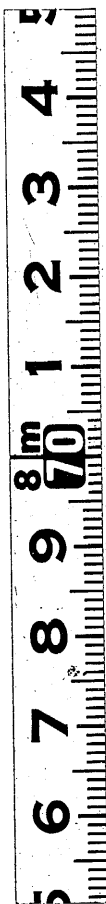


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New Theory of Taxation,

BY

A SOCIETY OF YOUNG GENTLEMEN

AT THE COCKPIT;

HUMBLY SUBMITTED TO THE CONSIDERATION

OF THE

HOUSE OF COMMONS.

EDINBURGH:

Printed in the year M,DCC,LXXXIV.

[Price SIXPENCE.]

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New Theory of Taxation.

HAVING suggested in private the late taxes that were proposed to the House of Commons, we think it our duty to give the public our reasons for them.

Distillers, Brewers, and Calicoe Printers.

When we were lately at college, we were taught it as a rule of science, that the quantum of the tax paid should be proportioned to the quantum of the commodity used. But knowledge of the world has taught us better sense. It is very true, that one brewer, or distiller of spirits, or distiller of vinegar, or calicoe printer, brews, or distills, or prints to the extent of a hundred pounds, and another to the extent of a hundred thousand pounds, in a year. But, as it would

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would be very troublesome to find out exactly the extent of the trade of those persons, we thought it would be much better to lay on every distiller of spirits the neat sum of fifty pounds, and on each of the other traders the neat sum of ten pounds a year, because these sums count easily.

We do indeed foresee that this will give a monopoly to the large distillers and large brewers, against the small ones, (who, it must be confessed, are pretty numerous,) and against the landed interest, upon whose grain the great brewers and distillers, having no competitors, will put what price they please. But then, on the other hand, we did consider, that the landed interest will thereby have the larger quantity of barley on hand to export, whereby the shipping of the nation, a circumstance of so great consequence to a maritime power, will be much increased.

Coals. We were also taught, that taxes should be proportioned to the value of the
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commodity itself. And we are still of that opinion. It is very true that, in most parts of the kingdom, coals sell at various prices, from one shilling to six shillings a ton at the pit mouth. But we declare, that this was utterly unknown to us, when we proposed to lay two shillings a ton on all coals indiscriminately, without any attention to their different prices. We believed that all the coals of England came from Newcastle, because we saw all the London coals do so; and we knew that all the Newcastle coals were nearly of one price. But, being now satisfied of the mistake, we drop very much the idea of that tax. We do not pretend to be exempt from error; but God forbid that we should persist in it: And we think, that the ingenuity of this confession should make up for our want of experience and knowledge, and in persons of our age recommend our future endeavours for setting to rights the involved affairs of this country, to the minds of all well meaning persons.

Candles.

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Candles. Coals and candles being commodities of very universal use, we are vain enough to say that we did adopt them as very productive taxes. But having since learned from the sea-ports on the west coasts of England and Scotland, that vast numbers of manufacturers are emigrating from the mother country to America, on account of the dearness of those commodities, we think we have no small share of merit in retaining one half of those emigrants, by only persisting in laying on the tax on one of those commodities, viz. the candles.

Horses. No doubt horses differ in their value, from two pounds to two hundred pounds or upwards; and therefore it might be objected, that a tax of ten shillings upon all horses indiscriminately is unequal. But we laid the same sum upon all of them, because, by the poll-tax of the French (a very wise nation), a certain sum is laid on each person, without inquiring into the value

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value of his circumstances. And we held the example of wise nations to be much surer guides in matters of finance, than the theories of philosophers.

Yet we will freely confess, that the mode of collecting the tax upon horses gave us more trouble than all the others put together. We were conscious, *that the entry of the owner* would not do; and therefore we at first thought of putting *a stamp*, with a hot iron, on the back side of the animal: Afterwards we bethought ourselves of putting it upon the accoutrements of his master: But, in the end, finding many difficulties which we were not aware of in both of these expedients, however ingenious they might appear, we thought it best to leave the remedy to be found out by the greater ingenuity of the House of Commons.

Ribbons, Gauzes, Printed Linens, and Calicoes.—But, though we transferred the French idea of an equal poll-tax upon men, to an equal poll-tax upon horses, we scorn
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severely reprimanded the copiator since, and shall never employ him again.

