

**KENYA**

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1949H

231

C O  
**19494**

REC  
REV 21 APR 21

OVER  
PORTHEY 277

ENTERTAINMENT TAX ORDER  
NO. XXXI OF 1920

**1921**

21 FEBRUARY

Encloses copies with usual legal report. Col. Potley assented to Order in Gov's absence.

Previous Paper.

*3 copies to Lib  
held  
per  
2/21*

*Asst. Secy*

*Govt 21 4 21*

*Mr. Botley*

*to Gov*

*A.E. 26/IV*

*copy in disallowance log*

*Govt 21 4 21*

*to Gov*

*Govt*

Ans'd 146 - 25 Apr 21 3

Subsequent Paper.

*Fin  
10045/22*

C. O  
19494  
REC'D  
REC'D 21 APR 21

28 February, 1921.

232

Sir,

I have the honour to forward herewith two authenticated and ten printed copies of the Entertainment Tax Ordinance, 1920, together with a Statement of Objects and Reasons prepared by the Attorney General.

Entertainment Tax Ordinance, 1920.  
Statement.

2. In my absence from Nairobi Colonel Notley assented to the Ordinance in the name of His Majesty.

I have the honour to be,

Sir,

Your humble obedient servant,

*Edward Notley*

GOVERNOR.

THE RIGHT HONOURABLE

WINSTON CHURCHILL, P.C., M.P.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET,

LONDON, S.W.

233

THE ENTERTAINMENT TAX ORDINANCE, 1920.STATEMENT OF OBJECTS AND REASONS.

This Ordinance was passed for the purpose of raising revenue. It imposes a tax on entertainments and is modelled upon the Imperial Act, The Finance (New Duties) Act, 1916. The rates of the tax are approximately those provided in Section 3 of the Finance Act, 1917.

Nairobi,

Sd. R. W. LYALL-GRANT.

The 16th day of February, 1921.

ATTORNEY GENERAL.

THE ENTERTAINMENT TAX ORDINANCE, 1926.  
COMPARATIVE TABLE.

Section	Remarks.
1.	Short title.
2.	Interpretation. This section is taken from Section 1(6) of the English Act.
3.	Rates of tax on payments for admission to entertainments. These are approximately the rates provided in Section 3 of the Finance Act, 1919.
4.	No person to be admitted to entertainment without stamp ticket denoting that tax has been paid, unless the proprietor has made special arrangements with the Treasurer. This section is adapted from Section 1(2) of the English Act.
5.	Penalty for proprietor admitting persons to entertainment without complying with Section 4. Adapted from Section 1(2) of the English Act, which makes the person admitted as well as the proprietor guilty of an offence.
6.	Tax to be paid by stamp on ticket, or calculated on the number of admissions. Adapted from Section 1(3) of the English Act.

Section.	Remarks.
7.	<p>Where payment for admission made by lump sum as subscription to any club or society or for season ticket tax shall be payable on the lump sum.</p> <p>Adapted from Section 1(4) of the English Act.</p>
8.	<p>No tax to be charged—</p> <ul style="list-style-type: none"> <li>(1) where taking for any purpose</li> <li>(2) on entertainments charge</li> <li>(3) on entertainments</li> <li>(4) on Agricultural Poultry</li> </ul> <p>This section has been adapted from Section 1(4) of the English Act.</p>
9. (1)	<p>Governor may make regulations for use of stamps and stamped tickets; for use of tickets admitting more than one person; for controlling the use of barriers.</p> <p>Persons not complying with such regulations shall be liable to fine.</p> <p>This section is adapted from Section 2(1) of the English Act.</p> <p>(2) Authorized officers may enter place of entertainment to see whether Ordinance or Regulations being complied with.</p> <p>This section is adapted from Section 2(2) of the English Act.</p>

NAIROBI.

16th day of February, 1921.

Ed. H. W. LYALL-GREAT,  
ATTORNEY GENERAL.

