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*Tax upon. Income,*

AS STATED IN

**Mr. Pitt's Speech,**

On Monday, Decmber 3, 1798.

IN A COMMITTEE OF

**THE HOUSE OF COMMONS,**

IMPARTIALLY CONSIDERED

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*By a MEMBER of PARLIAMENT.*

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## TAX UPON INCOME, &c.

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**I**N all cases of national emergency, the necessity of providing for an adequate expenditure should never prevail over political prudence and justice. Every wise statesman will preserve the stem of national produce, that it may afford him future supplies, instead of cutting it down, for the purpose of more effectually obtaining a present abundance. Vigorous exertions may be made to defend a state from imminent danger, but if they are adopted on principles destructive to national commerce and industry, the country must fall a victim to that imbecility which will ever be the consequence of such impolitic rashness. The wealth of a nation does not so much depend upon its produce, as upon its energies which extend commerce, and animate industry. Every tax, therefore, that tends to cripple trade, and discourage labour, must eventually ruin the state wherever it is adopted.

Considering the Tax upon Income, as stated by Mr. PITT, having such a destructive principle

[ 4 ]

ciple to trade, is the cause of the following observations.

Admitting the expediency of providing the sum of 23,057,000*l.* for the services of 1799, some other measure should have been adopted than that of levying the whole property, as consisting of real, speculative, or fictitious, in a state of ministerial tything. Had he proposed to tax, in a just proportional ratio, the absolute property of the country, whether consisting of income arising from rental of lands, leases, mortgages, dividends from the funds, pensionary or purchased annuities, or even servants' salaries, he would not have materially enfeebled the stamina which supports the life and successive growth of public revenue. He would not have subjected the trader to the disagreeable alternative of either submitting to the arbitrary levies of Commissioners, or disclosing a state of circumstances which may prove the ruin of his credit, and consequently that of himself and family. And, in a country like that of Great Britain, which possesses a commerce supported chiefly by credit, what temerity must it be in a Minister to enforce a measure which tends to unnerve this animating principle of its preservation and encrease? Will there not be many instances of Commissioners being the principal creditors of those subjected to their assessment? The pretence, therefore, of such Commissioners being sworn to secrecy, will not secure the trader entrusted by such creditors, from the worst of evils that could possibly attend a public disclosure of his circumstances. The only person,  
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[ 5 ]

perhaps, on whose opinion of his solvency his existence depends as a tradesman, is thus possessed of his circumstances, and consequently of the knowledge of the person he has trusted being no longer worthy of credit.

In such instances as these, which are liable to be innumerable, the trader not only loses his credit, but is, perhaps, arrested, immediately for debts for which he has not had sufficient time to provide; but, had he been allowed his usual credit, he might have paid the debt, and thus preserved his credit, extended his business, and secured himself and family from immediate ruin.

It may be said, that persons continuing business on such a fictitious credit, is injurious to commerce. This is an assertion that is equally as vain, as it is the common-place cant of such as adopt vulgar prejudices for axioms founded on truth and propriety. Were the trade of this country to be reduced to that which is only carried on by persons of absolute property, it would most probably be reduced to a tenth part of its present estimate. And the revenue on which the state must ever depend for its support and existence, would be diminished in proportion. In such a depressed and reduced state of national property and income, how long would Mr. PITT have to boast of this country being the Saviour of Mankind?

To diminish the number of traders, is to destroy that competition which produces excellence of manufacture and renders the prices of its articles so low as to obtain our merchants the preference

[ 6 ]

ference in foreign markets. Nor is it always the opulent tradesman who preserves the extent and consequence of our internal or foreign trade. They produce monopolies which depress industry and encrease the indigence of the poor and middling classes until the high price of provisions augments the price of labour and thus eventually render our manufactures above the prices at which they can be furnished by our rivals in foreign markets. The industrious, trader or artizan of small capital, therefore, who is obliged to have a quick return promotes the extension of commerce by rendering our commodities at a price which must necessarily undersell the foreign competitor.

