

HISTORY OF TAX

RESENTMENT OVER PAYING TAXES – PROFESSOR JANE FRECKNALL-HUGHES

21 FEBRUARY 2023

On 21 February the Worshipful Company of Tax Advisers was delighted to welcome back Professor Jane Frecknall-Hughes to give a talk on “Resentment over paying taxes”. Jane is a good friend to the Company and has given a number of History of Tax talks previously, including on taxes leading up to Magna Carta.

As we have come to expect from Jane’s erudite and meticulously researched talks, this was a refreshing review of tax avoidance, illustrated using a range of examples covering a wide timescale, but mostly preceding the more recent and familiar legal cases. Consequently, there was only a fleeting mention of *Ramsey*, and no mention of *Westmoreland* or *Furniss v Dawson* – tax avoidance cases which are etched on the hearts of tax practitioners.

Jane gave us an historical overview that started with the revolt of the Iceni in 60–61AD, through the various poll tax charges imposed in Britain between 1377 and 1688, the infamous Community Charge imposed between 1989 and 1990, and finishing with the more recent demonstrations against Starbucks and its perceived avoidance of UK tax. In relation to earlier poll taxes, it was especially interesting that in 1660 the masters of livery companies paid an amount of tax that varied in proportion to the company’s rank. However, Jane did not confine her examples to the UK, and considered the role that tax may or may not have played in the French and the American Revolutions, finding that whilst tax might have been a significant factor in both, it was probably not the sole cause, and its role is subject to misinterpretation.

Of particular interest were two tax avoidance cases, which were earlier than those usually cited. *Hardington v Headington LR 9QB 157* is an 1850s case involving the avoidance of tolls, and *Magistrates and Town Council of the City of Glasgow v Messrs Murdoch, Warren and Co* is a case from 1783 which may have been the first case dealing with substance over form, as it used an intermediate contract as a means of avoiding a 2d duty per pint on beer sold in Glasgow. Both of these deserve to become part of the tax avoidance lexicon of cases.

As always Jane gave us plenty of food for thought in an excellent talk.

This may have been the last fully virtual History of Tax talk, as it is hoped that the next talk on 17 October 2023, which will be by Professor Martin Daunton on “Death and wealth taxes”, will be hybrid.