THOUGHTS

ON

TAXATION,

DEDICATED,

WITH THE MOST PROFOUND RESPECT,

TO

THE RIGHT HONORABLE THE SPEAKER,

AND

GENTLEMEN OF THE COMMONS HOUSE OF PARLIAMENT.

Why to expatiate in this beaten field;
Why arms, oft used in vain, I mean to wield;
If time permit, and candour will attend,
Some satisfaction this Essay may lend.

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ON TAXATION.

"Vincet Amor Patriæ."
VIRG.

PARLIAMENT, from custom, has made it a privilege, as well as a duty, of the Chancellor of the Exchequer, to propose schemes for the raising of taxes to support the expenses of the country, but there is no law to prevent any subject of the King, either within or without the doors of St. Stephen's Chapel, from laying before the public, in a respectful manner, his opinion on this difficult and important subject, which, at

the present moment, seems to occupy the serious thoughts, not only of His Majesty's ministers, but also the thoughts of many public writers.

The people of England have been familiar with taxes from a very early period of our history, but there was no permanent arrangement of them until the year 1288, under Edward I., who levied a heavy tax for defraying the expenses of an expedition to the Holy Land.

From that distant period to the present moment the taxes of Great Britain have been gradually multiplying; and notwithstanding the long experience of the first commercial people in the world, and the enlightened perfection to which we have brought Constitution, Science, Arts, and Literature, the nation seems bewildered on the subject of Taxation, and voices are heard to cry from all parts of the kingdom—"You have taxed every article of life, and are embarrassed for a new thought."

In an emergency so perplexing, who will strike out a measure for adoption? My humble view of the question prompts me to answer—simplify the whole mass of taxes under one head, and raise a single tax to serve the whole; what that tax shall be, the following few pages will explain. But patronage, the disturber of public improvements, how shall we combat with it? This word, in times of popery with us, was applicable solely to church preferment; but its influence is now so widely extended, and the government power so strongly built on its foundation, that it will require a struggle, that must be supported by the good sense and temperate voice of the people to over-rule it.

The French Revolution, one of the most remarkable and tremendous events since the commencement of the Christian Æra, has produced throughout the civilised world an entire new order of things; and notwithstanding the hopes and endeavours of the various govern-

ments of continental Europe, to continue their old and unenlightened system of governing, yet some new object frequently starts up to prove, that there is a feeling for improvement disseminated among mankind, which will not be controlled, and which, though slow in its progress, will, and must, ultimately prevail, and be the means no doubt of producing general content and civil liberty.

Great Britain (whose valour, aided by the liberality of her subjects) took the lead in putting down this monstrous hydra—the Revolution; but the expense, both in blood and treasure, necessarily incurred in effecting this arduous undertaking, has left our much-loved country in a condition requiring the most serious and thoughtful reflection. The weight of an overwhelming debt thrown upon the industry and the landed interest of the nation, has so perplexed our exertions, that, in striking the balance of the public accounts at the end of an eleven years' peace, we find ourselves just

where we were at our commencement in the practice of economy and liquidation. This cannot but prove to the statistic philosopher, that we have not yet hit upon the right line of march, whereby to reach the end of our wishes —namely, to raise an equitable tax for the purpose of defraying the interest on the debt, the current expenses of the empire, and also to throw a limited sum into a fund for the object of gradually reducing the debt; carrying in our minds the hardship and injustice of fixing on our posterity, for many generations to come, a heavy burthen contracted in our own times. It has been hinted by some writers on political economy, that it will become necessary and just to reduce the debt, by depriving the public creditor of a portion of his funded rights. That such a measure should ever become a matter of necessity, all who feel as Englishmen could not but lament; but to attach to it the appellation of justice, would be misapplying a word ever held sacred in England.

From the returns made to Parliament, ending the year 1825, it appears that this debt amounts to eight hundred and forty-two million pounds sterling, and that the number of persons standing as creditors on the public book do not exceed three hundred thousand. Is it therefore reasonable, admitting the population of the United Kingdom to amount to eighteen millions of souls, that the weight of inconvenience, giving it the mildest term possible, should fall upon one-sixtieth part of the whole? This enormous debt is due by the nation, and each individual person, as far as his property goes, is liable to the payment of it, nor should I consider any deserving the privileges and birth-rights of an Englishman, who would dispute such claim. Having so far intruded myself, by way of introduction to my object, I will now lead to the point—namely, to consider the means most easy of raising a sum, annually, for paying the interest on this debt, and for general expenditure.