In every species of taxation, whether proportional, cumulative, or personal; they ought to impair the fruits not the fund; the expences not the savings of the person taxed; the services, not the persons performing them. But in the tax upon Income now proposed by the minister all these wise and just principles are abandoned. It will attach upon the absolute fund and not the growing produce. It affects particularly the savings and not the expences of the person taxed. For all those who have by a life spent in œconomy and industry saved an income barely sufficient to support them in the days of age and infirmity, are to have this scanty income diminished at the discretion of the Commissioners. And as it is meant to be levied upon all annual incomes of 60l. and upwards, it will affect the persons and not the services of the Artizans who have nothing to support themselves and families but what arises from their  
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[ 7 ]

daily labour. It will operate like those personal taxes as the corvée used in France; the six days labour on the high roads, and the militia service before pay was allowed in England. For if such Artizans are obliged to pay a portion of their earnings which barely supply them at present with necessaries, it will oblige them to allot a portion of their rest to additional labour to avoid the dreadful alternative of themselves and families suffering the greatest extremities of indigence. By encreasing, therefore, their hours of labour and diminishing those of their rest, they will suffer the greatest of all personal inconvenience, by obliging them to continue their toil when their weariness requires ease and refreshment. But if the tax was only to effect such incomes arising from labour as could be spared without obliging the persons so taxed to encrease their toil to supply the deficiency thus caused in what was necessary to their support, it would then affect his service, and not his person.

But, upon the principle of subjecting such to this tax as have incomes of 60l. Mr. PITT cannot but know, that thousands of mechanics will suffer the above inconvenience, in consequence of their present earnings, without any deduction, not being sufficient to supply themselves, and a numerous family, with necessary cloathing, dwelling, and subsistence. Is it wise, is it humane, is it consistent with the greatness of mind which should characterise the Minister of a Great Nation, to submit the laborious part of the community to such a severity of impost? Ought they not to be cherished with every encouragement,

[ 8 ]

encouragement, instead of being dispirited, by being thus deprived of those comforts to which their toilsome hours so justly entitle them? To relax their energies of industry by any depressive measure, is to unnerve the sinews of national prosperity and preservation. On whom do we depend for the supply of that wealth which is to protect us as a nation; or ennoble us as a people, but on the unfettered labours of manufacturers, artizans, &c.? The wealth and consequence of Great Britain is not derived from riches amassed by individuals, but from the active energies of the poor, exercised in cultivation and manufactures. Although it seems a paradox, yet Mr. PITT cannot be ignorant that a nation may be indigent, whilst possessing abundance of wealth. Of this he well knows that Spain is an example. She, with all her Peruvian and Mexican possessions, is, comparatively speaking, in a state of national beggary, from her subjects not being encouraged to adopt habits of labour and ingenuity.

Mr. PITT will perhaps support this tax by urging the necessity of supposing that without this of providing an adequate supply for our present exigencies. Admitting the necessity to the great extent of 23 millions the nation cannot be saved, yet it can be no argument that any necessity can possibly exist to render it wise for a man to cut down the tree on which alone he must depend for future subsistence. He might as well die by the sword of an enemy as by famine brought upon himself. And however he may prolong the period of his downfall, it must inevitably arrive when he has so weakly deprived himself

[ 9 ]

of the only growing means he had of subsistence and protection. In such situations of state necessity, every mode should be tried of raising money, except that of unnerving industry, depressing genius, or destroying the growing fund of national produce.

From what has been observed, the Tax upon Income is pregnant with all the inconveniencies of a cumulative and personal tax blended together. For, as a cumulative tax upon possession it first affects the possessor so as to render it difficult for him to augment his income in proportion to the tax he pays. 2dly, Its being laid, upon past and present gains, instead of any determinate price of labour or consumption. And, 3dly, By the circumstances under which it is laid, implying no transition of property, nor any change in the balance of wealth between individuals. These inconveniencies attending such cumulative taxes as those of the land-tax, poll-tax, window-tax, duties upon coaches, and servants, that upon industry in France, and many others, are therefore encreased, by its having in addition that evil of a personal tax, which affects the person, and not the purse of those on whom it is laid. The objection against the tythes, of its affecting the whole, and not the surplus produce of the land, bears no comparison with those that may be justly urged against this Tax upon Income. For it not only is to affect the whole produce, but the whole rental and profits arising from the toil exercised to obtain that produce. The landholder is to pay for the value of his lands, the

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[ 10 ]

tenant for the profits he derives from their cultivation, the trader who supplies the manufacturer with his raw materials, and the manufacturer, who makes them into articles of foreign commerce, or domestic utility; the merchant, who sends them to distant nations, the retail dealer, who supplies the consumer, and the mechanic, by whose toil they are completed, all are to be subjected to the Tax upon Income.

