

10-2-09. ✓

18-11-10. ✓

25-5-16 ✓

5,000-5-3-95.

Revenue (189⁸), Department.

MISCELLANEOUS SERIES.

G.O., No. 2449

DATED 7th June

[Despatch Abstract.]

Accepting the ^{view of the} Bd. of Revenue, Lower Provinces
of Bengal that L. S. P. L. the ^{the} Chittagong & Dhaka
be annexed to Calcutta.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
Mem	515	Rev.	31.1.98.				

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
Mem	3181	Rev.	29.7.98.				

0
18 4,000-10-7-87.

Revenue (1898) Department.

CURRENT No. 3148

From

The Government of Bengal
Financial Dept.

No. 2865 S.D.

Order

Dated 12 May

Received 18

Registered 19

Enclosures /

Spare copies.

SUBJECT.

Forwarding for the information of Govt. copy of a letter from the Bd of Revenue, Lower Provinces and stating that the assessment to Income-tax of P. L. S. D. Muthiah Chetty & Co. of Madras, should be made in Calcutta which appears to be their principal place of business.

BACK PAPERS.

G.O.	No.	Department.	Date
5156	34-98		

FURTHER PAPERS.

G.O.	No.	Department.	Date.
100	49657	98.	

Enclosure of Bengal Government [Financial Department.]
No. 2865 of the May 1898.

Copy of a letter No. 291 B, dated Calcutta, the 22nd April 1898, from the Offg. Secretary to the Board of Revenue, &c. to the Secretary to the Government of Bengal, Financial Department.

Department
Income Tax
The Honble Mr
W. H. Grimley

I am directed to acknowledge the receipt of Government endorsement No. 1066 P. R., dated the 15th February last, forwarding for report a letter No. 516, dated the 31st January last, and its enclosures, from the Government of Madras, regarding the assessment to Income Tax of P. L. S. P. L. Muthia Chettiar of Madurai.

2. In reply, I am to state that it appears from a report from the Commissioner of the Presidency Division, that two brothers who are residents of the Madurai District in the Madras Presidency are carrying on business in Calcutta, under the style of P. L. S. P. L. with branches at Nagapatnam and Colombo, and that they transact no business in Madurai although their family house is situated there. The accounts and books of their business are also said to be kept - - and

and adjusted in Calcutta, and as a proper assessment of their income can only be made by an examination of these account books, and the assesses will be put to great inconvenience if they have to transmit the books to the Madras District for examination, they have petitioned the Collector of Income Tax, Calcutta, for permission to be assessed in Calcutta.

3. In their letter No. 2016, dated the 26th April 1890, to the address of the Government of the North Western Provinces and Oudh, a copy of which formed the enclosure of the Bengal Government endorsement No. 5715, dated the 5th May 1890, regarding the assessment of the firm of Sitmal and Girdhar Lal, the Government of India held that the assessment of a firm should be made at the place where the business of that firm is chiefly carried on. In the present case, as the assesses are said to carry on no business in their home district in the Madras Presidency,

the Board think that their assessment should be made in Calcutta which appears to be their principal place of business.

4. The original papers received with the Government endorsement are herewith returned as requested.

Financial DEPARTMENT.
Separate Room BRANCH.

No. 2865 SR

From

H. H. Risley Esq. C. I. E.
Secretary to the Government of Bengal.

To

*The Secretary to the Government of Madras,
Revenue Department*

Dated Calcutta, the 12th May 1898.

Sir,

I am directed to acknowledge the receipt of your letter No. 516, dated the 31st January 1898, in which you request to be favoured with the opinion of His Honour the Lieutenant Governor of Bengal in the matter of the assessment to Income Tax of P. L. S. P. L. Muthiah Chettiar of Madurai.

2. In reply, I am directed to forward for the information of His Excellency the Governor in Council the accompanying copy of a letter from the Board of Revenue, Lower Province, and to say that, in the circumstances represented, the Lieutenant Governor agrees with the Board.

No. 2918 of 22 April 98

in thinking that the assessment of the
firm should be made in Calcutta, which
appears to be their principal place of
business

I have the honor to be,
Sir,

Your Most Obedt Servt,

A. H. Ridley

Secy. to the Govt of Bengal

Recd.

Recd again G.O. No 515-516 dt 31-1-98
... Letter from the Govt of Bengal
no 2865 S.R dt 12-5-98 (C No 3648)

To Secy:-

Please see the notes under
G.O. No 515-516 dt 31-1-98. The
facts of the case are briefly as following: - The
Collectors of Madras and Calcutta
the Comr of Income tax, Calcutta
were at issue regarding the
assessment to income tax of
one P. S. P. S. Muthaya Chetty
a native of the Madras District.
The former contended that the
assessee was an individual
and that he should be assessed at
the principal place of residence
which is Madras, while the
latter was of opinion that the
assessee carried on business
as a firm and that the assess-
ment should be made at the
principal place of business
which is Calcutta. In requesting
the Govt of Bengal to state its
views on the subject, this Govt
expressed the opinion that the
assessee being a Nattukottai
Chetty whose house and the house
of

Section 47(3) of the
Income Tax Act (III of
1986)

Section 47(1) read

Letter no 516 dated 31-1-98

ca/b/98

of whole class was in Madras, it would be conducive to the public interests if he were assessed at Madras. The Bengal Govt in reply forwards a letter from the Board of Rev L. P., in which that authority expresses the opinion that the assessment should be made at Calcutta, which is the principal place of business of the firm. The Bengal Govt agrees in this view.

2. Orders are requested as to whether the decision of the Bengal Govt may be accepted or whether the Govt of India may be addressed on the subject.

The decision of the question depends upon whether the assessee carries on trade at Calcutta as an individual, as a firm, and it is submitted that on a question of fact the local authorities - i.e. the Bengal officers - are the best judges.

3. No assessee is stated to have a branch at Nagapattinam. May the Comr of Tanjore be asked (thru the Board of Rev) to report on the point?

Please see adraft order on C no 3963, in which the Board are asked to submit intermediate orders on the subject.

16/98

I think we may accept the opinion of the B. of Rev L. P. that the man carries on business with his partners in Calcutta as a firm & should be assessed there. Better telegraph this to Bengal Govt to avoid delay as we are very near June 30.

Rs 67498 20/11/98

H. M.
Under the Definition of Person ~~the~~ an undivided Hindu family is included. This husband & wife and his undivided brother are trading together. Hence they are a "person". There is nothing in the Act which I can find which lays down ^{where} any one is to be assessed. But it is perhaps inferable & in fact has been inferred from Sec 47 that a company is to be assessed at its principal place of business while a person is to be assessed at his principal place of residence. It is necessary here to get a ruling of India as to the construction of the above inference. If it be correct then it will seem that the Madras Comr is right and India that he is asked to rule him so unless it be that it will be more convenient to assess him at Calcutta.

16/11/98

When given for copying _____
When copied _____
When examined _____
When signed _____

189

READ AGAIN G.O., No.
189

DATED

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT

A A A A A A A

LETTER OF GOVERNMENT

STATEMENT WITH DUTY

PAPERS NOT FILLED UP, BEING MEANT FOR DISPATCH
IN ORIGINAL

N.B.—

- A = Copy in full.
- R = Not to be copied.
- P = Copy abstract only.
- Q = Copy heading only.