

# **William Pitt and his Taxes**

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# William Pitt and his Taxes

John Jeffrey-Cook\*

## Abstract

*This article describes the factors that enabled the Younger Pitt to become Chancellor of the Exchequer and Prime Minister so young, reviews the range of taxes he inherited, considers all his Budgets, his reforms, including the suppression of smuggling and evasion, and the 17 new taxes that he introduced. Eleven of these were imposed between 1784 and 1786. Following France's declaration of war in 1793 he imposed four new assessed taxes between 1795 and 1798; his 1797 Triple Assessment was a failure, but an important stepping-stone to his 1798 income tax. Its success was ensured by Henry Addington's clever improvements when he reimposed it in 1803. The final section shows the longevity of Pitt's 17 taxes. Like the talk on which it is based, this article aims to interest a general audience with some of the achievements of this extraordinary man.*

## Introduction

William Pitt is surely the most remarkable Chancellor of the Exchequer ever. He aimed for high office from the start and never contemplated anything less. He had a superb grasp of finance, when most MPs could barely count and found his preoccupation with money (even public money) rather vulgar. He started so young, he served for almost 20 years, he made prodigious reforms, and introduced 17 new taxes, more than any Chancellor before or since.

Besides being Chancellor, he was Prime Minister and was beset with many other problems, including Ireland, international matters and the navy, slavery, electoral reform, the King's illness, the Prince Regent, and, later, conduct of the war with France, but this article ignores most of these matters<sup>1</sup> and concentrates on taxation.

To restore the nation's finances following the disaster of losing the American War of Independence, he considered the range of taxes he had inherited, made many reforms, including the suppression of smuggling and evasion, and imposed 11 new taxes in 3 years, between 1784 and 1786. Following France's declaration of war in 1793 Pitt reluctantly had to provide the funds to enable the army, the navy and Britain's allies to defeat the French. He imposed four new assessed taxes between 1795 and 1798.

Although his 1797 Triple Assessment was a failure, it was an important stepping-stone to his 1798 income tax, the success of which was ensured by Henry Addington's clever improvements when he reimposed it in 1803. Pitt did not see victory, and would have been surprised to learn that, as a result of the navy's success, Britain and the British Empire would dominate the world

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<sup>1</sup> Nor does this article cover the national debt, sinking fund or staff remuneration and numbers: for a comprehensive treatment after 1793 see P. K. O'Brien, "Government Revenue 1793-1815, a study in fiscal and financial policy in the wars against France", unpublished Ph D thesis 1967, Bodleian Library, Oxford.

for a century. The last part of this article shows the longevity of Pitt's 17 taxes. Like the talk on which it is based, it aims to be informative and entertaining to a general audience, and to provide an insight into this extraordinary man.

### *Letters in Latin*

So how was Pitt able to become Chancellor at 23 and Prime Minister as well at 24?

Partly it was his upbringing. Pitt was born on May 28, 1759, the second son and fourth child (of five) of William Pitt the Elder,<sup>2</sup> the distinguished statesman, known as the Great Commoner when most leading politicians were peers. His father had hated Eton, and Pitt was a sickly boy, so he was tutored at home. He was a prodigy and his father took a great interest in him, coaching him in the classics, in politics and in public speaking.

Prodigies seem to have been more common in those days; Hague mentions Isaac Newton, Alexander Pope and Mozart.<sup>3</sup> Intensive use of tutors may have been a factor. At seven Pitt wrote letters in Latin. When his father accepted the title Earl of Chatham he said he was glad he was not the eldest son, because "he could serve his country in the House of Commons like his Papa."<sup>4</sup>

When not quite 14 he went to Pembroke College, Cambridge, but was often ill, probably with tonsillitis, and within weeks he had to be taken home until the following summer. Dr Addington<sup>5</sup> prescribed daily exercise on horseback and liberal drinking of port; it worked, and Pitt consumed it in vast quantities all his life.<sup>6</sup> He got an MA without examination (as a nobleman's son) but stayed in residence.<sup>7</sup> Adam Smith's *Wealth of Nations* was published in 1776 and influenced Pitt. When he was 18 his father died and he settled the estate because his eldest brother was abroad. Pitt was called to the Bar at Lincoln's Inn when 21 and briefly practised on the Western Circuit.<sup>8</sup>

Pitt was slim and ungainly, but witty and popular with his colleagues; he had many good friends, but few outside his own class, and was cold, stiff and aloof in public.<sup>9</sup> He had little appreciation of current literature, art or music.

### *Entering the Commons*

In the general election of September 1780 he stood for Cambridge University and came bottom of the poll, but a Cambridge friend, Lord Granby, by then the the Duke of Rutland, wanted to see Pitt in the Commons as soon as possible and so approached Sir James Lowther, who controlled a number of rotten boroughs<sup>10</sup> in the north of England. Lowther gave Pitt, on the strength of his

<sup>2</sup> Later 1st Earl of Chatham, 1708–1778.

<sup>3</sup> W. Hague, *William Pitt the Younger*, (London: HarperCollins, 2004) 102.

<sup>4</sup> Reverend Wilson to Lady Chatham, September 13, 1766: W. S. Taylor and J. S. Pringle (eds), *Correspondence of William Pitt, Earl of Chatham*, (London: John Murray, 1838-1840), Vol.III 65.

<sup>5</sup> Father of Henry Addington, 1st Viscount Sidmouth, 1757 to 1844, the future prime minister. Henry Addington (May 30, 1757–February 15, 1844), Speaker (1789–1801), Prime Minister (1801–1804), Home Secretary (1812–1822), created Viscount Sidmouth 1805.

<sup>6</sup> Hague, above fn.3, 23–26.

<sup>7</sup> Hague, above fn.3, 28.

<sup>8</sup> Hague, above fn.3, 46, 71–72.

<sup>9</sup> N. Wraxall, *The Historical and the Posthumous Memoirs of Sir Nathaniel William Wraxall 1772-1784*, (London: Bickers & Son, 1884) Vol.III 217.

