 2. 12. 97

Letter from the Govt of India
no 1177, S. 12. 3. 98 (C)
2155 of 98)

NOTE

In Nov: last, the Govt of India, on certain complaints made by the Bank of Madras regarding the inconvenience of having to submit income tax returns both at Madras and Bangalore desired that in accordance with para 2(b) of the letter in G.O. no 481 of 14th

June 1886, the question whether Madras should be considered for purposes of Act II of 1886, the principal place of business of the Bank might be settled by the Govt in communication with the Resident in Mysore. This Govt then pointed out

profits of the Bank at Bangalore be included in the statement delivered to the Collector of Madras.

by the Govt. of India could not
apparently be taken and that
its letter of 1886 referred to above
was understood "to refer to
those provinces only in which Sec
47 of the Act is in force"

2. The Govt. of India
now states that the requirements
of the case will be sufficiently met
if the Bank is relieved of the
necessity of furnishing separate
statements to the Collectors of
Madras and Bangalore and
requests that the Bank may
be informed that its profits at
Bangalore should be included
in the statement delivered to the
Collector of Madras.

3. The final decision
of the Govt. of India in the
matter this seems to be that
the assessment or tax should
be collected both at Bangalore
and Madras as hitherto but
the

a draft G.O. is submitted
for approval

MU
23/3/88

MU
24/3/88

Read again G.O. Nos. 6207-8 d. 2-12-97
Read also letter from the Govt. of
India, Fin & Com. Dept. d. 12-3-98

C. No. 2155/98.

Print
24/3/98
G.O. No. 1788/24th March 1898.

Communicated to
the Board of Revenue.
2. With reference to his letter
to the Govt. of India, Finance
and Commerce Dept., dated
the 19th October 1897, the Se-
cretary and Treasurer, Bank
of Madras, ^{will be} informed that
the Bank need not in fu-
ture furnish separate re-
turns to the Collector of
the Civil and Military Sta-
tion of Bangalore, ^{but} that
it will suffice if the
profits of the Branch Bank
at Bangalore are included
in the statement delivered
to the Collector of Madras.

Government {1898} of Madras.
REVENUE.

Recd.

Enclosures

Regd.

} 1898.

Spare copies

G.O., No. 178, 24th March 1898.

MARCH.

Income-Tax Act II of 1886.

Communicating to the Board of Revenue letter from the Government of India stating that for the purposes of the — the Bank of Madras may be relieved of the necessity for furnishing separate statements to the Collector of the Civil and Military Station of Bangalore, but that it will suffice if the profits of the Branch Bank at Bangalore be included in the statement delivered to the Collector of Madras.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—again the following G.O., Mis. Nos. 6207-8, Revenue, dated 2nd December 1897:—

Read—the following letter from J. B. BRUNYATE, Esq., Officiating Under Secretary to the Government of India, Finance and Commerce Department, to the Secretary to the Government of Madras, Revenue Department, dated Simla, the 6th November 1897, No. 4958-S.R.:—

I am directed to forward copy of a letter from the Secretary and Treasurer, Bank of Madras, dated 19th October 1897, and to request, with reference to paragraph 2 (b) of the letter from this department, to the Government of the North-Western Provinces and Oudh, No. 958, dated 22nd May 1886, copy of which was sent to the Government of Madras, that the question whether Madras should be considered for the purposes of Act II of 1886 the principal place of business of the Bank, may be settled in communication with the Resident in Mysore.

Copy, with copy of the letter from the Secretary and Treasurer, Bank of Madras, forwarded to the Resident in Mysore.

Copy also forwarded to the Secretary and Treasurer, Bank of Madras.

ENCLOSURE.

From J. MATHESON, Esq., Secretary and Treasurer, Bank of Madras, to the Secretary to the Government of India, Finance and Commerce Department, dated Madras, 19th October 1897.