Hats.—To this tax it was objected, that Canada cost the nation six hundred thousand pounds a year to secure the fur trade to Britain, and that a tax upon hats would make the fur trade of no more benefit to her than if she had it not. We acknowledge the truth of this with pain. But it is impossible to contrive a tax that will not bear hard upon somebody; and, if we could have thought of any other, we should certainly not have failed to put it in the place of the hat tax. We once thought of leather and soap, but were told, that taxes upon these would make a noise among the poor; a fact which we are, however, apt to doubt, because we thought that, if the poor can pay a tax upon coal and candle, they can pay it upon any thing. But, to make reparation to the fur trade, we may probably next winter propose a tax upon wool to be manufactured at home, or upon mines to be manufactured at home,
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in order to keep the balance between the foreign and the home trade even, and to prevent the diggers of iron-ore, or copper, at home, from having advantages over importers of furs from abroad.

Bricks and tyles.—To this tax, it was objected by some of our friends, that, as houses were already doubly taxed by the house-tax and the window-tax, so a tax upon the materials of which they were built might defeat the object of those taxes, by lessening the number of houses to be built. But then these friends did not consider that the tax upon bricks and tyles will fall chiefly on the poor, whose houses are built of these materials; and it is well known that the poor pay no house tax or window tax, and consequently they will be taxed only once instead of thrice, as the objection mistakenly supposed.

There was an objection, which affected us more deeply, viz. that a tax upon brick and tyle might expose us to the ridicule of the populace, as it did Lord Littleton, who
proposed

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proposed it in the short period of his being Chancellor of the Exchequer, and who was driven from his native palace of Hagly, by the cries of the common people all over Worcestershire, wherever he went, ' *Smoke the brick and tyle man!*' When we mention that noble person, we cannot but blame exceedingly the squeamishness of that House of Commons which would not bear a man to be Chancellor of the Exchequer, who had eloquence, and popularity, merely because he did not understand the four rules of common arithmetic.

Tax on Sportsmen.—But the tax of which we are most vain, is that upon sportsmen; because, though we did not expect it to be a very productive one, it is the best contrivance that has yet been fallen upon to disarm the people, and the whole people, by making the gentlemen and the populace equally afraid, by disuse of the use of a musket.

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We cannot conclude this paper without asking the public attention to three remarkable contrasts between us and the advisers of other ministers in matters of taxation.

Contrast I. The advisers of the late Chancellor of the Exchequer, Lord John Cavendish, were certainly very lazy people. He and they contented themselves with two simple taxes on receipts, and a few new stamps, which, no doubt, produced the money that he wanted. But, then, as these taxes affected every man in the nation, and every man exactly in proportion to the extent of his dealing, they made him universally and deservedly unpopular; and they were in a particular manner provoking to the rich, who are the very men that a minister should study most to please. We, on the contrary, exerted much industry, discovered many new objects of taxes, and have the good fortune to be conscious that our taxes, instead of falling upon the whole nation,

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nation, fell only upon the *indigent* and *ingenious*.

Contrast II. It has long been the folly of ministers to have the city of London against them in politics. We laid the foundation of our politics more deep. In the taxes which we suggested, we thought it our duty to coax and flatter, and pay court to that Queen of cities, in order to connect her interests with those of his Majesty's ministers. Thus, *first*, by proposing a tax upon coals on the rest of the nation, but not on London, we shewed that we preferred the good will of that city to the good will of all the rest of England and Scotland. *Secondly*, By taking a tax off tea, which fell very heavy on London, most of whose inhabitants drink tea twice a-day, and substituting a tax on windows in its place, we meant to mark the predilection of our friends for that imperial city, whose citizens will not pay for as many windows in

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in a house rented at L. 200 a-year, as people in the country, or in other towns, will pay for a house rented at L. 20 a-year. And, *lastly*, as the distillers of London enjoy 90 out of 100 parts of the distillery trade of Britain, a tax of L. 50 on each distiller will effectually stop most of the distilleries elsewhere, and thereby secure a monopoly of the whole distillery trade to London: In which view of the matter, if we have done a thing disobliging to the landed interest of England and Scotland, it is a great consolation for us to reflect, that we have done a thing very obliging to that worthy and disinterested gentleman Sir Joseph Mawby; to whom we take this public occasion of returning our thanks for many lights thrown by him upon the distillery laws, all centering in one point, the grandeur of the city of London, and of her citizens, without the smallest regard to his own interest. We have been the more particular in pointing out our attention to the

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the interests of the city of London on the system of taxation which we presumed to suggest, because, at first sight, they may not have been perceived by persons less accustomed to deep thinking than we are.