If it was practicable to tax income on fair and equitable ratio, such tax, perhaps, might be considered desirable, because each subject would contribute according to his means; but an income tax would be attended with incalculable trouble, great discontent, expense, and false swearing, and consequently with immorality; nor would it, setting aside these objections, produce any advantages preferable to the plan that I shall propose, that is to say, according to my humble view of it.

Suppose then the government was to abandon the present system of taxation, and to raise an adequate sum under one head—namely, a tax upon houses and buildings.

The saving, on collecting alone, would add considerably to the liquidating deposit that will be proposed, to say nothing of the general satisfaction of doing away with tax-officers, who are never looked upon kindly by the inferior classes, and who run away with one-thirteenth part of the taxes for their trouble of

collecting; and of what a weight would such a measure relieve the Chancellor of the Exchequer, who, instead of coming down to the house with a systematic, studied, and elaborate speech, that had taken him a month perhaps to prepare, would lay before the Commons a sum total, raised under one head, for defraying the entire expenses of the country.

And again, what a comfort would arise to the people at large by their procuring all the necessaries of life at prices unencumbered with taxes, and profits on taxes; for it cannot be denied, that the tradesman adds a per centage to the tax for what he considers an advance of capital. The political economist is aware, from experience, that all commercial transactions amount to barter, and that the only true seller, is he who produces; and the buyer, he that consumes; all intermediate buyers and sellers, being intruders, living at the expense of the consumer, and the labour of the grower—the greatest intruder of all, being

the tax levier—or, in plainer words, the government.

To illustrate this argument, I will quote the article of Sugar, which is now considered, without an exception, a necessary of life; and in which, besides its many useful qualities, there is abundance of nutrition.

A hogshead of sugar, when sold in the dock warehouse, usually weighs 15 cwt., which, at 60*s.* the cwt., produces £45.

	£	*s.*	*d.*			
A hogshead of sugar, at the dock warehouse .				£45	0	0
From this sum, deduct the government duty, at 27*s.* the cwt. .	20	5	0			
Freight and primage . . .	4	12	0			
Insurance and stamps . . .	0	13	0			
Dock dues and warehouse rent .	0	10	0			
Commission and brokerage . .	2	10	0			
Trifling fees of customs, &c. . .	0	10	0			
	£29	0	0	29	0	0
There remains to the grower .				£16	0	0

To the sum of £45, add the grocer's and sugar-baker's profits (say 7½ per cent.) £3 7*s.* 6*d.*,

so that the consumer pays for this cask of sugar the sum of £48 7*s.* 6*d.*, and the grower receives £16, the difference, amounting to £32 7*s.* 6*d.* of the whole, being divided among the intruders. Does not this clearly prove, that the poor man and his family are debarred the enjoyment and comfort of this delicious and nutritious article, by being called on to pay seven-pence the pound for it, when, if he could get it for four-pence, he would be able to afford his family the use of it? for not only would the duty, which is nearly one-half of the whole, be taken off, but every other branch of charge would be brought to its fair level; and, take the matter in a moral point of view, I maintain, that the more comfort a poor man enjoys, the better christian and better subject, he becomes; and here, too, I will remark that, allowing each house of the first class an average of six inhabitants, and each inhabitant to consume thirty pounds' weight of sugar per annum, the saving of three-pence in the pound

would amount to one-third of the sum that would be put upon the first class of houses as a tax. In all matters connected with wealth and finance, the great difficulty is, that of finding the just proportions or medium on which to estimate, and whether a low is not preferable to a high estimate.

To be more plain, would it be better for the state, that the landholder, merchant, and tradesman should gain extensive profits, and pay large contributions, or that their profits should be moderate, and the taxes low? The cautious stateman would, I think, prefer the latter. On this question of political economy, various are the opinions, until the argument is lost in mystical illusion. In my humble opinion, all matters of public accounts should rest their principal merit in their simplicity. I will now proceed to state the single tax that I would substitute for our multiplied, and many of them vexatious, taxes.

We will admit, as a position for taking up

my ground, that there are, in the united kingdom, two million four hundred thousand inhabited houses, viz.