Before I proceed to consider further the tendency of this Tax upon Tax, it may be necessary here to state the nature of the oath that I hear is to be taken by every person respecting his income. This will timely prepare those who are to be objects of this taxation, to arrange such a statement of their circumstances, as may enable them to ascertain what income they have, and consequently the sum they have to contribute to a plan of taxation which Mr. TIERNEY so emphatically stated to be *putting a tenth of the property of England in requisition.*

It is expected, that the oath will be formed, for the ascertaining income, nearly to the following purport.

“ Be it enacted, that on or before the 5th of April, 1799, all persons shall prepare estimates of their property, employment, and consequently of their income, which they are to verify before the Commissioners to be appointed, by an oath, in such a form.

“ I A. B. do solemnly swear, before Almighty God, that, to the best of my knowledge and belief, the whole value of my property is contained in the schedule now delivered, and from

[ 11 ]

from which I neither do or can derive an income amounting to more than the sum of

So help me God.”

2. That schedule of property and income, is to be written without abbreviation, and signed by the possessor. Should they be unable to write, their marks are to be affixed.

3. This schedule is to be delivered to the Commissioners, who will, of course, be required to send the said schedules, &c. to the Tax-office, where they may be registered in books kept open for the inspection of persons properly applying.

4. All persons attempting to deliver false estimates of their property and income, will be subject to have their concerns inspected by a Surveyor, who is to make his report of the same to the Commissioners, who will be empowered, in such cases, to fix the quota to be paid, according as he may think the ability of the person will justify. And, however this may be beyond what the real income of the person can authorize, yet he can have no redress, but by a full disclosure of what profits he derives from land, from trade, annuity, or profession. As this part of the subject is the most important, the following particulars are taken from the speech of the Minister:

“ When doubts are entertained that a false statement has been given, it shall be competent for the Commissioners to call for a specification of income. It will be necessary to simplify and to state with precision the different proportions of income arising from land, from trade, annuity, or profession, which shall entitle to deduction.

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tion. The Commissioners are then to say, whether they are satisfied with the statement which has been given. The Officer or Surveyor is to be allowed to examine and report whether there appears reason to believe that the assessment is adequate. When the day of examination arrives, the Commissioners shall hear what the Surveyor and the party have to allege in support of the objections and the assessment, and examine other individuals. The schedule, which shall be drawn up in such a manner, as accurately to define every case of exception or deduction, shall be presented by the party with his claim clearly specified. To the truth of the schedule he shall make oath. The party known shall not be compelled to answer, his books shall not be called for, nor his confidential clerks or agent examined. If however, he declines to submit to the investigation of his books, and the examination of his clerks, and other means of ascertaining the truth, it shall be competent for the Commissioners to fix the assessment, and their decision shall be final, unless he appeals to the higher Commissioners.

“ I am well aware, that the powers vested in the Commissioners are considerable; but, at the same time, it must be obvious, that unless similar powers be vested somewhere, the substantial principle of the measure would be defeated, and its utility frustrated. I am sure, that I should be happy that every kind of improvement, every kind of modification, compatible with the great end in view, should be adopted. Whatever facts may be disclosed to the commissioners, in the course

course of their investigations, they should be sworn not to reveal. After a statement has been made by the party on oath, it ought never to be brought forward, unless in cases where perjury is flagrant in order to lay the foundation for a prosecution for that offence. Considering then that the commissioners are to be sworn to secrecy, I cannot perceive that the objections commonly urged against disclosure can be well founded. The disadvantages of public disclosure will be avoided and every disposition employed to guard against its being turned to the prejudice of the party who shall be submitted to it. There is but little danger that men, such as the Commissioners will be, will act from idle, wanton curiosity, or from any malicious motives, nor can there be any well founded jealousy that by a disclosure, under an oath of secrecy, any superiority will be given to a rival or to an enemy.

“ There is one class of persons in whose favour an exception as to disclosure should still be made. With them every disclosure might be more pernicious than in other cases. I allude to the retail traders: those whose capital is more limited, whose credit is more doubtful, and whose profits less considerable. Perhaps the mitigated rate with which this class was indulged under the Assessed Taxes, and the power of swearing off on the score of income, may, without inconvenience, be continued in their favour. This however will be the subject of further consideration when the details of the plan come to be examined.”

That the public may have as complete an idea of

of the proposed tax upon income, the following further particulars are stated.