<sup>10</sup> Rotten boroughs were seats in towns that had been given a royal charter to elect two MPs, but had become depopulated, so there were few electors eligible to vote, often under the control of a local landowner or family.

late father's reputation and without conditions, Appleby, near Scunthorpe in Yorkshire<sup>11</sup>; Pitt did not even have to visit it and incurred no cost.<sup>12</sup> Still only 21, in January he entered the Commons. A month later, his maiden speech, supporting an attempt by Edmund Burke to reduce government expenditure, was brilliant and apparently impromptu.<sup>13</sup>

One factor which helped to spread Pitt's reputation was that press reporting of Parliamentary debates was now legal. A decade earlier, in March 1771, the Commons ordered two printers, John Wheble and Roger Thompson, to attend the Commons for daring to report debates; Aldermen, sitting at the Mansion House Court, held that the warrant was illegal. The Commons ordered that the Lord Mayor (Ald Brass Crosby) and another Alderman be committed to the Tower.<sup>14</sup> There was public uproar and the Speaker was burnt in effigy on Tower Hill. The warrants lapsed at the end of the Parliamentary session on May 8. The Commons backed down and reporting of debates was unrestricted but not, until 1803, organised. Notes could not be made, so reporters notated, relied on their memories, and got helpful MPs to edit the results.<sup>15</sup>

Newspaper circulation shot up; it was novel, and sometimes shocking, to read what Parliament was doing. Politicians were reviled for the October 1781 surrender of British forces to the American colonists at Yorktown. In March 1782 Lord North<sup>16</sup> resigned after 12 years as both Prime Minister and Chancellor of the Exchequer.<sup>17</sup> King George III, who was conscientious but stubborn, despaired at losing North and even threatened abdication.

The main opposition leaders were the Marquess of Rockingham, the Earl of Shelburne, and Charles James Fox, a gambler and womaniser, who openly and regularly referred to the King as "Satan".<sup>18</sup> These groupings were very loose but the politicians were implacably opposed to each other. Pitt avoided all groups, and presented himself as a man of independence and integrity. Rockingham led an administration but died of influenza within three months, on July 1, 1782.

### *Chancellor of the Exchequer*

The King then appointed Shelburne, who made Pitt Chancellor of the Exchequer at 23. Such youth was unusual but not as absurd as it would appear now. Over 100 out of 558 MPs were under 30, compared with 4 out of 659 in 2001.<sup>19</sup> George III became king at 22 in 1760, and Louis XVI became king of France at 20 in 1774, each on his grandfather's death.

Shelburne preferred to remain at his home in Berkeley Square, so Pitt lived (and worked) at 10 Downing Street,<sup>20</sup> but not for long. He had no opportunity to present a budget, but he did work

<sup>11</sup> Hague, above fn.3, 53.

<sup>12</sup> A useful point for the impecunious Pitt in 1782 and 1783 when appointment as a minister necessitated re-election. Hague, above fn.3, 47.

<sup>13</sup> Hague, above fn.3, 63–66.

<sup>14</sup> W. Cobbett, *Parliamentary History* (PH) Vol.17 col.58.

<sup>15</sup> Cobbett's PH covered 1066 to 1803 in 36 volumes, not published until between 1812 and 1820; those for Pitt's period in office are spasmodic and should be read with caution. From 1803 W. Cobbett and T. C. Hansard published *Parliamentary Debates* (Hansard), which were contemporaneous but still not verbatim.

<sup>16</sup> Lord North was in the Commons: "Lord" was a courtesy title, as he was the son of the Earl of Sandwich.

<sup>17</sup> For background context see I. R. Christie, *The End of North's Ministry 1780-1782*, (London: Macmillan, 1958).

<sup>18</sup> Hague, above fn.3, 84.

<sup>19</sup> Hague, above fn.3, 55.

<sup>20</sup> George II in 1732 offered 10 Downing Street to Walpole, who accepted it for the use of the current First Lord of the Treasury.

on cleaning up the Customs, abolishing sinecures for life and stopping the charging of fees which was to lead to his 1785 Act appointing a Commission on Fees.<sup>21</sup> He also tried to stop the sale of public offices. Many appointments expired on the death of the sovereign, facilitating change, but this rule ceased to help when George III reigned so long: from 1760 until, eventually, 1820. Later, when Pitt found it difficult to abolish sinecures he simply left them vacant.

After only eight months, Fox and North, bitter opponents for so long, cynically combined forces to defeat Shelburne's ministry. In both February and March 1783 the King asked Pitt to succeed Shelburne but Pitt wisely and courageously declined because he would not co-operate with North, and would thus have no majority, and he did not want to be seen (like North) as the King's puppet. As a result, the Fox-North coalition under the Duke of Portland came into being on April 2, 1783.<sup>22</sup>

### *Adventures abroad*

Parliament rose in July, and in September Pitt visited France with his close friends William Wilberforce<sup>23</sup> and Edward Eliot.<sup>24</sup> Each thought the others had letters of introduction, but in fact they had only a last-minute letter to a Monsieur Coustier, who turned out to have a small grocer's shop in Rheims. They persuaded Monsieur Coustier to contact the Lieutenant of Police, who thought they were spies, but he told the local Abbé that one of them was the Earl of Chatham's son: they then lived very well for a week at the Archbishop's palace.

Moving to Paris, they were presented to Louis XVI at Fontainebleau. Pitt learnt French quickly and charmed the Queen, Marie Antoinette, who frequently teased him about Monsieur Coustier, the grocer. Pitt was offered the hand of the 17-year-old daughter of Jacques Necker, an incredibly rich and ambitious politician, but he declined it; she later became Madame de Staël, a powerful force in European politics.<sup>25</sup>

### *The King's unconstitutional coup d'état*

A few weeks' carefree relaxation was curtailed on October 22, by a summons back to England. In November Fox tabled an East India Bill which, by giving him wide powers of patronage, would have entrenched him in power, but the King made his opposition known and the Lords rejected it.<sup>26</sup> All was chaos with Pitt the only alternative so, on the King's third attempt, Pitt agreed to try to lead a government. The King mounted a coup d'état against his own government and on December 18 dismissed the ministers he hated: his action was unconstitutional but it succeeded because it had popular support.<sup>27</sup> The public was fed up with unprincipled politicians.

<sup>21</sup> See J. R. Breihan, "William Pitt and the Commission on Fees, 1785-1801" (1984) *The Historical Journal* Vol.27, 59-81.

<sup>22</sup> For more detail see J. Cannon, *The Fox-North Coalition*, (Cambridge: Cambridge University Press, 1969).

<sup>23</sup> Wilberforce, dissolute at Cambridge, converted to evangelical Christianity in 1785 and is remembered for his long fight against slavery: Hague, above fn.3, 29, 216, 291-304.

<sup>24</sup> Eliot married Pitt's sister Harriet in 1785, but she died within a year leaving a baby daughter: Hague, above fn.3, 200, 219.