In England and Wales . . .	1,800,000
In Ireland . . .	350,000
In Scotland . . .	250,000
	2,400,000

These I will place into six classes, and set them down in square feet of frontage, as in the annexed page:—

		Feet				Square feet.
Of the first class, I will claim	600,000,	each measuring in front	10 by 15,	and making		90,000,000
Second class	600,000	. . . . .	20 . . .	. . . . .		180,000,000
Third class	500,000	. . . . .	30 . . .	. . . . .		300,000,000
Fourth class	400,000	. . . . .	34 . . .	. . . . .		326,400,000
Fifth class	200,000	. . . . .	40 . . .	. . . . .		240,000,000
Sixth class	100,000	. . . . .	50 . . .	. . . . .		180,000,000
				In all		1,316,400,000
Now 1,316,400,000 square feet, which at 1*s.* per foot, is						£65,820,000
Deduct expense of collecting						320,000
						£65,500,000
Deduct interest on the debt, and expenses of the nation						50,500,000
To the credit of the liquidating fund						£15,000,000

By this arrangement of taxation, each house of the first class would pay, per annum, the sum of	£	s.	d.
. . . . .	7	10	0
Second class	15	0	0
Third class	30	0	0
Fourth class	40	16	0
Fifth class	60	0	0
Sixth class	90	0	0
Making an average of £27 8*s.* 6*d.* on each house			

4,500,000
9,000,000
15,000,000
16,320,000
12,000,000
9,000,000
£65,820,000

I will next give to the two minor divisions of the kingdom its own proportion of this sum, and compare it with its present revenue.

To Ireland, I allow 350,000 houses, which, at £27 8*s.* 6*d.** each house, is		£9,598,750
Its present revenue I take to be about	£4,000,000	
From which, deduct the expense of collecting	400,000	
		3,600,000
In favor of the proposed tax		£5,998,750

For Scotland, I have set down 250,000 houses, which, at £27 8*s.* 6*d.*, is		£6,856,250
Its present revenue I calculate at	5,000,000	
Deduct expense of collecting	400,000	
		4,600,000
Also in favor of the proposed tax		£2,256,250

In addition to the tax on Ireland, I would recommend a double tax on houses belonging to absentees, whether inhabited or otherwise, and reduce the tax on those of the first and

* Should this be considered too heavy a tax for Ireland, reduce it to 8*d.* or 6*d.* on the square foot.

second classes. For the year ending the 5th of April, 1801, there were 172,000 heads of families who paid a tax on income, from sixty to one hundred pounds per annum. Divide the incomes of these families into an average of eighty pounds per annum, and each family, at ten per cent., would pay a tax of eight pounds for the year, besides paying forty shillings in the pound for every article consumed by them, together with house and window-tax.

Now I will place these 172,000 families into as many of my two first classes of houses, and take from them one shilling on every square foot of frontage contained in their house, as a full consideration for saving them as follows—four-pence on each pot of beer, three-pence on a pound of sugar, three shillings on a pound of tea, one shilling on a pound of coffee, four-pence a day for reading a newspaper, with one thousand *et ceteras;* they will then pay the annual sum of

First class	£ 7 10*s.*
Second class	15 0

in four regular quarterly payments, without risking their consciences in under-rating their income, and the risk also of being called on to kiss the bible to the truth of the return given in to the officer.

In setting forth this organization of a measure so highly important, it can hardly be imagined, that I pledge myself on the entire accuracy of the statement, but I think I may safely say, that I have not over-rated the number of houses; and though my plan may not meet entirely the concurrence of Mr. Huskisson's extraordinary genius and ability, yet it must tend to assist his mind on the possibility of raising the supplies without painfully and constantly pricking the understanding, to find out something more ingenious than our present mechanism of parts, ramified as they are, beyond the reach of common comprehension.

The reader's attention shall next be invited to the Act VI. Geo. IV. Cap. 111. "For granting Duties of Customs," and to look therein at the table of duties. There are not less than

eleven hundred articles enumerated in this act of taxation; among which are, arrow-root powder taxed one penny the pound; eggs one penny the dozen; potatoes two shillings the cwt.; parsley seed one penny the pound; linen yarn one shilling the cwt.; &c.

I beg the reader to figure to himself an officer, at a salary of one hundred and fifty pounds a year, counting eggs at a penny the dozen, and if he does not count them, he omits a part of his duty; look I say at these eleven hundred articles, numbers of them raw materials for the employment of British industry, taxed, and rendered doubly expensive to the consumer, by the addition also of excise duties, after the article is worked into a useful shape, and compare these multiplied, perplexing, and many of them aggravating taxes with the simplicity of a single tax, producing no trouble, and having all the wished-for effect. I ask the reader to take a peep into the treasury, into the excise-office, the custom-house, and into

Somerset-house, and there see lords, commissioners, presidents of boards, secretaries of many degrees, clerks out of number, all living on the taxes, and compare this mass of expense with the simplicity of a single tax, which, if properly managed, would pass unnoticed by the people. After a general measurement throughout the united kingdom, the trouble would be over, the tax would become fixed, the measurement recorded, and every householder would know his specific quarterly payment; and, in the collecting, one officer would suffice for twenty under the present system.