Mr. Pitt's statement of the income of England which he proposes to make the subject of Assessment consists of the following particulars viz.

Land rental, after deducting one-fifth	20,000,000
Tenants' rental of land, deducting two-thirds of rack rent	6,000,000
Tythes deducting one-fifth	4,000,000
Mines, Canal Navigation, &c. deducting one-fifth	3,000,000
Rental of houses, deducting one-fifth	5,000,000
Profits of professions	2,000,000
Rental of Scotland, taken at one-eighth of that of England	5,000,000
Income of persons, resident in Great Britain drawn from possessions beyond seas	5,000,000
Amount of annuities from the public funds, after deducting one-fifth for exemptions and modifications	12,000,000
Profits on the capital 80,000,000l. employed in foreign commerce	12,000,000
Profits on the capital, 120,000,000l. employed in domestic trade and the profits of skill and industry	28,000,000
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	£102,000,000

As it may be necessary to make some observations on the inequality and impolicy of taxing income arising from industry in the same proportion as that arising from capital, the following statement

statement is made of the particular sums of the different Items composing the distinct heads of capital and income with the sum-total of each.

Having seen a statement of this erroneously detailed in some particulars, we have taken the trouble ourselves of arranging the following, with every attention to accuracy.

INCOMES FROM CAPITAL.

Land rental, after necessary deductions	20,000,000
Houses rental	5,000,000
Income of Scotland, arising from land and house rental, taken at one-eighth of that of England amounting to 25,000,000l. is	3,125,000
Income from beyond the seas	5,000,000
Annuities from the public funds	12,000,000

Total of income from capital £45,125,000

INCOMES FROM INDUSTRY.

Tythes	4,000,000
Tenants' rental	6,000,000
Professions	2,000,000
Mines, canal navigations, &c.	3,000,000
Income arising in Scotland from the above, amounting to 15,000,000l. in England; this taken at one-eighth is	1,875,000
On capital employed in foreign commerce	12,000,000

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On capital employed in domestic trade and the profits of skill and industry - - - - - 28,000,000

Total income from industry £56,875,000

Income from capital 45,125,000  
Ditto from industry 56,875,000

Total Income of capital and industry intended to be assessed in England and Scotland. } £102,000,000

By the above statement, which exactly corresponds in substance although not in form with that made by Mr. PITT in the committee we find that England is to have 97,000,000l. of income arising from capital and industry assessed while Scotland is to have only 5,000,000l.

Neither Incomes beyond the seas, annuities from the public funds, capitals employed in foreign and domestic commerce, the profits from skill and industry in Scotland, are according to Mr. PITT's statement, to be subject to this Assessment. Does this exemption arise from a wish to scandalise that country so much as to suppose they have neither any incomes beyond the seas, property in the funds, capitals employed in foreign and domestic commerce, or any profit arising from their skill and industry as to be worthy the attention and trouble of our assessors? Or is this exemption meant as a compliment to Mr. DUNDAS whom he knows is so much interested in the prosperity of his country as that he would have considered it not only a personal insult but a positive injury offered to himself had Scotland been subjected to a high assessment? In either case,

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we cannot but think the dignity of Scotland is most shamefully insulted. Fond as the Scotch have been represented by the illiberal, to be of money, we are certain they have too much national pride and honour, not to be ready to share with England in the burthens of taxation, as they are to risk their lives in her defence. But whatever may be the idea of the minister, in thus subjecting only 5,000,000l. of income to assessment in Scotland, while 97,000,000l. of income is intended to be assessed in England, the fact is certainly, as above is stated, according to the estimate detailed by Mr. PITT. For he only specifies, that Scotland is to pay assessment for one-eighth of 40,000,000l. of income, which, he calculates, arises in England from only the following particulars, viz.

Land rental	- - - - -	20,000,000
Tenants rental	- - - - -	6,000,000
Tythes	- - - - -	4,000,000
Produce of mines, &c.	- - - - -	3,000,000
Rental of houses	- - - - -	5,000,000
Profits of professions	- - - - -	2,000,000

Total English income £40,000,000

These form the 40,000,000l. of English income. On which he observes, "Scotland will be allowed, considering the rapid improvement of that country, to be rated low, at one-eighth of England, which gives us 5,000,000l."