The fixation of East African rupee costs at 2/- effected by East Africa and Uganda (Currency) (No.2) Order 1920, coupled with the heavy fall in the sterling value of East African products, has the greater portion of East African primary production in jeopardy. The collapse of the exchange value of the Indian rupee and the consequent huge profit on their illicit transportation into East Africa, coupled with the East African Government's implied obligation to redeem all current Indian rupees at 2/- involves the country in immense loss on this account over and above the 50% increase in the cost of East African administration resulting from the fixation. Additional taxation to cover the deficit can only hasten the end of local industry and reduce revenue. Unless immediate relief is provided the country must default and rely upon a grant in aid.

We urge therefore that an immediate change in the currency is necessary and that such change should be based on the following principles: i.e. that there be a re-introduction of a value "standard coin" or coin of use to restore the original costs of the country provided that the debtor interest in original Indian rupee contracts (i.e. pre-April 1920 contracts) and the creditor interest in all florin (i.e. post-April 1920 contracts) are adequately protected.

We suggest that the simplest method whereby the required change may be effected in conformity with these principles is follows:-

Enact that an East African one rupee coin definitely fixed at one-fifteenth submultiple of £1 sterling be substituted for florin as the "standard coin".

Surcharge the existing unissued stock of florins with the value "rupee" for use till a final coin can be supplied. Issued florins (if any) or florin notes will continue to denote 2/- or East African rupees.

Take advantage of the present approximate parity of the Indian rupee to issue these East African rupees which without injustice or material profit to any party may drive the Indian rupees from circulation without Treasury intervention.

Enact that the terms "florin" or "rupee" in any contract or obligation entered into subsequently to the date of fixation of the Indian rupee in East Africa shall denote one and a half East African rupees.

Enact that any contract or obligation entered into while the standard coin of the country was by law the Indian rupee may be completed by the tender of an equal number of East African rupees.

Note: This is an issue between the debtor and creditor interest in contracts distorted by the said Order in Council No.2 of 1920.

Rule that all native taxes expressed in florins shall be payable in East African rupees to the same number.

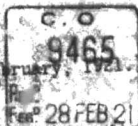
The following advantages are claimed for this suggested method:

- 1) The currency remains permanently related to sterling with consequent parity of exchange.
- 2) The minor coins and the notes of the East African currency remain in their intended functions.
- 3) The entire financial method of the country remains unaltered.
- 4) The whole basis or rupee cost of the administration and taxation (except the minor factor of imported goods), is automatically reduced 33 and a third per cent in terms of sterling.
- 5) The enormous loss involved in the redemption of the existing stock of Indian rupees and in the sterling reserve against the currency note issues is saved.
- 6) Production can be resumed and extended at a profit with consequent increase of the revenue independently of additional taxation.
- 7) All current contracts and obligations will mature in the

MEMORANDUM From the Governor of Kenya to the Secretary of State  
for the Colonies.

(Dated 28th February.) 237

(Received Colonial Office 4.35 p.m. 27th February, 1921.)



113 Currency Your telegram 23rd February following

- recommendations made by Currency Advisory Board approved by a majority of Executive Council with whom I concur. (1) Immediate demonitization of Indian rupee coin and redemption by florin notes agreed to.
- (2) Period of redemption. The reasons for extension in case of Natives is that if any Kavirondo natives are working in Thika district under contract and hear that their rupees are to be redeemed and if not redeemed within a certain time will fall in largely in value they will all leave at once work and return home to redeem their own buried savings. If on the other hand their district officers assure them that their rupees will be redeemed whenever they finish with their contract they will be content to wait.
- (3) and (4) Arrangements for issue of notes and receipt of redeemed rupees. No difficulty anticipated locally in this connection. Quick distribution of notes could be effected.
- (5) Dilution of notes with coin. It is desired to divorce native mind from florin or rupee coin by a period between withdrawal of rupee and issue of a shilling in size midway between rupee and half rupee with 100 cents 1/- in order to facilitate legitimate reduction in wages when shillings are available and falling prices justify general reduction in wages. Producers very anxious that for reasons given florin coins similar to size and appearance to rupee should not be issued to illiterate native but might be left to local discretion to issue florin coins if found unavoidable.
- (6) Possibility of loss on redemption rupee coins by florin notes and subsequent redemption of notes at 2/- sterling. This is realised but contingency remote. Total ultimate redemption will be

required

quired only if Country absolutely ruined which is unthinkable.  
tory shows that in normal circumstances demand for currency  
increase with growing population and developments.