Contrast III. It has been the folly of late administrations to be at variance with the East India Company, for which they have sufficiently smarted. But we, profiting by the errors of others, took care to connect one of our favourite taxes with the interests of that company. By the informations we received, (for we have been exceedingly industrious, and perfectly well informed), we know that there are 550 gauze looms in England, and 7000 in Glasgow and Paisley, besides others in other parts of Scotland; that the 7000 looms in Glasgow and Paisley produce between half a million and L. 600,000 *per annum*, either gained or saved to the nation; that they maintain 40,000 people; that, of all the manu-

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manufactures of the kingdom, gauzes deserve most to be encouraged, because, while the children of other manufacturers are a burden on their parents till they arrive at 14 or 15 years of age, the children of a gauze weaver, on the contrary, are an estate to him, because they begin to work at seven years of age; the certain consequence of which is, that that manufacture increases marriages and population more than any other. But then its interests were quite inconsistent with those of the East India Company; for, the use of gauzes had, for several years, been gaining ground upon the use of mullines, and, in a few years more, might have supplanted them altogether, to the great loss of that Company. But we, by a single stroke of genius, and clapping a duty of 20 *per cent.* on an average, upon gauzes, contrived to restore the perishing trade of mullins to the East India Company. And, if we thereby should bring 40,000 Scotch people to die for want of oat-meal, we shall have the comfort to

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reflect, that we have given rice to 40,000 poor Indians; not to mention that these hungry Scots will find plenty of food in Ireland, where the gauze trade is much encouraged, and few manufactures are more easily transportable; because it requires nothing to be transported, but the weaver, his loom, and his children. And we take this public opportunity to return our thanks to several of our friends in the East India House, who, instead of concealing from us their real reasons for suggesting that tax, did frankly confess to us, that there was a necessity, in the present distressed state of the Company's affairs, for sacrificing all Scotland to the shrine of Leadenhall-street.

But we must declare, that we had not the least intention to give a blow to Glasgow, after the grievous ones she had so recently received, in the loss of more than one half of the tobacco trade of Great Britain, when we proposed, by mistake, a
tax

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tax instead of a bounty upon L. 400,000 worth of their printed linens annually. We know very well, that, when the tobacco, the gauzes, and the printed linens of that industrious and opulent city are gone, it will sink into an insignificant country village. But we have nothing to reproach ourselves with on this head, seeing the mistake arose not in the least from our own faults, but from the carelessness of our copyator, as before mentioned.

General objection answered. It may be objected to the accuracy of our calculations and information on other points, that we rated the coal tax too low at L. 150,000 a year. The fact stands thus. Suppose seven millions and an half of inhabitants to be in Britain, but one third to be deduced for those parts of the kingdom which use few coals, and for London, which was not to pay the tax, there would remain 5,000,000 of persons to pay. Then suppose four to a family, which in the country
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is a fair calculation, there would remain L. 1,250,000 taxable families. Lastly, suppose each family to consume 20 shillings worth of coals in a year, costing at the pit-mouth 3 shillings a ton, the tax upon this quantity, at 2 shillings a ton, would produce above L. 800,000, and if it was laid on coals used in manufactures, it would produce above one half more. Now, tho' our advising our friends in the House of Commons to state it only at L. 150,000, may appear to some a gross imposition upon the house; yet, we trusted, that if perceived now, it would be forgiven afterwards, when the house came to see, that whereas the taxes of other ministers had been attended with deficiencies to the amount of 5 or even 6 *per cent.* ours, on the contrary, had produced an overplus of between 5 and 600 *per cent.* an apology which we avow with the more freedom, because, tho' we have advised our friends to suspend the coal-tax for a time, and though they, pressed by clamour, agreed that coals used

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in manufactures should not be taxed at all; yet, as soon as we see them better backed by parliament than, in matter of taxes, they seem at present to be, we resolve to revive the idea of the coal tax, and to give our sentiments whether manufacturers should be exempted from it, which, upon our theory of taxation, and a review of several of the above taxes which we have suggested, we think they ought not to be: We are not to be put out of our way by clamours, when we know we are in the right. And though these our declarations may appear to some persons to bear marks of a daring, obstinate, and dangerous spirit, yet we can easily remove the imputation, by assuring the public that we are young men of a very different temper of mind.

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