Stewart states, in his Political Economy, that it is the duty of a statesman to augment the quantity of money in proportion as he intends to multiply

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tiply taxes on his people. He states also, on this subject, that the money of a country bears no determinate proportion to circulation; it is the money circulating, multiplied by the number of transitions from hand to hand.

“ When a proportional tax is proposed,” says he, “ it is in a manner as if the state interposed at the time of alienation, and exacted of the purchaser a certain value in money, in proportion to the commodity, as the price of the permission to acquire what his own industry has not produced. From this I draw the following consequence; that in proportion to the tax an additional sum of money is drawn into circulation which would otherwise have remained in the pocket of the purchaser; consequently on imposing proportional taxes they cannot at first exceed that proportion of money which is found in the pockets of the consumers, over and above what they used to pay for what they consumed.”

Strictly conformable to this duty and policy of augmenting the specie, previous to encrease of taxation, Mr. PITT is preparing a new coinage of guineas, half-guineas, and seven shilling pieces; and every preparation is making at the Mint for a new silver coinage which is shortly to commence. They will be both ready to be brought into circulation when the tax upon income is fully prepared, to draw it into the treasury coffers, according to the assessments upon the variety of incomes arising, as stated above, from capitals and industry. Like a wise statesman, that, as the great part of the people on whom this tax is to be levied, cannot keep their money

money locked up, so as to enable them to pay this additional assessment, he has prepared this encrease to the specie, that it may circulate through them into the hands of the revenue, collectors in the following proportions:

PERSONS POSSESSING			
£.	£.		£. s. d.
60 and under	65	1-120 part, or	0 10 0
65	70	1-95	0 13 8
70	75	1-70	1 0 0
75	80	1-65	1 3 0
80	85	1-60	1 6 8
85	90	1-55	1 10 0
90	95	1-50	1 16 0
95	100	1-45	2 2 3
100	105	1-40	2 10 0
105	110	1-38	2 15 3
110	115	1-36	3 1 0
115	120	1-34	3 7 8
120	125	1-32	3 15 0
125	130	1-30	4 3 4
130	135	1-28	4 12 10
135	140	1-26	5 3 10
140	145	1-24	5 16 8
145	150	1-22	6 11 0
150	155	1-20	7 10 0
155	160	1-19	8 3 0
160	165	1-18	8 17 0
165	170	1-17	9 14 0
170	175	1-16	10 12 0
175	180	1-15	11 13 0
180	185	1-14	12 17 0
185	190	1-13	14 4 0
190	195	1-12	15 16 0
195	200	1-11	17 14 0
		C 2	All

[ 20 ]

All incomes of 200l. and upwards 10 per cent.  
 By the above, and the preceding statement, we find, that the much greater part of the assessments will fall upon the incomes arising from industry. Persons, whose incomes are from two to four guineas per week, are such as will feel most the burthen of this tax. Head clerks, riders, managers of large manufactories, persons in respectable offices, artizans in the most curious branches of mechanics, and many others, who derive such incomes from skill, ingenuity, or respectable connexions, are now obliged to live in a style of such decency of appearance, as can scarcely be defrayed by their incomes. They are, however, obliged to sacrifice every other consideration, to the necessity of not disgracing the employ, or concern in which they are engaged. This tax upon income, in addition to all the former existing taxes, added to their house-rent, wearing-apparel, &c. will deprive them and their families of many little comforts, if not of absolute necessaries, which are the present objects of their industry.

But the general principle of making a person who has an income of three guineas per week, pay at the rate of 8l. per annum, is exceedingly partial and burthensome, in a country where there exist already so many taxes, to pay the interest of an enormous national debt. Persons who are not possessed of any surplus, to be the objects of an additional burthen, may have, like *Aesop's* ass, their backs broken by the addition of a single feather.

A Minister, in his anxiety for raising supplies  
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[ 21 ]

in proportion to national exigency, should consider the ability of the people, lest his taxes have more the effect of rapacity, than proving the means of public protection. They should never attach upon those who are likely to find them so personally injurious, as to counteract that satisfaction they would otherwise feel in contributing to the means of public welfare and preservation.

Although it is necessary that every individual should contribute his portion towards his share of personal protection, derived from the state of which he is a member, it should be required of him in a manner that is more calculated to win his attachment, than to irritate his feelings, and much less to depress those active energies which render his industry beneficial to his country, while it obtains a comfortable subsistence for himself and family. The middling classes of the people should therefore be considered, with regard to taxation, as the sensitive plant is to the approach of the slightest touch, from which it recedes, as if threatened with the greatest violence.