238

Colour and composition of new shillings. No objection  
vided colour and substance permanent under tropical conditions.  
vious experience was that aluminium cent fell to dust when  
ed. Light colour very necessary otherwise composition immaterial.

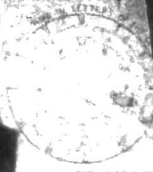
Regarding 1 cent 5 cents and 10 cent pieces Banks raise no  
ection to conversion of existing coins to cents of a shilling  
new shillings are introduced without notice or compensation  
Chief Native Commissioners consider conditions such that natives  
to suffer no wrong by adopting this course.

Regarding 50 cent and 25 cent pieces these will remain current  
fractions of a florin until new shilling issued when 50 cent  
ces will be redeemed by shillings 25 cent piece redeemed by a  
20 cent of a shilling piece. A quarter shilling will not be  
esary. Other alternative suggestion in your telegram not  
sidered desirable. (10) Provided sovereign standard coin  
ound notes legalised in place of sovereigns provided also  
rency Board will redeem shillings from Banks to unlimited  
ent if necessary no temporary unlimited legal tender of shilling  
ting experience. Full report Currency Committee now received  
ains following rider begins That this Committee recommends to  
overnment appointment of a Commission to enquire into and report  
any questions as to reparation that may be involved by the  
tabilization of the rupee by the Secretary of State for the Colonies  
the subsequent conversion to sterling currency ends minority  
port signed by three members namely McMillan Toogood and Major  
ocate 16 penny rupee with subsequent conversion to shilling at  
to rupees three.

NORTHEY.



THE NUMBER OF WORDS IN AM  
THIS MESSAGE DIFFERS FROM  
THE NUMBER SIGNALLED.  
A CORRECTION WILL FOLLOW



Doubtful words should be OFFERED  
No signature required  
No back of form



*clb 14/0 27 200/200*

*Rgs*

*3 30/1*

*239*

PRIORITY OBT

DA 10 09 NABROBT 488/454 SA 26

CHAPLAINS LN

*4/23 26.*

113 CURRENCY UNEXPECTED FOLLOWING

*made by*

RECOMMENDATIONS MADRISAND CURRENCY ADVISORY

*approved by*

*signature of*

*insert name*

BOARD AMONG BY A MADRISAND ERECTABLE

*with whom*

*11*

ERACONTE CONCER SILVEROOD MEDICINE IMMEDIAT

DEMONTIZATION INDIAN RUPEE SOEN AND

Name

XD a-10/Bg/2

247

REDEMPTION BY FLOREN NOTES ADOPTIONS

SILVERED WEDGEBERE PERIOD OF REDEMPTION

SILVERED THE RAMANDET EXTENSION CANTYRO

NATIVES INVOLUTION IF SAY KAVIRONDO NATIVES

ARE WORKING IN THIKA

DISTRICT UNDER CONTRACT AND ~~HEPTRE~~ THEIR

RUPEES AMPHIOLO

REDEEMED AND ~~ICHTHOLINE~~ REDEEMED WITHIN A

*X Da 10/13/3*

241

CERTAIN TIME WILL FACEWORK LARGELY IN

*They will leave at once*

VALUE TOUGHNESS ALL MAGANRON WORK AND

*return home they are*

DESIGNS TO REDEM MEMARIS BREED SAVINGS

*If on the other hand a great show says them that*

SCYPEROOD TOOLS THEIR ONERIS ARAGOOD THEIR

*will be*

RUFER TOUGHNESS REDEEMED WHENEVER THEM

*perhaps - 7 they will be*

PURPOSE THESE CONTRACT TOUGHNESS

CONTENT TO WA

CONTINUATION SHEET NO.

E T Co., Ltd.