I have the honour to bring to your notice that this Bank has been put to some inconvenience by having to submit income-tax returns to the Collector of the Civil and Military Station at Bangalore in addition to the general statement of the Bank's profits now submitted to the Collector of Madras for income-tax assessment.

I am desired by my Directors to request that the Governor-General in Council may be pleased to declare, under clause 47 of the Income-tax Act of 1886, that Madras shall be deemed the principal place of business of this Bank for the purposes of the Act.

Read—the following telegram from the Resident in Mysore, to the Secretary to the Government of Madras, Revenue Department, dated Bangalore, 27th November 1897:—

No. 5114, your telegram dated twenty-sixth. Section 47, Income-tax Act, is not extended Civil and Military station, Bangalore (*vide* Foreign Notification 2165 I., dated 24th June 1886).

Order—Mis. No. 6207, Revenue, dated 2nd December 1897.

The following letter will be despatched to the Government of India.

(True Extract.)

(Signed) G. S. FORBES,
Ag. Secretary to Government.

Letter—from the Acting Secretary to the Government of Madras, Revenue Department, to the Secretary to the Government of India, Finance and Commerce Department, dated Fort St. George, 2nd December 1897, No. 6208:—

With reference to Mr. Under Secretary Brunyate's letter No. 4958-S.R., dated 6th November 1897, regarding the headquarters of the Bank of Madras for the purposes of the Income-tax Act II of 1886, I am directed to point out that section 47 of the Act has not been extended to the Civil and Military station at Bangalore (*vide* notification No. 2165 I., dated 24th June 1886, *Gazette of India*, page 389, dated 26th June 1886). It does not, therefore, seem open to this Government in the matter of assessing the Bank of Madras to take action under paragraph 2 (b) of Mr. Finlay's letter to the Government of the North-Western Provinces and Oudh, No. 958, dated 22nd May 1886, which His Excellency the Governor in Council understands to refer to those provinces only in which section 47 of the Act is in force.

READ—also the following letter from J. B. BRUNYATE, Esq., Under Secretary to the Government of India, Finance and Commerce Department, to the Secretary to the Government of Madras, Revenue Department, dated Calcutta, 12th March 1898, No. 1177-S.R.:—

I am directed to refer to the correspondence ending with your letter No. 6208, dated 2nd December 1897, regarding the headquarters of the Bank of Madras for the purposes of the Income-tax Act II of 1886.

2. I am to say that in the opinion of the Government of India the requirements of the case will be sufficiently met if the Bank is relieved of the necessity for furnishing separate statements to the Collector of the Civil and Military station of Bangalore. I am accordingly to request that, with the permission of His Excellency the Governor in Council, the Bank may be informed that the profits of their branch at Bangalore should be included in the statement delivered to the Collector of Madras. I am to add that the Collector of Bangalore will be directed to dispense with the submission of a return at Bangalore, showing the profits of the branch at that place.

Ordered that copy, with copy of the letter from the Government of Madras, No. 6208, dated 2nd December 1897, be forwarded to the Foreign Department for communication to the Resident in Mysore.

ORDER—No. 178, Revenue, dated 24th March 1898.

Separate Revenue, No. 21.

Communicated to the Board of Revenue.

2. With reference to his letter to the Government of India, Finance and Commerce Department, dated the 19th October 1897, the Secretary and Treasurer, Bank of Madras, will be informed that the Bank need not in future furnish separate returns to the Collector of the Civil and Military station of Bangalore, but that it will suffice if the profits of the Branch Bank at Bangalore are included in the statement delivered to the Collector of Madras.

(True Extract.)

(Signed) G. S. FORBES,
Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).
„ the Secretary and Treasurer, Bank of Madras (paragraph 2 only).

Exd. W. D'Mora.

40 Copies.

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FILED AGAIN Q.O. No.
179

URGENT No.

URGENT No. 179

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PAPERS NOT FILED BY DEPT. MEANT FOR DELETION
IN DEPT. FILE

NOTE—

A = Rejected
L = Not to be printed
P = Printed in copy
Q = Printed in copy