

CHAPTER XIII.

INCOME-TAX AND STAMP REVENUE.

THE marginal table shows the revenue from the tax on incomes for CHAP. XIII.

Year.	Number of persons assessed.	Total assessment.
		RS.
1888-89 ...	1,301	30,896
1889-90 ...	1,407	34,436
1890-91 ...	1,395	33,574
1891-92 ...	1,435	33,199
1892-93 ...	1,605	37,939

each of the last five years. In 1888-89 there were 1,301 persons assessed to the tax and the amount realized from it was Rs. 30,896. In the following year the number of assesses rose to 1,407, and the amount of the tax advanced by about Rs. 3,500. The final demand in the last year of the series was Rs. 37,939 and the number of persons

INCOME-TAX.
Amount of tax.

assessed in that year was 1,605. A considerable proportion of this advance is probably due to greater care in assessment and not to increased prosperity.

Of the different classes of people assessed to the tax, the most important are the money-lenders and changers, of whom 375 paid the tax in 1892-93, the amount collected being Rs. 6,654. The number of money-lenders shown in the census tables is only 246, and this figure includes not only those who actually exercise the occupation, but also those that are dependent on it for their livelihood. It is clear that the census returns were defective as regards this occupation, and the error is mainly due to the fact that money-lending is frequently combined with other occupations. Of the remaining classes of assesses, the most numerous are Government employés (218) and servants of local bodies and companies (146). Only one company (the Basel Mission Company at Mangalore) was assessed in 1892-93.

Classes assessed.

The total number of assesses in 1892-93 was 1,605 which gives one assessee in every 658 of the district population, the ratio for the presidency, exclusive of the capital town, being 1 in 577. The incidence of the tax was 6·8 pies per head of the population, against 8·2 pies for the presidency outside Madras. If the incidence of income-tax can be taken as a measure of the wealth of a district, then only eight out of the 21 districts are poorer than South Canara.

Incidence of the tax.

CHAP. XIII. In the neighbouring district of Malabar the incidence is 6·7 pies.
 INCOME-TAX. per head. If we take only the actual number of assessees, the
 Incidence of amount per head comes to Rs. 23-10-2, the average of all districts
 the tax. being Rs. 24-14-7.

Taking only the tax on the general population, *i.e.*, excluding incomes of companies, servants of Government, servants of local bodies and companies, and incomes derived from public securities, the incidence of the tax is 4·9 pies per head. The incidence varies a good deal in different taluks as shown below :—

Taluk.	Incidence per head of population.			Incidence per head of assessee.		
	RS.	A.	P.	RS.	A.	P.
Coondapoor	0	0	3·5	15	5	7
Kásaragóð	0	0	3·1	16	14	8
Mangalore	0	0	9·8	31	8	4
Udipi	0	0	3·6	15	1	6
Uppinangadi	0	0	1·5	15	9	1
TOTAL	0	0	4·9	21	8	7

The high rate of incidence in the Mangalore taluk is, of course, due to the trade in the capital town of the district. The rate in Uppinangadi is much lower than in any other taluk, and this part of the district is undoubtedly the poorest.

Of the total number (1,240) of persons assessed under Part IV of the schedule, 751, or 60·56 per cent., have incomes below Rs. 750, while 948 have an annual income of less than Rs. 1,000. There are thus only 292 persons, or 23·55, per cent., who have assessable incomes over Rs. 1,000, and of these again all but 90 have less than Rs. 2,000 a year. There are 72 persons with incomes between Rs. 2,000 and Rs. 5,000, twelve with incomes ranging between Rs. 5,000 and Rs. 10,000, four with from Rs. 10,000 to Rs. 20,000, one with an annual income of between Rs. 30,000 and Rs. 40,000 and another with between Rs. 40,000 and Rs. 50,000 a year. In other words, 76·45 per cent. of the assesseees have taxable incomes under a thousand rupees a year, 16·29 per cent. between one and two thousand rupees, 5·81 per cent. between two thousand and five thousand rupees, 0·97 per cent. between five thousand and ten thousand rupees, and 0·48 per cent. ten thousand rupees and over. These figures indicate the absence of great personal wealth in the district and the same feature is observed throughout Southern India. It is true that incomes derived from agriculture are not taxable, but even if these were

included, the number of persons possessing large incomes would not be appreciably increased.