<sup>25</sup> Hague, above fn.3, 133-135.

<sup>26</sup> Hague, above fn.3, 139-144.

<sup>27</sup> Hague, above fn.3, 146-148.

Pitt was sworn into office on January 12, 1784; like North he became both Prime Minister and Chancellor. At once he had a stroke of luck: Sir Edward Walpole died the day before and the Clerkship of the Pells fell vacant; it was a classic sinecure, involving no work but paying £3,000 a year for life.<sup>28</sup> As a young man with no means, Pitt was expected to take it for himself. Instead he offered it to a Colonel Barré, a veteran of Quebec, on condition that Barré gave up a life pension of a similar amount controversially granted him under Rockingham and Shelburne.<sup>29</sup> At a stroke, Pitt saved the taxpayer £3,000 a year and gave himself nothing, projecting the image of “honest Billy”. In fact, Pitt needed money: with no capital, being generous, and being robbed by his servants, his personal finances were always chaotic.

Pitt had a weak Cabinet of seven (all but him in the Lords) and depended on his personal supporters, the King’s party, the independent country gentlemen, the East India interest and the Scottish members. The King and Pitt lavished patronage, but Pitt could not avoid several defeats. The annual Land Tax Bill had to be passed in early January to secure the public finances; Fox let it through in return for a promise that a dissolution was not imminent. Pitt’s honesty, consistency, logical arguments and more patronage<sup>30</sup> increased his support. Scores of addresses congratulating the King on his actions poured in. Pitt was given the Freedom of the City of London in February 1784 and his popularity in the country was evident.

### *Obtaining a majority*

Under the Septennial Act 1715 elections were required at least every seven years.<sup>31</sup> The last had been in 1780 and, unlike today, elections and changes of ministry did not invariably go together. The enormous expense made elections unpopular with many members. Pitt waited; Fox’s majorities in the Commons shrunk, while Pitt’s popularity rose, and by March 24, 1784 he was ready to call an election. His standing is shown by the fact that Captain Horatio Nelson, his close contemporary, who was back in England after also visiting France, wanted to stand for Parliament in support of Pitt; (he could not find a seat).

The King’s agents helped Pitt to obtain a majority of over 100 in the unreformed Commons, where a limited franchise and rotten boroughs meant that bribes and Royal influence could do a great deal.<sup>32</sup> He canvassed for Cambridge University and to his great satisfaction he came top of the poll, representing it until he died.

### *Disastrous state of finances*

Following the American War the country’s finances were in a disastrous state. Out of annual tax revenues of about £13 million, £8 million went on interest on a national debt of £234 million.

<sup>28</sup> The Clerk was an officer of the Exchequer, who originally made entries on the *pells* or parchment rolls. The post was abolished in 1834.

<sup>29</sup> Hague, above fn.3, 84, 163.

<sup>30</sup> Pitt eventually created 89 new English peerages and increased the number of Lords by about 40%: R. Reilly, *Pitt the Younger 1759-1806*, (London: Cassell, 1978), 203.

<sup>31</sup> This became five years in 1911.

<sup>32</sup> In fact, less was spent on behalf of the Crown than in 1774 or 1780. For more details see J. Debrett, *History of the Westminster Election*, (London: 1784). In due course Pitt won majorities in the General Elections of 1790 and 1796.

The Treasury's four tax collecting departments were Customs, Excise, Stamps, and Taxes. Customs dealt with imports and, until 1845, exports, raising about £3 million. Excise raised about £6 million from a score of home-produced articles, but also tea. Its four main revenue raisers were beer £1.7 million, malt £1.1 million, spirits £ 0.8 million, and tea over £ 0.5 million; the other £2 million came from leather, candles, soap, silks, glass and so forth; surcharges had been added: 15 per cent in 1779, and 5 per cent in 1780, 1781 and 1782.

Stamps applied to a multiplicity of documents, including conveyances, grants of probate, legacies, cards and dice, newspapers, marine insurances, and gold and silver plate. In 1782 fire insurances and bills of exchange had been added, and in 1783 bank notes, patent medicines and receipts. Yet a fourth board, the Tax Office, supervised the land tax, window tax and inhabited house duty. Pitt urged the Tax Office to hasten the work of the locally appointed Land Tax Commissioners, and to reduce the balances held by the county receivers-general, to whom the locally appointed collectors of taxes were accountable.

At this time taxation policy, based on Charles Davenant's 1698 *Discourses* and supported by Adam Smith's 1776 *Wealth of Nations*, was to avoid direct assessment of means or income, and to avoid taxes on necessities and the poor. Taxes on luxuries should be voluntary or optional: the subject could choose not to buy or use the articles taxed. So a householder paid annually according to the number of windows in his house, coaches, and manservants, etc. Everyone paid when they bought goods subject to customs, excise or stamp duty. Land tax was an exception to the rule about avoiding direct taxation, because it had been running since 1689, cost little to collect (using out-of-date figures), was certain, and did not injure trade.<sup>33</sup>

### *First fiscal measures*

With so much already taxed,<sup>34</sup> one might wonder what Pitt could do in his first Budget on June 30, 1784.<sup>35</sup> In fact he increased many existing taxes, including paper duties (c.18),<sup>36</sup> hackney carriages doubled from 5s to 10s a week (c.27), beer licences from Justices of the Peace (c.30) and linens (c.40). He reimposed the 6d an ounce duty on silver plate repealed in 1758 and extended it to gold plate at 8s an ounce (c.53). He reduced the excise duty on tallow candles (c.11) but increased it on wax candles (c.36), without smoke or smell, used by the better off. He increased Customs duties on imports of silk and exports of lead (c.49). He extended the range of excise licences payable by manufacturers and retailers which helped supervision (c.41).

He imposed four new<sup>37</sup> duties: on bricks and tiles (c.24), on saddle horses, coach horses, racehorses and horse dealers (c.31), a stamp duty on licences to kill game (c.43), and a stamp duty on men's hats (c.51).

Most important of all, he countered widespread smuggling of tea by reducing the duty from an average of 119 per cent to a uniform 25 per cent (c.38), with advice from tea merchants led

<sup>33</sup> Land tax survived until Selwyn Lloyd abolished it in 1963.

<sup>34</sup> S. Dowell, *History of Taxes and Taxation in England*, 2nd edn, (London: Longmans, Green & Co., 1888), describes most taxes from earliest times to 1888. Vol.II 183-234 outlines many changes during Pitt's tenure of office.