In cases of emergency, let their portion of assessment be such as they can pay, without fettering their exertions, encreasing their toil, or discouraging their emulation. Let it not trench upon those comforts which sweeten and stimulate their industry. Glorious as it may be to every Englishman to see his country prove the saviour of mankind, who would enjoy it when he saw it effected by planting a crown of thorns round the sweating brow of the labouring artizan? If, therefore, it is necessary to raise

23,000,000l.

23,000,000l. by an assessment upon income, let it be done with more equality. Let not a person whose income is only 200l. per year, pay in the same proportion as one whose income amounts to as many thousands. The following scale would be more equal, less irksome, and not so liable to evasion.

None to be assessed whose income is less than 100l. per annum.

100 and under 150	to pay	1-40 part,	or	2	10	0
150	200	1-30		5	0	0
200	500	1-20		10	0	0
500	1000	1-10		50	0	0
1000	2000	1-9		111	2	0
2000 and upwards		1-8		250	0	0

I am persuaded if Mr. PITT could be prevailed upon to adopt such a system of assessment as the above, that he would find much less opposition to his project of taxing income than he will in what he proposed to the Committee.

Although I consider any tax upon income as incompatible with that equality which should be the principle of all taxation, yet, as the plan is proposed, I offer the above as the only means to be devised, removing those objections to which it is certainly liable. But there are many other objections to which the attention of the Committee should be directed, in order that the assessments should be governed according to the nature as well as the amount of income.

Persons possessed of funded property have an income that makes it necessary for them to be more provident for themselves and their posterity, than such as are possessed of equal sums in landed

landed property. The value of the latter does not depend in any proportionate degree, on the state of political vicissitude, as that of the former. Persons, therefore, whose income is derived from stock capitals should not be assessed in the same degree as those whose income is derived from rents of freehold, &c.

Such as derive incomes from capitals employed in trade, are more deserving of lenity than either those possessing funded or landed property. They neither enjoy the ease of the stockholder, or the security of the land-holder. Their capitals produce no income, but by incessant care and fatigue, and a considerable danger of having it greatly diminished, if not entirely lost, by failures, plunder of servants, and casualties for which they can have no protection, by insurance or any other means provided for losses of fire, shipwreck, or naval captions. This tax should, therefore, attach as lightly as possible upon them, so as to avoid the too great diminution of what they ought to save to preserve themselves and families from the imminent ruin too frequently attending such losses as are more or less unavoidable in all concerns of traffic.

If it be true what Montesquieu asserts; that liberty produces excessive taxes, we must be, or at least have been, the freest people upon earth: for there is no nation, possessing the least pretence to the blessings of freedom, whose taxes will equal ours, when this measure, as proposed by Mr. PITT is established. But I should not dare to reflect on his next sentence, that "the effect of excessive taxes is slavery," unless he had immediately

[ 24 ]

mediately foothed my mind with this heart-enlivening assertion. "And slavery produces a diminution of tribute."

Hume observes, "In general all poll taxes even when not arbitrary, which they commonly are, may be esteemed dangerous: because it is easy to add a little more, and a little more to the sum demanded, that these taxes are apt to become altogether oppressive and intolerable. On the other hand, a duty on commodities checks itself; and a prince will soon find, that an encrease of the import is no encrease of his revenue."

"Historians inform us," he adds, "that one of the chief causes of the destruction of the Roman state was, the alteration that Constantine introduced into the finances, by substituting poll tax in lieu of almost all the tithes, customs, and excises, which formerly composed the revenue of the empire. The people in all the provinces were so grinded and oppressed by the publicans, that they were glad to take refuge under the conquering arms of the Barbarians, whose dominion, as they had fewer necessities and less art, was found preferable to the refined tyranny of the Romans."

His objections to a poll tax seem, when compared with a tax on commodities, to arise from reflecting, that a man may avoid the inconvenience of the latter, when he cannot of the former; he may go without a wig, but he cannot without his head.

The same may be observed of this tax upon income; for he may as well go without his head as

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the income by which he is subsisted. He must, therefore, pay whatever is assessed upon it. He has not the option of not paying the tax as he has by going without any garment which he considers is taxed too high for his circumstances. No! He is tied to the stake of assessment to be worried by surveying curs and tax-gathering terriers.

