

PUBLIC REVENUE AND TAX ADMINISTRATION OF ACHARYA KAUTILYA

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Abstract –

Indian philosophy always looks down upon exploitation and economical inequality. Since ancient time the Indian philosophy always appreciates the importance of charity, generosity and kindness. Among the Indian economical thinkers Acharya Kautilya the pivotal place. The ideal state of Kautilya is not imaginary like Pleato's Utopia, but a practical one. Kautilya's thought upon politics is ideal as well as practical. He was great philosopher of administration and diplomacy. According to him money is the base of human life. Therefore, money is essential for the expansion of the state and its maintenance. Kautilya has exposed the means of state income while amassing the wealth for the state. Besides the king must take care of how to maintain the treasure of the state. Kautilya thinks that state must has a share in industries, forest, mines, fisheries and trade. From this we can say that the thoughts of Kautilya were similar to modern socialism. To raise the income of state Kautilya has made allusions to so many sources in his book. It is said that Indian mixed economy is based on Kautilya's view on economy. Kautilya has suggested leveling the emergency taxes to keep in control the financial state. Kautilya has brought into a light the various sources of income to run an ideal administration and to increase public revenue.

Introduction –

According to ancient Indian philosophy money is not a goal of life but it is a means to reach the goal. This philosophy gives importance to religion, money, work and salvation. Among these salvation is a goal and others are means. This philosophy also advocates the theory that while dealing in financial activity like production, distribution and financial transaction man should remain honest, generous and just. The specialty of economical philosophy is that it is not only scientific but also ethical and practical. Indian philosophy always looks down upon exploitation and economical inequality. Since ancient time the Indian philosophy always appreciates the importance of charity, generosity and kindness. The midable ancient history throws light upon the generous people like Dadhichi, Harishchandra and Karn. Among the Indian economical thinkers Acharya Kautilya the pivotal

place. His Kautiliyam Arthashastram is great book on ancient Indian politics. The ideal state of kautilya is not imaginary like pleato's utopia, but a practical one. The king is expected to run all the affair of the state by the majority of council of minister. In the absence of any minister his opinion should be asked by the correspondence. The king should treat his people like a father treats his child. In brief, Kautilya's thought upon politics is ideal as well as practical.

Objectives and Methodology: -

The present research paper projects the economical thought and tax administration. The secondary sources are taken into account to write the research paper.

Sources of Public Revenue: -

Kautilya has significant place among the ancient Indian political thinkers. He was great philosopher of administration and diplomacy. According to him money is the base of human life. Therefore, money is essential for the expansion of the state and its maintenance. Kautilya has exposed the means of state income while amassing the wealth for the state. Besides the king must take care of how to maintain the treasure of the state. Kautilya held the opinion that highest revenue officer are Samaharta and Sannidhata. The work of Samaharta was to collect the revenue together came from different sources and to search various and new sources for revenue increment. Sannidhata was his subordinate officer. His duty was to maintain the treasury. Under these two officers there was Aksharpataladhyaksha. In modern age he is called Accountant General. Kautilya thinks that state must has a share in industries, forest, mines, fisheries and trade. From this we can say that the thoughts of Kautilya were similar to modern socialism. State can get the revenue from its share besides it should get revenue from taxes. To raise the income of state Kautilya has made allusions to so many sources in his book. He has divided the sources of income in two categories respectively. Aaysharir and Aaymukh. Durg, Rashtra, Kani, Setu, Van, Vraj, Vanikpath. Fall in the category of Aaysharir –

Durg – consist of the income from the tax, penalties, weight and measurement, the currency governor, the income from the sale of oil, butter and

gud and the taxes collected from goldsmith, market, prostitutes, gambling, artist.

Rashtra – This consists of the income from government farming, private farming, extortion money, tax upon businessmen, boatmen, harbours, pastores.

Khani – This consists of income from gold, silver, diamond, pearls, salt and other minerals found in solid and liquid.

Setu – This consists of income of flower garden, orchards, vegetables, plantations in watery soil.

Van – This consists of income of forest for wild animal, deers and elephants etc.

Vraj – This consists of the income from pet animals like caws, buffallows, sheeps, donkey, camels, horses etc.

Vanikpath – This consists of the income from roadways and waterways.

Kautilya puts other sources of income in the category of Aaymukh. The consists of Mul, bhag, vyaji, paridhi, ropic, kalupt and atyay. This includes the sale of many items owned and control by the state. The income generated from the purchasing process the traders, the financial penalties caused by dishonesty by the shopkeepers and the taxes received from the actors, dancers and others.

Income sources in emergency –

Apart from this, Kautilya mentions some important tax policy for public finance and emergency situations. Under this income earned from eight sources is included-

- The part of land which is rich in production must be leveled the tax of 1/3 or 1/4 of its productions.
- Apart from the seeds other agriculture commodities can be bought by paying money.
- A revenue officer could guide the farmers to plant the crops which are earlier in germination.
- 1/6 tax is leveled to the income generated from the forest and deposited in the government treasure.
- The special conditions traders of gold, silver, diamonds and jewelry are asked to pay the special tax.
- Even the shepherds are asked to pay the tax.
- The trustees of temple also can held the state to increase the income of the state.
- Besides the help of spy is also taken to collect the revenue if it is necessary.

Contemporary Relevance -Kautilya occupies a great place in Indian political thinkers. His views expressed in ancient period are still useful in present time. His doctrine that no state can survive and become powerful without revenue has been

accepted by all nations. Therefore all the nations emphasized upon colonialism and expansion of their boundaries. Whole the world accepted Kautilya's thought that financially strong country can rule the entire world. The communism of his thoughts is seen when he says that establishment of industry is necessary for welfare state. Similarly state should promote the industry in private sector. It is said that Indian mixed economy is based on Kautilya's views on economy. To make our state financially strong every citizen should pay the taxes. In the period of emergency Kautilya's has suggested to level the emergency taxes to keep in control the financial state. We see how contemporary government levels the extra taxes for better financial condition of the state. If necessary the king can give suggestions to the farmer for taking particular crops for the betterment of the country.

Conclusion –

The people of ancient India were living the material life with the mentality of morality and sacrifice. This mentality is rejected by Kautilya and consider that money is the most important thing to the state. As long as the state is not financially strong it will not be able to assert its place among others. For this the state need to be financially strong. This concept of strong state is based on practicalism. The king should treat his public as a father treats his child. Like modern social economy kautilya belived in public control and public trade and industries. Kautilya emphasizes that the affairs of the states should be run according to the advice of the council of the minister. Kautilya has brought in to light the various sources of income to run an ideal administration and to increase public revenue. Besides Kautilya tells how a state should increase its revenue in an emergency situation.

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