

ACT NO. IX OF 1903.

PASSED BY THE GOVERNOR GENERAL OF INDIA IN COUNCIL.

(Received the assent of the Governor General on the 20th March, 1903.)

An Act to provide for the levy of customs-duty on Indian tea exported from British India, and to amend section 5 of the Indian Tariff Act, 1894.

WHEREAS it is expedient to provide for the creation of a fund to be expended for the promotion of the interests of the tea industry in India by a Committee specially constituted in this behalf;

and whereas for this purpose it is expedient to levy customs-duty on tea produced in India and exported from British India, and to amend section 5 of the Indian Tariff Act, 1894;

It is hereby enacted as follows:—

Short title
and extent.

1. (1) This Act may be called the Indian Tea Cess Act, 1903; and

(2) It extends to the whole of British India except Aden.

Definitions.

2. In this Act,—

(a) "Collector" means, in reference to tea exported by sea, a Customs-collector as defined in clause (c) of section 3 of the Sea Customs Act, 1878, and, in reference to tea passing out of British India by land, the Collector of the district;

(b) "tea cess" means the customs-duty imposed by section 3 of this Act and by section 5 of the Indian Tariff Act, 1894, as amended by this Act; and

(c) "Tea

VIII of
1894.

VIII of
1878.

VIII of
1894.

(c) "Tea Cess Committee" means the Committee constituted under section 4.

3. On and from the first day of April, 1903, a customs-duty shall be levied and collected on all tea produced in India and exported from any customs-port to any port beyond the limits of British India or to Aden at the rate of one-quarter of a pie per pound, or at such lower rate as the Governor General in Council may, on the recommendation of the Tea Cess Committee, prescribe by notification in the Gazette of India.

Imposition of duty on exports of Indian tea.

4. (1) The Governor General in Council shall constitute a Committee to receive and expend the proceeds of the tea cess.

Constitution of Tea Cess Committee.

(2) The Committee shall in the first instance consist of twenty members, who shall be appointed by the Governor General in Council on the recommendation of the following bodies and authorities namely:—

- (a) three on the recommendation of the Bengal Chamber of Commerce, and one on the recommendation of the Madras Chamber of Commerce;
- (b) seven on the recommendation of the Indian Tea Association, Calcutta; and
- (c) nine on the recommendation of such respective bodies or authorities interested in the production of tea in India, and established in British India, as the Governor General in Council may appoint in this behalf:

Provided that if, within the period prescribed in this behalf by rules made under this Act, any of the said bodies or authorities fails to make any recommendation, or to make the full number of recommendations which it is entitled to make, the Governor General in Council may appoint the required number of members of the Committee of his own motion without such recommendation.

(3) Whenever any member appointed either on the

the recommendation of any body or authority referred to in sub-section (2), or in default of such recommendation, dies, resigns, ceases to reside in British India or becomes incapable of acting as a member of the Committee, the Governor General in Council may, in his discretion, on the recommendation of such body or authority, or in default of such recommendation, appoint another person to be a member in his stead.

(4) No act done by the Tea Cess Committee shall be questioned on the ground merely of the existence of any vacancy in, or any defect in the constitution of, the Committee.

Application
of proceeds
of tea cess.

5. (1) At the close of each month, or as soon thereafter as may be convenient, the Collector shall pay the proceeds of the tea cess, after deducting the expenses of collection (if any), to the Tea Cess Committee.

(2) The said proceeds and any other moneys received by the Committee in this behalf shall be applied by the Committee towards meeting the cost of such measures as the Committee may consider it advisable to take for promoting the sale and increasing the consumption in India and elsewhere of teas produced in India.

Keeping and
auditing of
accounts.

6. (1) The Tea Cess Committee shall keep accounts of all money received and expended under section 5.

(2) Such accounts shall be examined and audited annually by auditors appointed in this behalf by the Governor General in Council; and such auditors may disallow any item which has, in their opinion, been expended out of any money so received otherwise than as directed by or under this Act.

(3) If any item is disallowed, an appeal shall lie to the Governor General in Council, whose decision shall be final.

Power to
make rules.

7. (1) The Governor General in Council, after consulting the Tea Cess Committee and after previous publication, may make rules to carry out the purposes of this Act.

(2) In

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the nomination and appointment of members of the Committee, and the procedure of the Committee,
- (b) the levy and payment of the cess, and
- (c) the form of accounts to be kept and the publication of an abstract of such accounts with the report of the auditors thereon.

(3) All such rules shall be published in the Gazette of India.

VIII of
1894.

8. In section 5 of the Indian Tariff Act, 1894, for the words "shall be levied at the rates respectively prescribed in the second, third and fourth schedules on goods passing by land out of, and in the fifth schedule on goods passing by land into" the words "at such rates as may be prescribed by or under this Act or by or under any law for the time being in force relating to customs-duties on imports and exports, respectively, into and from ports, shall be levied on goods passing by land out of or into" shall be substituted.

Amendment
of Act VIII
of 1894,
section 5.

9. Sections 2 to 7 shall remain in force only until the thirty-first day of March, 1908 :

Provided that the Governor General in Council may, on the recommendation of the Tea Cess Committee, declare, by notification in the Gazette of India, that the said sections shall continue in force for any further period specified in such notification.

Time during
which
sections 2 to
7 are to
remain in
force.

10. If any proceeds of the tea cess or any moneys so received as aforesaid remain unexpended when sections 2 to 7 cease to be in force, they shall vest in His Majesty.

Disposal of
surplus
proceeds of
tea cess.