<sup>35</sup> *Parliamentary History* (PH) Vol.24 col.1018.

<sup>36</sup> c. references are to Acts of 24 Geo 3 Session 2. Each tax was usually in a separate Act; only after 1861 did all Budget changes go into a single "Revenue" Bill ("Finance" Bill from 1894) to deter rejection by the Lords.

<sup>37</sup> Extensions of the Customs tariff are not counted as new taxes.

by Richard Twining, whose 1706 firm is still at the same London premises, 216 Strand. He met the cost by extending the scale of duty on windows up to a maximum of £20 on 180 or more windows; this was called the Commutation Duty, because the size of houses was taken as a rough guide to the consumption of tea within them (c.38)! With a £300,000 loan from the Bank of England, he countered the smugglers' attempts to create a shortage and force up tea prices, and made smuggling of tea unprofitable. This success led to similar action in later years with tobacco,<sup>38</sup> wines, and spirits.<sup>39</sup>

#### *Assessed taxes moved to the Tax Office*

In his Budget of May 9, 1785<sup>40</sup> he imposed a new tax on retail shops based on the annual value of the premises (c.30)<sup>41</sup>; criticised as unfair, it caused riots in Downing Street and was repealed four years later. He also increased the £1.1s duty that employers paid on every male servant (except those in farming) to £1.5s each for one or two, rising to £3 each if more than ten were kept; bachelors paid more (c.43). He extended the charge to female servants, causing much humour at his expense as he was unmarried; the rates were only 10s each for three or more, but double for bachelors. Time and again he charged the rich disproportionately more, not for theoretical reasons, but simply because they could afford it.

To deter fraud and improve collection, he transferred the taxes on carriages, servants and horses from the Excise to the more efficient Tax Office (c.47).<sup>42</sup> Together with the land tax, they assessed the window tax, inhabited house duty and the new duties on horses, and these taxes on establishments or households became known as the assessed taxes. However, the assessors and collectors were still appointed locally, and the returns were notoriously incorrect and insufficient. Often the assessor was a tradesman, and he would not be vigorous in assessing his customers.

New items subjected to stamp duty were pawnbrokers' licences, £10 in London and £5 elsewhere (c.48); gloves and mittens (c.55), which yielded much less than expected; and solicitors and attorneys who had to stamp annual certificates of qualification, £5 in London and £3 elsewhere (c.80).

#### *Trade treaty with France*

By Pitt's third Budget on March 29, 1786<sup>43</sup> tax receipts were £15.4 million against outgoings of £14.5 million, a remarkable achievement, with the largest peacetime navy ever. He imposed a new stamp duty on packets of hair powder for wigs and on perfumes and cosmetics<sup>44</sup>; on both it was 1d on items up to 8d, rising to 1s on items over 5s. In April the Treasury established the Stationery Office to replace patentees and contractors as their terms ran out<sup>45</sup> and in August Pitt reconstituted the Board of Trade.

<sup>38</sup> 25 Geo 3 c.81, 29 Geo 3 c.68.

<sup>39</sup> 26 Geo 3 cc.59, 73.

<sup>40</sup> PH, above fn.14, Vol.25 col.546.

<sup>41</sup> c. references are to Acts of 25 Geo 3.

<sup>42</sup> As to administration, see Ward, "The Administration of the Window and Assessed Taxes 1696-1798", *English Historical Review* Vol.67, 1952, OUP, 534-542.

<sup>43</sup> PH Vol.25 col.1294.

<sup>44</sup> 26 Geo 3 c.49.

<sup>45</sup> H. Barty-King, *H. M. Stationery Office, the story of the first 200 years* (London: HMSO, 1986).



On September 26, 1786 Britain's first trade treaty was signed with France. It was very advantageous to Britain, for it reduced French duties on British exports, especially cotton goods, in exchange for 40 per cent less British duty on French brandy. As four million gallons of brandy were smuggled into Britain each year, and duty was paid on only 600,000, the concession paid for itself and made brandy smuggling unprofitable.

### *A single Consolidated Fund*

Pitt's major reform in February 1787 was to replace an enormous range of customs and excise duties and some stamps, which were payable into 103 different accounts; this was inconvenient for traders, caused more work for officials, and encouraged fraud. George Rose, Secretary to the Treasury, had suggested this reform to Lord North. The new taxes were payable to a single Consolidated Fund; the Commons had to pass no less than 2,537 ways and means resolutions!<sup>46</sup> Pitt showed a remarkable grasp of all the complex provisions.

This reform overshadowed his Budget of April 20, 1787.<sup>47</sup> The post horse duties were difficult to collect so he farmed them<sup>48</sup>; contracts to collect and keep the duties for three years in each district were auctioned.<sup>49</sup> MPs could post letters free of charge and often abused the privilege by posting them for other people.<sup>50</sup> This cost £40,000 a year and Pitt stopped it.

In his Budget of May 5, 1788<sup>51</sup> he had a surplus without any additional taxes, having spent £7 million on the Navy and repaid £2½ million of national debt. On June 10, 1789<sup>52</sup> Pitt repealed the hated 1785 shop tax and the extra tax that had then been placed on hawkers and pedlars (c.9),<sup>53</sup> but increased the duties on newspapers, advertisements, dice and playing cards (c.50).<sup>54</sup> He recast the tobacco tax (c.68).

### *French Revolution and Spanish aggression*

In 1788 the French harvest had failed and in July 1789 Jacques Necker, facing food riots, asked Pitt for flour. Britain too had had a poor harvest and the Corn Laws prohibited exports, so Parliamentary approval would be needed; Pitt put British interests first. Within a fortnight the Bastille was stormed: British flour might have postponed, but not prevented, revolution. Pitt resisted heavy pressure and studiously kept Britain neutral; it neither opposed nor supported the revolution.

Spain had outposts dotted along the north-west coast of North America and decided to claim sovereignty over it all. In May 1789 a Spanish warship anchored in Nootka Sound, Vancouver;

<sup>46</sup> Even then, the Customs tariff listed 1,200 articles: 27 Geo 3 c.13.

<sup>47</sup> PH Vol.26 col.1010.

<sup>48</sup> Authorised by 27 Geo 3 c.26 and renewed every three years: 30 Geo 3 c.23; 33 Geo 3 c.71; 36 Geo 3 c.84; 39 Geo 3 c.74; 42 Geo 3 c.52; 45 Geo 3 c.56.