*Da 10/29/4*

242

(3)

(4)

*Arrangements for*

SILVERWOOD WEDDINGS AND WEDDING ANNOUNCEMENTS

*Issue of*

INNER- NOTES AND RECEIPT OF REDEEMED

*No difficulty anticipated*

*in this connection*

SILVERWOOD DEFORMANTS LOCALLY WEDDINGS

*distribution of*

*could be effected*

SILVERWOOD QUICK DIVORCIBLE NOTES REBROOD-

(5)

SILVERWOOD WEDDING DESTRUCTION OF NOTES WITH

*It is*

*deared to*

COIN SILVERWOOD ERRORS DEPARTURE DIVORCE

NATIVE MEND FROM FLOREN OR ROPE COIN

*Lda 10/39/5*

243 withdrawal 4

by a **REMARKS PERIOD BETWEEN TRADESHOW ROPEE AND**

*line of*  
**EMERSON A CHALLENGE IN CITE**

**MEDIAN BETWEEN ROPEE AND HALF ROPEE WITH**

*100* *in order to*  
**WELSH CENTS SANGUINOLE OUTHOUSE FACILITATE**

*reduction in*  
**LEGITIMATE RINGS WAGES WHEN CHALLENGE**

*are available*  
**ARREARATE AND YELLEN PRICES JUSTIFY GENERAL**

*reduction in* *all aspects*  
**RINGS WAGES SUFFERED PRODUCERS BUCHANANO**

*for reason given* *conclusion*  
**THAT MANEABLE FLOWN COT SENTENCE**

*cha 10/139/6* E. V. Co., Ltd.

YARD

Amount Paid

appearance 244 should not be issued  
 SIZE AND ALLOY TO NORTH EMERSON TO  
 LITERATE NATIVE BUT HEARD LEFT TO  
 LOCAL DISCRETION TO ISSUE  
 FLORIN COINS IF FOUND UNDESIRABLE  
 (6) Possibility of  
 WEARING APPROPRIATE LOSS ON PRODUCTION  
 OF COINS BY FLORIN NOTES AND SUBSEQUENT  
 REDEMPTION OF NOTES AT <sup>2/6</sup> LONDON STERLING  
 DENVEROOD COINS; REALISED BUT CONSIDERED

appearance 244 should not be issued  
 SIZE AND ALLOW TO RUBB CONDITION TO  
 LITERATE NAVEB BUT HEARD LEFT TO

LOCAL DECISION TO ISSUE

FLORIN COINS IF FOUND <sup>unavoidable</sup> VERTEX SILVERCOO

(b) Possibility of  
 WOODRING PERFACTS LESS ON RESUMPTION

EE COINS BY FLORIN NOTES AND SUBSEQUENT

RESUMPTION OF NOTES AT <sup>2/-</sup> SAXONDON STERLING

<sup>3</sup> This is ~~the~~ <sup>English</sup>  
 SILVERCOO SUNDAR REALLED BUT CORDED

CONTINUATION SHEET NO.

*Edaio/Bg* / *7*

Name

245

REMOTE <sup>©</sup> ~~COVERED~~ TOTAL ULTIMATE REDEMPTION

*will be required*

RECALCULATE ONLY IF COUNTRY ABSOLUTELY RUINED

*which is*

UNTHINKABLE ~~COVERED~~ HISTORY

*has that*

*circumstances demand for*

REQUIRE IN NORMAL ~~GERMAN~~ ~~RELATION~~ CURRENCY

MUST INCREASE WITH GROWING POPULATION AND

*developments*

71

~~DEGRADING~~ <sup>©</sup> ~~COVERED~~ ~~UNDERSTATE~~ COLOUR

*No sign*

AND <sup>*composition of*</sup> ~~CONSERVATION~~ NEW CHALLENGES ~~COVERED~~ ~~OBSTACLE~~

PROVED COLOUR AND SUBSTANCE PERMANENT UND



CONTINUATION SHEET NO.