Our fellow subjects now living on the continent, for economy and education, would return to their native country, occupy the houses now empty, throw twelve or fourteen millions annually into the circulation of the currency, and be enabled to enjoy comfort and luxury at an expense much lower than they now pay, and with a comfort, quite unknown out of England. The advantages arising from such

a simple mode of taxation, would be so obvious, that numbers from all parts of the world would flock to England, to enjoy the blessings of our excellent and enlightened constitution: the foreign merchant would enter our ports with his various commodities, unfettered with customs and excise duties, save a tonnage duty for the preservation of our naval superiority, and barter with our merchants for the manufactures of England, which could, under circumstances thus eligible, be made so cheap as to set competition at defiance: every branch of worldly transaction would be brought to a mild, moral, and equitable level—our present ruinous and immoral practices of extravagance would be softened down to reason and good sense—without which nothing can thrive: the golden fruit, on the British tree of liberty, be held back from premature ripening, and England rescued from scenes, similar to those passed within our own times in a neighbouring kingdom, the whole of which were engendered

in vice and extravagance: the landholder's expenses would be so reduced, that he would cease to call out for protecting corn laws: the tradespeople would be lowered in their charges, and placed on their just and proper standard: the public schools, and boarding-houses attached to them, would reduce their charges, and render classical education attainable on reasonable terms: the physician would be content to reduce his fee one-half: litigations at law would moulder away imperceptibly, and the number of attorneys, now estimated at upwards of four thousand, would be reduced to one-third of this enormous number: sheets would be torn every session of parliament from the statute book, and one Chancellor would, with ease and convenience, get through the business of his high and honourable court: every branch of polite and elegant education would be attainable on moderate terms, and our dear England, at present representing the patient, long afflicted with a complication of

diseases, will have gone through a mild, and effective alterative, and with a renovated constitution, would become the seat of content to the poor, comfort and enjoyment to the wealthy: houses, on which the support of the country is fixed, would increase without number—barter for our manufactures would be courted by the foreigner—the poor rates would tumble down like an ill-built, and unseemly edifice, and all would slide on with tranquillity and ease into increasing prosperity!!

What a pleasing picture? Would to God I could see it realized! And why not? Are there not, I will ask, throughout the kingdom, 2,400,000 houses, answering as near as possible my description? I say there are;—and is the sum of seven pounds ten shillings per annum too much for an humble family to pay, as a consideration for giving them every article they consume, at nearly half the prices they now pay? The saving on the four articles of tea, coffee, sugar, and beer, would more than re-im-

burse them. Will it be denied that the system would be easy, free of vexation, and to be performed at an expense, that would save not less than two millions annually, independent of doing away with the overgrown number now living on the taxes? Unless these principles can be proved fallacious, my plan is undeniable, and the practice easy; and nothing would be wanting to carry it into effect, but a bold, upright, and virtuous ministry, who would have the courage to bid defiance to the taunts of disappointed placeholders. Every eight or ten years would wipe away one-eighth part of our gigantic debt, and deduct three halfpence in the shilling from the square foot. Industry throughout the country would be rewarded with full employment, and none would look for support from his neighbour, but the very profligate, whose number also, it is reasonable to say, would materially diminish. In case of war, when the expenses of the country would necessarily be increased, an additional three

pence on the square foot, would raise sixteen millions a year as a war tax, a sum that would be more than required, in addition to the taxes existing, I should hope, for any future war, and which would call from the first class of householders, the annual sum of one pound seventeen shillings and sixpence. But I calculate on the pleasing hope, that this system of financial government would produce so strong a feeling of satisfaction throughout Europe, that wars would be unprovoked, and jealousies in commercial transactions would cease; France would send her wines, and her bon-bons to us, and take our cotton goods, which we should manufacture forty per cent. below her: she would send us too, her silks, but here in a little time we should be at her also; in short, set your manufacturers afloat, unshackled with taxes, and let the article be what it may, British enterprise and industry will take the lead, and the odious *douaniers* on the coast of Kent and Sussex, would be thrown aside and

forgotten, and ladies allowed to land from the steam passage packets, unmolested by ill-bred officers.*