<sup>49</sup> Dagnall, *Creating a Good Impression*, (London: HMSO, 1994), 55-58. The proceeds were £125,690 a year for 1787-89: 1st Report of Commissioners of Inland Revenue, 1857 App 25. Farming ceased in 1837.

<sup>50</sup> Abuses by MPs are not solely a modern phenomenon!

<sup>51</sup> PH Vol.27 col.397.

<sup>52</sup> PH Vol.28 col.157.

<sup>53</sup> c. references are to Acts of 29 Geo 3.

<sup>54</sup> The duty increased from 1s 6d to 2s per pack: 1s was charged on the wrapper and 1s on the Ace of Spades printed by the Stamp Office.

it seized British ships, arrested their captains and crews, and pulled down the British flag. News travelled slowly, but in 1790 Pitt mobilised the navy and Spain caved in without fighting. Revenue was buoyant and few changes were made in the Budgets of April 19, 1790,<sup>55</sup> December 15, 1790,<sup>56</sup> and May 18, 1791.<sup>57</sup> Even with the £3.1m cost of mobilisation, by early 1792 Pitt again had the budget back in surplus.

In 1791 Pitt refused the King's offer of a knighthood, but in 1792 the King insisted that Pitt accept the sinecure of Warden of the Cinque Ports, worth £3,000 a year. This increased Pitt's income from nearly £7,000 to nearly £10,000 and gave him the use of Walmer Castle, but his personal finances remained chaotic.

In his Budget on February 17, 1792<sup>58</sup> Pitt abolished the taxes on female servants (c.3),<sup>59</sup> carts (c.4) and tallow candles (but not wax candles) (c.9), and exempted from the window tax houses with less than seven windows (c.2). At this time, Excise yielded £8.4 million, Customs £4.4 million, Taxes £3.5 million and Stamps £1.4 million, a total of £17.7 million. Acts were now endorsed with the date of Royal Assent,<sup>60</sup> a minor but useful reform for historians.

### *French aggression*

France declared war on Austria in April 1792 and in November invaded the Austrian Netherlands, so Britain mobilised its navy. In January 1793 Louis XVI was executed, France rescinded the 1786 trade treaty, and on February 1, 1793 declared war on Britain for the sixth time in a century.

The National Gallery has a painting showing Pitt explaining to the Commons his attempts to placate the French.<sup>61</sup> Pitt hoped that the war would be short, and in his Budget of March 11, 1793<sup>62</sup> he tried to meet most of the cost by borrowing. However, in his Budget on February 5, 1794<sup>63</sup> he declared: "All wars depend now on the finances of the nations engaged in them."<sup>64</sup> and he increased taxes<sup>65</sup> on rum, spirits (cc.2-4), bricks and tiles (c.15), and plate glass (c.27), but repealed the 1785 stamp duty on gloves and mittens (c.10).

### *Four new assessed taxes, and many increases*

In the next four years Pitt added new taxes. First, from 1795–96 a charge of £1 1s for licences to use hair powder on wigs,<sup>66</sup> which became an assessed tax in 1802. It raised £177,000 in its first year; Pitt's opponents called it the guinea-pig tax (on pig-tails) and ceased to wear wigs; it

<sup>55</sup> PH Vol.28 col.695.

<sup>56</sup> PH Vol.28 col.1003.

<sup>57</sup> PH Vol.29 col.545. The stamp duty on bills of exchange and promissory notes was increased: 31 Geo 3 c.25.

<sup>58</sup> PH Vol.29 col.816.

<sup>59</sup> c. references are to Acts of 32 Geo 3.

<sup>60</sup> Acts of Parliament (Commencement) Act 1793, 33 Geo 3 c.25.

<sup>61</sup> Karl Anton Hickel, *Pitt addressing the House of Commons* from the National Portrait Gallery.

<sup>62</sup> PH Vol.30 col.557.

<sup>63</sup> PH Vol.30 col.1353.

<sup>64</sup> W. S. Hathaway, *The Speeches of the Right Hon William Pitt in the House of Commons*, (London: Longman, 1806), Vol.II 246 cited in Hague, above fn.3, 365, 612.

<sup>65</sup> c. references are to Acts of 34 Geo 3.

<sup>66</sup> 35 Geo 3 c.49. This was besides the 1786 stamp duty which was repealed in 1800.

eventually ended the fashion brought by Charles II<sup>67</sup> from the Continent. Second, an assessed tax from 1796–97 on owners of non-working dogs at 5s per dog,<sup>68</sup> rising to 10s in 1802.

Third, an assessed tax from 1797-98 on owners of clocks and watches,<sup>69</sup> although the Clockmakers' Company produced figures showing that it was ruining their trade,<sup>70</sup> so from 1798-99 Pitt replaced it with an assessed tax on using armorial bearings (coats of arms),<sup>71</sup> raising £45,000 in its first year. This completed the list of assessed taxes, which remained basically unchanged for 70 years.

In his Budget of February 23, 1795<sup>72</sup> Pitt increased duties on foreign wine (c.10), foreign spirits (c.12), and tea, coffee and cocoa nuts (c.13); he also imposed additional stamp duties on receipts (c.55)<sup>73</sup> and paper, simplifying the charge to three classes: writing and printing paper, coloured paper and brown wrapping paper (c.30). He changed the stamp duty on marine insurance policies from a fixed sum to an ad valorem charge on the premiums (c.63).

### *Napoleon seizes command; more taxes needed*

Napoleon seized command in October and promised his unpaid, ill-clothed army unlimited plunder,<sup>74</sup> but England and her allies were defending the rules of civilised behaviour. On December 7, 1795<sup>75</sup> Pitt reformed legacy duty from April 26, 1796, charging two per cent to six per cent according to the degree of relationship<sup>76</sup>; he also tried to extend it from personalty to land, but in a Commons full of landowners that Bill passed only on the Speaker's vote, so Pitt withdrew it.<sup>77</sup>

Since the beginning of the war Pitt had increased taxes by over £1 million but expenditure had increased by £20 million; he knew he could not continue borrowing at this rate, but he feared that more taxes would turn Parliament against the war. His renewed peace efforts were unsuccessful, and Spain declared war on October 5, 1796.<sup>78</sup>

On December 7, 1796<sup>79</sup> Pitt increased duties by £2 million, including excise on auctions, bricks, cocoa nuts, spirits, sugar and tea<sup>80</sup> (c.14), customs (c.15), and stage coaches doubled to 2d a mile (c.16). Settlement of a mutiny over pay by the Royal Navy cost another £536,000 a

<sup>67</sup> Pepys was an early owner of a wig in 1663.