E. T. Co., Ltd.

*x data of 13/9/58*

246

*tropical conditions* ○

*Previous experience*

FEARNOFF SILVERWOOD BUSHBARK WAS THAT

ALUMINIUM GENE FELL TO DUST WHEN BURNED

*very necessary*

SILVERWOOD LIGHT COLOUR MAXIMUM OTHERWISE

(8)

*composition*

INTERNAL MATERIAL SILVERWOOD WOODWORK REGARDING

*1 cent*

*5 cents*

*10 cent*

CASAB CIGARETTES AND CASAB PEECES BAKES

*raw ...*

ORDER TO CONVERSION OF EXISTING CODES TO

*of a*

CODES SHOWING SHELLING WHEN NEW SHELLINGS

*with justice*

ARE INTRODUCED RETURNING OR SUBJECT AND

X 10/10/BZ/9

247

*native commissioner consider*

THESE UNIFORM CONTROLLED CONDITIONS SUCH THAT

NATIVES *would suffer* ~~WILL~~ SUFFER NO WRONG BY ADOPTING

THESE COURSE <sup>(9)</sup> ~~WILL~~ ~~BE~~ ~~RECOMMENDED~~ REGARDING

*50 cent* *25 cent*  
CASHBARRER AND CASHBARRER PIECES THESE

*will remain*  
REMOVED CURRENT AS FRACTIONS <sup>of a</sup> ~~BEING~~ ~~ISSUED~~

UNTIL NEW SHILLING

*50 cent*  
ISSUED WHEN CASHBARRER PIECES <sup>will be</sup> ~~TOUCHED~~

*25 cent*  
REMOVED BY SHILLING CASHBARRER PIECE

*Xda 10/39/9*

247

*native commissioner consider*

HIEP NAIFORN CONDROED CONDITENS SUCH THAT

NATIVES *would suffer* BLEVERENG NO WRONG BY ADOPTING

(9)

THEG COURSE <sup>9</sup> BLEVEROOD WROEGLADE REGARDENG

<sup>50 cent</sup> CAGBEARER AND <sup>25 cent</sup> CAGBEARER PIECES THESE

<sup>will remain</sup> REVED CURRENT AS FRACTENS <sup>of a</sup> BORENG BLOREN

ONTEL NEW SHELENG

<sup>50 cent</sup> ISSUED WHEN CAGBEARER PIECES <sup>will be</sup> TOUCHPECE-

25

REBOMED BY SHELENG CAGBEARER PIECE

CONTINUATION SHEET NO.

E T Co. Ltd

*Edward Bg/10*

Name

248

*by a*

*50 cent*

*of a*

REDEEMED ~~WARRANT~~ NEW ~~PAPER~~ ~~COIN~~

~~SHILLING~~ ~~NEED~~ ~~BEVERED~~ A QUARTER ~~SHILLING~~

*it will be*

*alternatives*

~~TOUCHING~~ ~~NECESSARY~~ ~~BEVERED~~ ~~OTHER~~ ~~ASPECT~~

*your telegram*

*considerable*

~~COIN~~ ~~IN~~ ~~STATION~~ ~~NOT~~ ~~DEPOSE~~ ~~BEVERED~~

*(10)*

~~NEED~~ ~~PROVIDED~~ ~~GOVERNMENT~~ ~~STANDARD~~ ~~COIN~~

*reference*

~~AND~~ ~~FOUND~~ ~~NOTES~~ ~~LEGALIZED~~ ~~PEOPLE~~ ~~GOVERNMENTS~~

~~PROVIDED~~ ~~ALSO~~ ~~CURRENCY~~ ~~BOARD~~ ~~WILL~~

~~REDUCE~~ ~~SHILLINGS~~

CONTINUATION SHEET NO. \_\_\_\_\_

E T Co. Ltd.

*Edaw/Bg/10*

Name \_\_\_\_\_

248

*by a* 50 cent *of a*

REDEEMED ~~WARRANT~~ NEW ~~CASH~~PAPER ~~COINAGE~~

<sup>D</sup>  
SILVERING ~~WARRANT~~ ~~REDEEMED~~ A QUARTER ~~SILVERING~~

*with* ~~WARRANT~~ NECESSARY ~~REDEEMED~~ OTHER ~~AGHAST~~ *alternatives*

*your telegram* *cannot* ~~REDEEMED~~ IN ~~WARRANT~~ NOT ~~REDEEMED~~ ~~REDEEMED~~ <sup>C</sup>

<sup>(10)</sup>  
~~WARRANT~~ PROVIDED ~~REDEEMED~~ STANDARD COIN

*in* ~~WARRANT~~ ~~REDEEMED~~ LEGALISED ~~REDEEMED~~ ~~REDEEMED~~

PROVIDED ALSO CURRENCY BOARD WILL

~~REDEEMED~~ ~~REDEEMED~~

CONTINUATION SHEET NO.