Perhaps I may be considered chimerical, in coming forward with a measure that might endanger the necessary power of the prerogative, by depriving it of a portion of patronage which I admit to be in a reasonable degree indispensable under a free constitution, and which would produce a feeling of independence in the lower house of parliament, that would be embarrassing to the ministers of the crown. I am also aware that a plea would be set up against discharging so many officers and clerks. To the first objection, I shall reply, that so far from

* The author is not so sanguine as to look for an entire adoption of these bold measures, but he is full of hope that some good may result from the publication of his opinions; for instance, admitting free of duty all articles of foreign growth in an unmanufactured state, which may be required by our manufacturers, and also to free from duty every article of British manufacture, with exceptions, only, of absolute and necessary protection to particular bodies.

weakening, the measure would strengthen the power of the government, because it would have nothing to ask of parliament in the shape of raising supplies, except in case of war, when an addition to the tax would become necessary; and with respect to the disposal of the public money, and the auditing thereof, I will not insult a public minister, by supposing, for a moment, that he could not render a just account to Parliament: besides, the crown would still preserve, untouched, the patronage of the navy and army departments, forts and fortifications, ambassadors, ministers, consuls, governments of colonies, &c., fully enough to maintain the command of a full majority of votes in the House of Commons. To the second objection the answer is very plain. Grant moderate and just pensions. It might be objected too, that France would set heavy duties on our manufactures, for the protection of her own; such a measure would, in a short time, be baffled by smuggling, which must grow out of tempting advantages, and which

would be, in all likelihood, carried on in every branch of her frontier, besides on her vast line of coast. But the wisdom of the French government would, I doubt not, shortly discover that barter is the essence of intercourse and trade, and that though we can considerably undersell her in our cotton and hardware manufactures, yet she will be able to send us corn, wine, and oil, besides her silks and other elegancies, which would, probably, at the end of the year, balance the account without the introduction of gold and silver. Whether this mode of taxation may be considered preposterous or otherwise by His Majesty's government, it is quite clear that some plan must be resorted to for relieving the country from its present embarrassment, and it appears to me that none can be more eligible than giving a stimulous to industry, by the abandonment of oppressive taxes; and I should like to have it explained, why the labouring man in England should pay sixpence for a pot of beer, which I

can get here for two-pence? Why pay ten-pence the pound for meat, that I buy for four-pence half-penny? Why ten-pence for a loaf, that I get here for five-pence? Why six shillings for a pound of tea, that I buy for two shillings and sixpence? Why two shillings for a pound of coffee, for which I here pay a franc? And why eight shillings for a pair of shoes, that I here wear, for four shillings? Why, I say, should all this be? Because twenty shillings in the pound goes to the grower, and twenty shillings more in the pound to the intruder, or tax levier. And again I ask, will it not be to the advantage of the honest labourer, to pay seven pounds ten shillings per annum, in lieu of these extravagant charges?

Should it be set forth that labour will fall with price, I shall deny it; the fall will be on the manufacturer, who will not only be able to work up the article at a considerable less expense than at present, but he will be called on to work up a greater supply for the foreign

markets, and keep his labourers in constant employ; and again I repeat, unshackle British industry and enterprise with taxes, and competition will be cast at a distance. But my great enemy is patronage, to baffle the baneful influence of which must be left, in the first instance, to the good sense and enlightened understandings of the highly honorable men now at the head of this great machine, who must long since have detected the folly of pursuing a measure founded originally in cupidity, for taxing the ignorant in an indirect shape, by making him eat and drink at a double charge.

Supposing the Almighty, in his wisdom, had ordered, that each country in the world should be confined to one growth, and one manufacture, and that all the products taken together, should be necessary to the comfort and enjoyment of the whole creation. Where then would be the necessity of bills of exchange, and letters of credit? the whole would be barter; and why not have it now so, without extorting from the

pockets of your subjects, a price for an article which he can buy for a considerable less sum at another market? To conclude, the taxation of Great Britain and Ireland would be fixed on one solid and permanent basis, and every year increased by England becoming the great centre of the world

For the arts and sciences,
For literature,
For liberty without licentiousness,
For equitable and constitutional laws,
For commerce,
And, lastly, for cheap living.

May God in Heaven bestow his divine countenance on the plan, which I humbly and respectfully offer, and cause it to prosper by the measurement of the author's wishes; and to Him I appeal for the truth, when I declare, that I have no other object before me, than that of public good.

AN HUMBLE PATRIOT.

Bruxelles, October 21, 1826.

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