<sup>68</sup> 36 Geo 3 c.124; this yielded £70,000.

<sup>69</sup> 37 Geo 3 c.108, repealed by 38 Geo 3 c.40.

<sup>70</sup> White, *Clockmakers' Company: the Clockmakers of London*, (London, Clockmakers' Company, 1998), Guildhall Library.

<sup>71</sup> 38 Geo 3 c.53.

<sup>72</sup> PH Vol.31 col.1307.

<sup>73</sup> c. references are to Acts of 35 Geo 3.

<sup>74</sup> R. Cooper, "William Pitt, Taxation, and the Needs of War", *The Journal of British Studies*, Vol.22 1982 97.

<sup>75</sup> PH Vol.32 col.556.

<sup>76</sup> 36 Geo 3 c.52.

<sup>77</sup> Inheritance of land was not taxed until the Succession Duty Act 1853.

<sup>78</sup> Hague, above fn.3, 382.

<sup>79</sup> PH Vol.32 col.1256.

<sup>80</sup> c. references are to Acts of 37 Geo 3.

year, so on April 26, 1797<sup>81</sup> Pitt increased the stamp duties on newspapers and almanacs again,<sup>82</sup> many deeds, bonds, bills of lading, passports, copies of wills, advertisements, attorneys' certificates, and fire insurance, and doubled his 1784 gold and silver plate duty (c.90). He also increased the duties on inhabited houses (c.105), horses (cc.106, 134), and male servants (c.107).

### *The Triple Assessment*

Numerous small tax increases were not enough; loans were becoming harder to raise, and interest rates peaked in June. New peace moves failed, so Pitt embarked on plans for a major tax. On November 24, 1797<sup>83</sup> Pitt announced his Triple Assessment,<sup>84</sup> so called because his original proposal was to impose extra tax at a maximum of treble the amount of the assessed taxes paid in 1797. Ten days later he proposed higher maximum rates of three and a half to five times,<sup>85</sup> so the title Triple Assessment became a misnomer, but it stuck.

There were two scales: the heaviest was on luxuries: manservants, carriages and pleasure horses; as enacted, if the 1797 tax paid was under £25, three times that amount was payable; if £25 to £30, three and a half times; if £30 to £40, four times; if £40 to £50, four and a half times; over £50, five times. On other items: houses, windows, dogs, and clocks and watches, the scale was much more modest; if the 1797 tax paid was £1 to under £2, one quarter times; if £2 to £3, one half times; and so on, increasing until: if £15 to £20, three times; £20 to £30, three and a half times; and then as above.

Owners of lodgings or shops paid less, and physicians, surgeons, apothecaries and midwives who kept only one carriage or two horses got relief.<sup>86</sup> The use of the preceding year's return saved administration and prevented avoidance, but it caused protests because it negated the idea of tax being voluntary.

An important exception was that, if it were less, the taxpayer could instead pay 10 per cent of his annual income. If his annual income was under £60, nothing was due. If it was £60 to £200 a sliding scale from nil to 10 per cent applied: £60 to £65, 1/120th; £65 to £70, 1/95th; and so on up to £195 to £200, 1/11th.

The Times recognised the importance of the new tax by printing Pitt's speech in its issue of November 25, 1797 on its front page, which normally had only advertisements. Pitt hoped for revenue of £7 million, but amazing numbers of taxpayers declared their income at "just under £60, so in April he revised his estimate to £4.5 million; in fact the yield was only £3 million. Fortunately the Speaker, Addington, suggested a scheme of voluntary contributions which raised over £2.8 million. However, the Triple Assessment was an important "half-way house between taxes on expenditure and a direct tax on income".<sup>87</sup> Pitt's April 1798 Budget imposed extra tax on salt and tea, and the assessed tax on armorial bearings already mentioned.

<sup>81</sup> PH Vol.33 col.427.

<sup>82</sup> His previous increase was in 1789. As to his motives see L. Oats and P. Sadler, "Political Suppression or Revenue Raising? Taxing Newspapers during the French Revolutionary War" (2004) *Accounting Historians Journal* Jun, 119–121.

<sup>83</sup> PH Vol.33 col.1036.

<sup>84</sup> 38 Geo 3 c.16.

<sup>85</sup> PH Vol.33 col.1066 at 1070.

<sup>86</sup> 38 Geo 3 c.16 s.16.

<sup>87</sup> W. Kennedy, *English Taxation 1640–1799*, (London: G. Bell & Sons, 1913), 169.

*Pistols at 3pm*

During a May 1798 debate on an emergency Bill to increase manpower for the navy, George Tierney MP wanted to postpone it; Pitt accused him of obstructing the defence of the country. Tierney said this was unparliamentary; the Speaker, Addington, suggested that Pitt might withdraw the phrase, but Pitt, probably tired, merely repeated the charge. The next day Tierney demanded satisfaction and a duel on Putney Heath ensued; fortunately both missed.<sup>88</sup>

Wilberforce was upset that the duel took place on a Sunday. Wags said that, as Tierney was portly whereas Pitt was notoriously thin, Pitt's outline should have been chalked on Tierney so that only hits within the chalk marks counted!! The King, however, was not amused and wrote that "public characters must consider also what is due to their country".<sup>89</sup>

Afterwards Pitt was ill for several weeks: he increasingly needed long rests between periods of feverish activity. News of Nelson's victory at the Battle of the Nile aided Pitt's recovery.

*Income tax introduced*

As early as 1785 Shelburne had pointed out to Pitt the desirability of an income tax<sup>90</sup> but Adam Smith opposed it.<sup>91</sup> However, on December 3, 1798<sup>92</sup> Pitt famously introduced income tax at 10 per cent; again incomes under £60 were exempt,<sup>93</sup> with a sliding scale between £60 and £200. Pitt resisted any other graduation of rates and any differentiation between fixed and fluctuating incomes.<sup>94</sup> It applied to everyone, not just payers of the assessed taxes.

The local Land Tax Commissioners were to appoint General Commissioners (often themselves) to assess income tax. Local administration was seen as a vital buffer between the State and the taxpayer, a natural safeguard.<sup>95</sup> Returns of total income were detested: a naval surgeon wrote "Are the fruits of a man's labour to be picked over, farthing by farthing, by the pimply minions of Bureaucracy?". However, this objection was more theoretical than real.