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INCOME-TAX.

Very little difficulty is experienced in collecting the tax. In 1892-93 as many as 521 persons failed to pay the tax within the time allowed, but only three defaulters neglected to pay after receipt of a formal notice of demand, and in none of the last five years did the number of defaulters at this stage exceed four, while the highest amount of the arrears was about Rs. 90. The number of cases in which property was sold was only one in each of the years 1889-90 and 1892-93, while in the other three years there was no necessity for resorting to this extreme measure. There was no special establishment for the assessment and collection of the tax in 1892-93, but a sum of Rs. 60 was paid in that year as commission to companies for collecting the tax payable by their servants. The expenditure is only 0.16 per cent. of the assessment.

Collection of
the tax.

The statistics of stamp revenue are compiled for periods of three years and the marginal statement gives the figures for the three most recent periods. The receipts from this source rose from Rs. 6,24,741 in the first period to Rs. 6,43,568 in the years 1890-93.

STAMP
REVENUE.

Period.	Revenue.
	RS.
1884-87 ...	6,24,741
1887-90 ...	6,14,709
1890-93 ...	6,43,568

The average annual receipts during the last three years amounted to Rs. 2,14,523. Of this sum Rs. 1,44,750 is derived from the sale of judicial, and Rs. 68,459 from

non-judicial stamps; the small balance consists of miscellaneous items.

The annexed statement, which has been furnished by the Superintendent of Stamps, shows the number and value of the different kinds of stamps sold in the district during each of the last three years. Court-fee adhesive stamps constitute nearly one-half the total number of stamps sold; impressed stamped papers, used for certified copies of public records, form a little over one-fourth, while the proportion of non-judicial stamped papers is about 13 per cent. As regards value, a large portion of the receipts is derived from the sale of Court-fee adhesive stamps and non-judicial stamped papers. The incidence of the average stamp revenue for the last three years per head was 3.25 annas and only in Tanjore, Malabar and Tinnevely is the incidence higher than this. There is thus no connection between the incidence of stamp-duty and that of income-tax. The number of licensed stamp vendors in the district in 1892-93 was 49, or one to every 21,553 of the population and to every 80 square miles of area.

Statement showing the Number and Value of different kinds of Stamps sold in the South Canara District during the three years ending 31st March 1893.

Description of stamps sold.	1890-91.		1891-92.		1892-93.	
	Number.	Value.	Number.	Value.	Number.	Value.
		RS. A. P.		RS. A. P.		RS. A. P.
Court-fee adhesive stamps	154,489	82,092 4 0	169,301	88,211 10 0	169,742	86,433 10 0
Court-fee stamped papers	1,829	46,540 0 0	1,936	50,035 0 0	1,824	48,920 0 0
Impressed two-anna stamped paper for copies ...	72,408	9,051 0 0	73,540	9,192 8 0	110,202	13,775 4 0
Non-judicial stamped papers	45,072	58,986 2 0	50,490	63,636 14 0	49,527	64,527 0 0
Bills of Exchange	4,275	2,205 8 0	4,511	2,431 6 0	4,960	2,474 10 0
Bills of Lading	100	25 0 0
Adhesive receipt and revenue stamps	44,260	2,766 4 0	52,816	3,301 0 0	56,124	3,507 12 0
Adhesive foreign bill stamps	1	3 0 0	14	5 10 0	30	13 2 0
Notorial Act stamps	7	7 0 0	4	4 0 0	2	2 0 0
TOTAL ...	322,441	2,01,676 2 0	352,612	2,16,818 0 0	392,411	2,19,653 6 0