This Tax upon Income seems to have originated in the mind of Mr. PITT, from what he may have heard respecting the French tax upon industry during their monarchy. This tax was supposed to be proportional to the profits upon trade, and other branches of industry. All merchants and tradesmen, in cities and in the country, paid this tax on the pretence of making every person in the state contribute in proportion to the advantages he reaped. Nothing would have been more just, could the tax have been proportionally levied, without injuring the state more than it derived benefit from this species of revenue. But the fact was directly the reverse. It was found impossible to make it bear any proportion to the profits of industry; for none but the person taxed could guess at the extent of his income; and in many cases of precarious employment, the person himself could form no idea of his annual income. Nor could it be provided for, as no check could be put upon the Assessor, unless so far as general rules were given for each class of the industrious.

One great objection to this tax upon income will be, the irksome intrusions of surveyors, who may be made the incessant instruments of ministerial inquisition. Like wasps and hornets they

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must be suffered to feed upon the sweets of our cupboards and tables, or else we may expect to feel the venom of their stings.

Stewart, in his Political Economy, makes the following observations upon taxing income :

“ In imposing cumulative taxes upon income, it is very proper to consider the nature of every species of it with respect to stability. Landed property is fixed, and cannot escape taxation, were the tax to be carried to the extension of the full income. Were the same proportion to be laid on houses, they would soon fall to ruin, because the annual proprietor would not keep them up. Like circumstances must be attended to in taxing every other article of revenue.

“ The method of ascertaining the value of this kind of property is, to oblige all leases to be worded under a sufficient penalty. This is the method in France, for the sake of the controle, which is enacted upon the reading them ; and this, no doubt, facilitates the raising of the twentieth penny, which operates upon all such incomes.

“ The value once ascertained, the whole income is at the mercy of the state, in proportion to the impossibility of avoiding it by any change on the nature of the fund. It is from this circumstance that I call all such taxes arbitrary impositions. And I call them also cumulative, because the reasons given by the statesman for imposing them is, that it is just every one should  
pay

pay a general tax for the support of the state, in proportion to his abilities.

“ As these taxes cannot be carried beyond the value of the income, which the proprietor cannot withdraw from under the burden, we see the impossibility of establishing them upon that income which proceeds from money. If a tax of so much per cent. be imposed upon money lent, at interest, the lender may immediately call in his capital from his debtor, and send it away beyond the reach of the tax. If the calling it in be prohibited, then all credit is destroyed for the future, and no more money will be lent. If they should incline to profit by the advantage found in securing money upon landed property, and if, trusting to the desire men have of settling their capitals in that way, he should take one or more per cent upon capitals so secured, it will still have the effect of hurting the credit of landed men, who have frequently no good security but their land to give.

“ Were cumulative taxes properly laid upon personal service, a regularity in levying them at short intervals, and, according to some proportion would do a great deal towards communicating to them all the advantages of those of the proportional kind.

“ Thus a tax laid upon those who work by the day, may be levied in such a manner as to be tolerably easy. A penny a day, or more if necessary, paid by every industrious individual regularly once a week, would soon enable him to raise his price in that proportion ; but then deductions must be allowed for all accidental impediments ; and were such a plan to be concerted, many other circumstances

[ 28 ]

stances would enter into it, which it would be superfluous here to mention.

The above is stated as the probable source from which Mr. Pitt drew his idea of the tax upon income. Had he confined himself to the equitable principle above stated, his plan would not have been so liable to censure. But as he has extended it to such a system of inordinate assessment as will prevent the industrious man from reimbursing himself, by raising his price of labour, without raising at the same time the price of provisions, the tax is to be considered as the most severe that has been ever laid upon the industrious subjects of this country.

As Mr. Pitt has made an estimate of the income of this country arising from Land rental, Tenants rental, Tythes, Mines, Canal Navigation, &c. Rental of houses, Professions, Rental of Scotland, Income of persons resident in Great Britain, drawn from possessions beyond the seas, Annuities from the public funds, Capital employed in foreign commerce and domestic trade, with the profits arising from skill and industry, and the whole amount he states to be no more than 102,000,000*l.* with all the late improvements and increase of commerce, I beg leave to present an estimate which amounts to 122,000,000*l.* in England only, without any reference to Scotland or Wales. And what is more worthy of observation is, that this estimate was made long before any minister now living could have to boast of our trade having increased or our national prosperity augmented by the wisdom of his administration.

PRO.