In fact the declaration of income was very simple; too simple. It merely said:

"I do declare that I am willing to pay the sum of £x ... and I do declare that the said sum of £x is not less than one tenth part of my income, estimated according to the Directions and Rules prescribed ...."<sup>96</sup>

It was true that a General Commissioner, if dissatisfied, could call for a detailed return, but this was very rarely done as there were few officials to examine them.<sup>97</sup>

<sup>88</sup> Hague, above fn.3, 424–427.

<sup>89</sup> Earl Stanhope, *Life of the Rt Hon William Pitt*, 3rd edn, (London: John Murray, 1867) Vol.III App xiv. The Duke of Wellington, when Prime Minister, fought a duel as late as 1829.

<sup>90</sup> Fitzmaurice, *Life of Shelburne*, 1876 Vol.iii 440-1.

<sup>91</sup> W. Kennedy, above fn.87, 124–126, 146–149.

<sup>92</sup> PH Vol.34 col.1.

<sup>93</sup> 39 Geo 3 cc.13, 22, 42.

<sup>94</sup> M. Emory, "The Early English Income Tax: A Heritage for the Contemporary", (1965) *The American Journal of Legal History*, 300.

<sup>95</sup> C. Stebbings, *The Victorian Taxpayer and the Law. A Study in Constitutional Conflict.*, (Cambridge: Cambridge University Press, 2009) 189.

<sup>96</sup> 39 Geo 3 c.22 Sch.

<sup>97</sup> W. Phillips, "The Real Objection to the Income Tax of 1799", [1977] BTR 184.

Although much public opinion (not all) was hostile,<sup>98</sup> this complex Act of 124 sections passed quickly and easily because “the financial need was urgent, the previous scheme had not worked, the principle had been discussed for some time, and no alternative ideas were available”.<sup>99</sup> Pitt hoped to raise £10 million a year but got less than £6 million. After three years, with the Peace of Amiens in 1802, it lapsed.<sup>100</sup>

On June 7, 1799<sup>101</sup> Pitt imposed more tax on coffee and sugar (c.63), and extended the stamp duty on bills of exchange and bank notes to the small sums (5s, £1 and £1 1s) permitted after the coinage shortage (c.107). On February 24, 1800,<sup>102</sup> although raising far more tax than ever before, he needed to borrow £18.5 million, but he repealed the 1786 stamp duties on hair powder and perfumes.<sup>103</sup>

### *Pitt resigns*

In February 1801, however, Pitt resigned because George III would not back Pitt’s promises to emancipate the Catholics in Ireland, made to facilitate the merger of the corrupt Dublin Parliament with Westminster. An orderly transition to his boyhood friend, Henry Addington, was arranged, but delayed by the King’s illness, and Pitt presented the Budget of February 18, 1801.<sup>104</sup> This involved heavy increases on paper and tea (c.8),<sup>105</sup> horses (c.9), stamp duties (c.10), timber, sugar, raisins and pepper, and exports of lead (c.28), and another loan, this time for £25.5 million; in the circumstances it was all accepted without opposition. Pitt and Addington agreed on peace terms with France, and both were re-elected MPs in 1802.

### *Addington’s clever changes*

When hostilities with France resumed, Addington on June 13, 1803<sup>106</sup> reimposed income tax (but called it Property Tax)<sup>107</sup> with two clever changes.<sup>108</sup> First, he required returns of income from particular sources (under Schedules A to E) instead of the total demanded in the 1799 Act; and second, he required the *originators* of income (tenants, employers, borrowers, companies, and banks) where possible, to deduct tax when paying, reviving a practice used since at least 1512.<sup>109</sup> Unlike Pitt, he had wisely studied tax history.

Only the self-employed (other than farmers) had to make returns to the new Additional Commissioners of their own Schedule D profits, and these were often understated.<sup>110</sup> Farmers’ profits were taxed under Schedule B on a ratio of the rent they paid: this simplified assessment,

<sup>98</sup> E. R. A. Seligman, *The Income Tax*, (New York: Macmillan, 1911), 82-89, citing contemporary literature.

<sup>99</sup> Hague, above fn.3, 434.

<sup>100</sup> April 5, 1802, 42 Geo 3 c.42.

<sup>101</sup> PH Vol.34 col.1055.

<sup>102</sup> PH Vol.34 col.1516.

<sup>103</sup> 40 Geo 3 c.32.

<sup>104</sup> PH Vol.35 col.971.

<sup>105</sup> c. references are to Acts of 41 Geo 3.

<sup>106</sup> Hansard, above fn.15, Vol.1, cols 1594-1602.

<sup>107</sup> 43 Geo 3 c.122, enacted August 1, 1803.

<sup>108</sup> See A. Farnsworth, *Addington, Author of the Modern Income Tax*, (London: Stevens, 1951).

<sup>109</sup> P. E. Soos, *The origins of taxation at source in England*, (Amsterdam: IBFD, 1997).

<sup>110</sup> R. Colley, *Devizes Division Income Tax Assessments 1842-1860*, (Trowbridge: Wiltshire Record Society, 2002), xiv-xxx.

evened out fluctuations and worked to the farmers' advantage.<sup>111</sup> *Payers* of income did not object much to making returns.

Incomes up to £60 were still exempt, with a sliding scale up to £150 instead of £200. The only persons who had to make a return of their own total income were those with low incomes who suffered tax by deduction and claimed a refund. With a rate of only five per cent, half that of Pitt's, Addington's tax brought in almost as much: £5.34 million against £5.63 million. The number of taxpayers increased from 304,000 in 1800 to 1,059,000 in 1803.<sup>112</sup>

### *Pitt's recall and last measures*

However, confidence in Addington as a war leader declined: as fellow MP George Canning wrote, "Pitt is to Addington, as London is to Paddington". Pitt moved from support to criticism. Addington asked the King to recall Pitt, who resumed office on May 16, 1804. Despite having fiercely attacked Addington's income tax changes, he calmly adopted them!

In what was to be his last Budget on February 18, 1805<sup>113</sup> Pitt increased the income tax rate to 1s 3d in the pound (c.15)<sup>114</sup> and increased the assessed taxes on horses (c.13) and duties on salt (c.14) and legacies (c.28). His proposals for increases on salt exports and farm horses were rejected, so on March 22, 1805,<sup>115</sup> he proposed instead increases on glass (c.50), bricks and tiles, auctions, coffee, cider, perry, vinegar, gold and silver wire (doubled) and two and a half per cent extra on all imports (cc.29, 30).

