Britain the gross produce for the year ended 5th January 1840 was collected at an expense of L.27. 17s. 51/2d. per cent; while in Ireland it cost L.42. 19s. 51/2d. per cent.! . Formerly, however, the cost of collecting the revenue in Ireland was proportionally much greater than at present; the adoption of the plans and suggestions of the commissioners appointed to inquire into the state of Irish revenue having been productive of a material saving in this department.

Taxes may be collected by officers employed by govern­ment for that purpose ; or government may let them *in firm* to individuals for a rent certain, giving to the lessees or their servants power to collect them. The question, which of these modes of collection should be adopted, de­pends on a variety of circumstances, and does not admit of any general solution. Where a tax is well defined, and may be collected without requiring any very minute in­spection of the private concerns of individuals, it may ge­nerally be farmed with advantage. In such a case the pro­ceedings of the farmers could not excite the prejudices of the contributors ; and the greater skill and economy with which businesses are usually conducted by individuals would most likely enable the farmers to pay, exclusive of their profits, a larger sum to government on account of the tax, than it would have much chance of receiving from its own agents. But if a tax were not well defined, or if it re­quired a close examination of the affairs of individuals to assess it fairly, there cannot, we think, be a doubt that it should be collected by the servants of government. It is indeed probable that such a tax might be more productive were it farmed ; but this, though an important considera­tion, is not the only one to be attended to. All taxes which occasion any investigation into the private concerns of in­dividuals, are necessarily unpopular ; and it is obvious that this unpopularity will be immeasurably greater when these investigations are conducted by those who have a personal interest in prosecuting them with the greatest strictness, than when they are conducted by the agents of govern­ment—that is, by persons who in most cases derive none, and in all cases only a very slender benefit from the in­creased productiveness of the tax. The mass of the people would most assuredly ascribe much of the hardship of such taxes to the vigilance and keenness of the farmers ; and would be disposed to believe that a considerable portion of their produce went into their pockets, and that they were not only assessed to defray the charges of the state, but to add to the fortunes of a class who are universally objects of popular indignation. We admit that these suspicions and complaints are in most cases destitute of foundation. The farmers can only enforce payment of a tax according to the provisions in the law imposing it ; and if its pressure be either unequal or severe, or the mode of its collection vexatious and troublesome, the fault lies with those who imposed it, and not with the farmers. But, however ground­less, the prejudice against the farmers of the revenue is one which will always exist, and should be respected. Per­haps we overrate its influence ; but we have very little doubt that, had an income-tax of five or six per cent., let in farm, been established instead of the late income-tax of ten per cent., it would have been generally considered as the more oppressive and vexatious of the two. Although, therefore, we cannot concur with Dr Smith in his opinion that *all* taxes should be collected by the officers of govern­ment (p. 409), still less can we concur with Bentham, who has endeavoured to prove that farming is in every case the preferable mode of collection. *( Theorie des Peines et des Recompenses,* tome ii. p. 203.) Taxes on stamped paper, houses, windows, horses, carriages, &c., and perhaps also the customs-duties, might be advantageously collect­ed by letting them to farmers ; but any attempt to farm taxes on income, excise-duties, or taxes which require an examination of and interference with private affairs, would

excite the most violent clamour and irritation, and could not be otherwise than most pernicious.

The *corvee* system, or the compelling of individuals to execute public works by requisitions of labour, is one of the worst species of taxation. Those who get no pay for their labour, and are made to work against their will, waste their time and industry ; and there is, besides, a very great loss incurred by the interruption of the regular pursuits of the labourers. When Turgot entered on his administration, he sent a circular letter to the road-surveyors and en­gineers of the different provinces of France, ordering them to transmit estimates, framed on the most liberal scale, of the sums of money for which the usual repairs might be made on the old roads, and the ordinary number of new ones constructed. The aggregate of the different estimates showed that a money contribution of about *ten* millions of livres a year would suffice for the repair and construction of all the roads in the kingdom ; whereas Turgot showed, that the execution of these repairs and constructions by contributions of forced labour, or *corvées,* cost not less than *forty* millions, or four times as much as the other ! (Say, *Traite d'Economie Politique,* tom. ii. p. 345.)

The method of repairing roads by contributions of la­bour instead of money was at one time general throughout Europe, and is still acted on in many countries. In Scot­land the agricultural population of the country were com­pelled, by an act passed in 1669, to work *six* days each year at the public roads. This contribution was denominated statute-labour, and was commuted, in the early part of the reign of George III. for a tax on land, rated according to its valuation in the cess-books. This commutation has been productive of the greatest advantage. Previously to its taking place, our roads were, perhaps, the very worst, and they have since become among the very best in Europe.

PART II.—DIRECT TAXES.

It is impossible, for the reasons stated in the previous section, to regard such taxes as really fall on capital as a permanent source of public income. Capital consists of produce saved from immediate consumption, and employed partly to maintain those who are engaged in the great work of production, and partly to facilitate their labour. Its amount regulates that of the productive industry of the country. And such being the case, it is plain, that what­ever has a tendency to diminish capital, or to convert it into revenue, must, by diminishing the means of employing and facilitating labour, and consequently the annual pro­duce of the country, be a most fruitful source of pauperism and misery. This, however, would be the precise effect of taxes on capital ; and it is for this reason that they should always be regarded in the light of an extraordinary re­source, and should never be imposed except in cases of very urgent necessity. The misapplication and destruc­tion of the means of production which they infallibly occa­sion, would not only defeat every attempt to render them permanent, but would, by impoverishing and exhausting the country, render all other taxes comparatively unproductive.

It is not from capital, therefore, but from revenue, that all permanent taxes should be derived. And as the revenue of all individuals supported by taxation must be drawn from rent, profit, or wages, it is plain that all taxes which do not fall on capital, must, however imposed, ultimately fall on one or other of these three sources. Without fur­ther preface, therefore, we shall proceed to trace the inci­dence and effect of such taxes as are laid *directly* on rent, profit, and wages ; and when we have ascertained the way in which they operate, it will be comparatively easy to in­vestigate the effect of taxes meant to fall equally on all the various sources of income.