E. T. Co., Ltd.

*XDA 15/Bg/11*

249

*f necessary*

FROM BANKS TO UNLIMITED EXTENT ~~MANUSCRIPT~~

NO TEMPORARY UNLIMITED LEGAL TENDER OF

CHEQUE HAVING EXPERIENCE ~~ILLUSTRATED~~

*Full report*  
REPARATIONS CURRENCY COMMITTEE *now received* ~~MANUSCRIPT~~

CONTAINS FOLLOWING RECOMMENDATIONS CONCERNING

COMMITTEE PARTICIPATE GOVERNMENT *that this* ~~ALREADY A~~  
*recommend to*

COMMISSION *to inquire* ~~AND~~ REPORT ON

*any question as to* ~~REPARATIONS~~ THAT *may be* ~~INVOLVED~~

*XDA 10/Bg/11*

249

*f necessary*

FROM BANKS TO UNDEMITTED EXTENT NAUSSORY

NO TEMPORARY UNDEMITTED LEGAL TENDER OF

SHELLS PENDING EXPERIENCE BELLEFORD

*Full report*  
REPARATIONS CURRENCY COMMETTEE *was received* MARCHETT

CONTAINS FOLLOWING REGR BEING *that this* COMMETTEE

COMMETTEE PARTICIPATE *recommend to* GOVERNMENT *appointment of* ADDRESS A

COMMISSION *in support* REGR AND REPORT ON

*any question as to* REPARATIONS THAT MARCHETT INVOLVED

CONTINUATION SHEET NO.

E. T. Co., Ltd.

X'D a 15/Bg/11

249

*if necessary*

FROM BANKS TO UNLIMITED EXTENT NAUGHTY

NO TEMPORARY UNLIMITED LEGAL TENDER OF

SHILLING PENDING EXPERIENCE BELIEVED

*Full report*

REPARATIONS CURRENCY COMMITTEE *now received* RANDOM

CONTAINS FOLLOWING REGR BEING *that this* SUBSTITUTED

*recommended to*

*appointment of*

COMMITTEE MARKETPLACE GOVERNMENT ADDRESS A

CONNECTION BODILY *in question* ENDS AND REPORT ON

DEBACHY REPARATION *in question* THAT MARKET INVOLVED



*ada 10 / Bg / 12*

NAME

THE NUMBER OF WORDS IN  
THIS MESSAGE DIFFERS FROM  
THE NUMBER SIGNALED  
A CORRECTION WILL FOLLOW

*by the*  
~~BUCHHART STABILIZATION OPERATOR ROPEE~~

*of the*  
*by the 245 in the Columns*

250

~~BUCHHART ROPEE~~

*and the*

~~ALBAN CONSEQUENT CONVERSION TO STERLING~~

~~CURRENCY ENDS MESSAGES REPORT MESSAGE~~

*signed by*

~~THREE MEMBERS NAMELY McHELLAN TOSGOOD AND~~

~~MAJOR ADVOCATE WEDGESPILL PENNY ROPEE WITH~~

~~SUBSEQUENT CONVERSION TO SHILLING AT SCALGARY~~

~~TO ROPEE THREE NORTHY~~

*Ad 10 / Bg / 12*

THE NUMBER OF WORDS IN  
THIS MESSAGE DIFFERS FROM

THE NUMBER SIGNALS  
A CORRECTION WILL FOLLOW

*by the*

~~BUYHAST STABILIZATION OFFERTOR ROPEE~~

*by the ... in the ...*

~~BUYHAST ROPEETER~~

250

*with*

ALBAN CONSEQUENT CONVERSION TO POUND

CURRENCY ENDS MINORITY REPORT SENSITIVE

THREE MEMBERS NAMELY MCMILLAN TOGOOD AND

MAJOR ADVOCATE WEDDERSPOIL PENNY ROPEE WITH

CONSEQUENT CONVERSION TO SHILLING AT SCALGAR

TO ROPEES THREE - P. THEY @