Pitt's June 1805 Income Tax Act re-enacted the 1803 Act with some improvements (c.49). The Tax Office was managing the income tax as an unimportant extra, casually supervised by a few overworked house tax surveyors.<sup>116</sup> Pitt realised that if income tax was to remain a success it needed close central control, so he created the Special Commissioners as a division of the Tax Office.<sup>117</sup> They granted charitable exemptions under Schedule A and acted under Schedule C. A surveyor could ask them for help and instruction. It was Pitt's last major Act.

Before Nelson sailed from Portsmouth in *Victory* on September 16, 1805, he went to 10 Downing Street and promised Pitt that he would destroy the French and Spanish navies. Afterwards he told his family "Mr Pitt paid me a compliment which, I believe, he would not have paid to a Prince of the Blood. When I rose to go he left the room with me and attended me to the carriage".<sup>118</sup> Six weeks later, on October 21, Nelson died aged 47 in his moment of triumph at Trafalgar.

On November 3, 1805, news came that Napoleon had beaten an entire Austrian army at Ulm, offset on November 7 by news of Trafalgar. However, Pitt was unwell again and went to Bath on December 7 where he learnt on December 29 of the disaster at Austerlitz. Back home at

<sup>111</sup> Their actual profits were not taxed until the Second World War: Finance Act 1941 s.11, Finance Act 1942 s.2 and Finance Act 1948 s.31.

<sup>112</sup> Accounts Relating to the Property Tax, House of Commons, February 1813.

<sup>113</sup> Hansard, above fn.15, Vol.3, col.543.

<sup>114</sup> c. references are to Acts of 45 Geo 3.

<sup>115</sup> Hansard, above fn.15, Vol.4, col.87.

<sup>116</sup> Sir Arthur Hope-Jones, *Income Tax in the Napoleonic Wars*, (Cambridge: Cambridge Univ. Press, 1939), 12, 13. In 1919, to recognise their war work, surveyors became H. M. inspectors.

<sup>117</sup> 45 Geo 3 c.49, ss. 30, 80–82.

<sup>118</sup> Stanhope, above fn.89, *Life of the Rt Hon William Pitt*, Vol.IV p.330.

Putney Heath on January 11, 1806 he deteriorated and on January 23 he died, probably of gastric or duodenal ulceration.<sup>119</sup> Aged only 46, he had exhausted himself in the service of his country, but had laid the fiscal foundations for victory on land ten years later.

### *Retrospect—the longevity of Pitt’s taxes*

In the 19th century Pitt was criticised for having increased the national debt so much and not taxing more, but he probably went as fast and as far as public opinion would allow. He designed his many new taxes carefully and most of them lasted a long time.

His less successful taxes, judging from their shorter lives, were as follows:

A = Assessed taxes; S = Stamps; E = Excise; L = Local

### **Less successful taxes**

<i>Tax in order of creation</i>		<i>Start</i>	<i>Finish</i>	<i>Years</i>
Hats	S	1784	1811	27
Shops	A	1785	1789	4
Female servants	A	1785	1792	7
Gloves and mittens	S	1785	1794	9
Hair powder (stamp on packet)	S	1786	1800	14
Perfumes and cosmetics	S	1786	1800	14
Clocks and watches	A	1797	1798	1
Triple Assessment		1798	1799	1

The use of stamp duties to tax hats, gloves and mittens was guided by the efficiency of the stamp office rather than practicalities. For hats, paper tickets stamped with the duties had “to be pasted or affixed to the lining”; but stamps were reused, so from 1796 the Stamp Office impressed stamps in lining material before use.<sup>120</sup> In addition, disputes constantly arose as to what headgear was within the charge. A similar stamp, printed on paper, had to be fixed in each right-hand glove; the likelihood for evasion is evident.

The tax on retail shops, based on the annual value, was criticised as unfair. The stamp on hair powder was superseded by the annual licence requirement from 1795. The assessed tax on clocks and watches nearly ruined the trade. The Triple Assessment, although short-lived, was in fact a vital stepping stone to income tax.

The more successful taxes were as follows:

### **More successful taxes**

<i>Tax in order of creation</i>		<i>Start</i>	<i>Finish</i>	<i>Years</i>
Bricks	E	1784	1850	66

<sup>119</sup> Hague, above fn.3, 569–578.

<sup>120</sup> 36 Geo 3 c.25.



<i>Tax in order of creation</i>		<i>Start</i>	<i>Finish</i>	<i>Years</i>
Horses and horse dealers	AE	1784	1875	91
Game (licence to kill)	SAEL	1784	2007	223
Attorneys', etc. licences	S	1785	1949	164
Pawnbrokers' licences	SEL	1785	1974	189
Hair powder (licence to use)	A	1795	1869	74
Dogs	AE	1796	1988	192
Armorial bearings	AEL	1798	1944	146
Income tax		1799		211+

The stamp duty on game certificates became an assessed tax in 1808 and was moved to the excise in 1860; the proceeds were paid to county councils from 1888 and transferred to them entirely from 1909. It was abolished by SI 2007/2007 from August 1, 2007. Disraeli's conversion of the dog tax to an excise licence duty in 1867 was so successful that the taxes on horses, horse dealers and armorial bearings followed suit in 1869. The duty on armorial bearings also was transferred to county councils from 1909. By 1869, the use of hair powder had declined so much that it was abolished. Income tax lapsed in 1816 but Peel reimposed it in 1842. It alone is still with us!

### *Conclusion*

With the completion of Ehrman's three-volume work,<sup>121</sup> O'Brien reviewed the biographies about Pitt published in the last two centuries.<sup>122</sup> He notes that, while Conservatives believed that all the taxes and loans were necessary and well spent, Radicals thought Pitt's taxes were badly designed, his borrowing excessive, his management incompetent, and his fiscal success due to the economic upturn. However, it cannot be denied that, with Nelson, he had enabled the navy eventually to rescue the whole of Europe from the scourge of Napoleon, and establish a *Pax Britannica* on the high seas for a century which led to the greatest empire of modern times. ☞

<sup>121</sup> J. Ehrman, *The Younger Pitt*, (London: Constable, Vol.I 1969, Vol.II 1983, Vol.III 1996).

<sup>122</sup> P. K. O'Brien "Political Biography and Pitt the Younger as Chancellor of the Exchequer", *The Historical Association* Vol.83, 1998, 225–233.

☞ Biographies; Chancellor of the Exchequer; Income tax; Legal history; Prime Minister