[ 29 ]

### PRODUCTS OF ENGLAND,

As containing 49,450 square miles, forming 33,000,000 acres of land

Acres of cultivated land	32,000,000
Ditto of arable	16,000,000
Ditto of grass	16,000,000
Number of farms	111,498
Rental	£16,000,000
Value of the soil at 33½ years purchase	£536,000,000

The above rental is exclusive of houses. How much higher they would carry it is a question that can only be conjectured; but considering the amazing riches of the city of London, and the flourishing, increasing state of so many other cities and towns, with the prodigious number of splendid as well as convenient country seats, that are every where spread over the kingdom, the rent of them must be very considerable and undoubtedly raise the above sum to considerably more than twenty millions. When the houses of London were calculated at one hundred thousand, the Rental was supposed to amount to two millions; now they are one hundred and fifty thousand, it ought, by the same rule, to amount to three millions, though I believe that sum beyond the truth; it is an average of twenty per house; but those of the whole kingdom must exceed, by these rules, with proper allowances, five millions, which, after all circumstances are considered, particularly the rental of this town being probably under that of the whole kingdom, must I think yet remain under the

the truth. Five millions a year, at twenty years purchase, amounts to one hundred millions, which make the total 636,000,000l.

Suppose that stock yields a profit to the owners of three per cent. their annual income then amounts to 19,080,000l.

At 3½ per cent. it comes to 22,260,000l.

At 4 per cent it is 25,440,000l.

It certainly must be a matter of vast consequence to keep the property of the kingdom on the increase, which I take to be the surest mark of a flourishing people. Now it is visible, from this table, that agriculture forms one of the grand pillars of the riches of the state; improvements in its increased property, and consequently income, and ought, therefore, to receive from politicians and the great, all possible encouragement. The rise of the rent of one shilling per acre, increases the rental of the lands of England 1,600,000l. a year.

STOCK IN HUSBANDRY.

Live stock	-	-	57,365,721
Implements	-	-	10,080,000
Furniture	-	-	11,200,000
Sundries	-	-	35,000,000

Total stock	£	113,685,721
Supposing this stock is taken at	110,000,000l.	
and that it pays an interest of 10 per cent. the profit of agriculture is	11,000,000	
At 12 per cent. it is	13,000,000	
At 15 per cent.	16,500,000	
At 20 per cent.	22,000,000	

PRO-

PRODUCTS.

Total of arable crops, exclusive of potatoes, cabbages, &c.	48,237,691
Live stock, implements, &c.	113,685,721

Total of live and dead stock, &c. exclusive of woods, parks, chafes, &c.	£161,323,412
The same political writer calculates the farmers' profits on the above stock, &c.	£ 18,237,691

INCOME OF SOIL.

The landlords' rent	16,000,000
The tenants' profit	18,237,691
The clergy	5,500,000
The industrious poor, being the amount of labour	14,526,937
The non-industrious poor, being the amount of rates	866,666
Interest of money	4,400,000

Total of incomes arising from soil	£59,601,294
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Considering that this estimate was made previous to the general inclosure of the country, the late improvements in agriculture, the increase of value in all kinds of stock, and the great competition of farms, the above may now be fairly calculated to amount to at least one-third more, which make the income from the soil

£ 79,468,392  
Which



[ 32 ]

Which is 49,468,392l. above the sum stated by Mr. PITT. What his reasons may be for representing it so much less than what it really is, shall be hereafter considered. But at present we shall only state the general income according to the calculation of our author, which he made previous to the American war.

## GENERAL INCOME.

The soil, from capital and labour, including 6,000,000l. for wood, timber, mines, &c.	-	66,000,000
Manufactures	-	27,000,000
Commerce	-	10,000,000
Public revenue	-	9,000,000
Sums at interest	-	5,000,000
Law, physic, &c.	-	5,000,000

Income of England only      £ 122,000,000

The above may be fairly considered as one-third less than the real income of England. But, to render our statement as free from objection as possible, we shall allow only a one-fourth in addition to the 122,000,000l. which makes the income of this country, exclusive of Wales and Scotland, 152,500,000l. a sum exceeding, by one-third, what has been stated by Mr. PITT.

The further consideration of this subject is reserved for another Pamphlet. We shall therefore only at present add, that the whole income of Great Britain, supposing Wales included, will amount to 172,125,500l. which is nearly three-fourths above Mr. PITT's computation.

F I N I S.