escape it altogether. It would, in fact, be a tax on ho­nesty, and a bounty on perjury and fraud ; and, if carried to any considerable height—to such a height as to render it a prominent source of income—it would undoubtedly generate the most barefaced prostitution of principle, and would do much to obliterate that nice sense of honour which is the only sure foundation of national probity and virtue.

2. But supposing it were possible (which it plainly is not) to get over this fundamental objection, and that means were devised for ascertaining the incomes of different indi­viduals with something like precision, we should have made but a very small progress towards the assessment of the tax. On one point, indeed, there can be no difficulty. Property-taxes ought undoubtedly to be laid on all sorts of property, and income-taxes on all sorts of income. But the question immediately occurs, whether the tax should be of the same magnitude on all sorts of income ? And if this question be answered in the negative, we have next to inquire into the principle on which distinctions are to be made.

Those who affirm that an income-tax should be laid equally on all incomes, from whatever source derived, con­tend that the hardship of such a proceeding is not real, but apparent. According to them, the incomes of lawyers, physicians, clergymen, and other professional men, must always bear a certain relation to the incomes of the other classes of the community ; but if the former were not tax­ed to the same extent as the latter, this relation would be subverted ; the condition of professional men would be re­latively improved ; and it is alleged that, under such cir­cumstances, there would be a greater influx of members into professional businesses, whose competition would de­press the incomes of those engaged in them, so as to place them once more on a level with landlords, capitalists, &c., on whom the full weight of the tax is supposed to fall. On this ground it is contended that the tax should be made to press equally on all incomes, and that there is no injustice in making the same deduction from the fees of a lawyer or physician, as from the rent of a landlord, or the profit of a capitalist ; for, supposing that the former were partially or wholly exempted from the tax, he would be as much in­jured by the greater competition that would gτow out of such exemption, as by being subjected to the full amount of the tax.

These statements, though in some degree true, are in the main fallacious. Professional fees, when once fixed, are not easily altered. Notwithstanding the heavy fall of rents and profits since the peace of 1815, the fees of pro­fessional men have not materially varied ; nor did they vary materially during the previous period of depreciation. We doubt whether the imposition of a peculiar tax, of a moderate amount, on professional incomes, or their total exemption from such tax, if laid on incomes arising from other sources, would have any sensible influence on fees. If it were very heavy, it might, and most probably would, in the long run, affect them to a greater or less extent ; but its operation could not be in any case immediate ; and unless the tax exceeded all reasonable bounds, there is but little ground for thinking that it would very materially af­fect them.

But suppose it were really true that professional incomes always vary at the same time and in the same degree as other incomes, this would not justify the laying an equal tax on them all. A landlord receives L.500 a year of rent, and an attorney or an apothecary makes L.500 a year by his business. But though the income of each be at pre­sent the same, their ability to pay taxes is materially differ­ent ; for the income of the first arises from a comparatively lasting source, whereas that of the latter is dependent on his life and on his health. And hence, in order to lay the same burden on both parties, we must calculate the *present value* of the income enjoyed by each, and lay the same tax on it ; or, which would come to the same thing, we must deduct from the income of the professional man, such a por­tion as would effect an insurance on his life for a sum equi­valent to the present value of his income, and assess the tax on the remainder. This is the only way in which, sup­posing incomes to be known, it is possible fairly to tax them. It point of fact, however, it would be all but im­practicable to proceed in this way. To illustrate the prin­ciple, suppose that a clergyman is forty years of age ; that he has an income of L.1000 a year, and that it is requir­ed to decide how much he should contribute to a tax of ten per cent. on all incomes considered as perpetuities. Here we are met at the very outset by the difficulty of de­ciding as to the standard by which to estimate A’s expec­tation of life. If we take the Northampton table, we shall obtain a certain result, if we take the Carlisle table we shall have another, and if we take Mr Finlaison's table we shall have a third result, all differing widely from each other. But suppose that the Carlisle table is selected ; A’s expec­tations will be 27∙61 years. Having got thus far, we have next to decide upon the rate of interest at which the present value of A’s annuity or income is to be estimated. Every body knows that the answer to the question which we are endeavouring to solve, depends materially on the assumed rate of interest ; and there would be endless disputes as to which rate should be fixed upon. In the event, however, of four per cent. being selected, the present value of A’s income would be L.16,500, yielding a perpetual revenue of L.660 ; so that he ought to contribute L.66 to the tax.

This is the way in which taxes on income must be as­sessed, if they be imposed with any pretensions to fairness. It may be objected, perhaps, that the fundamental supposi­tion on which the income is valued and the tax imposed, viz. that A being at present forty years of age, will live twenty-seven and a half years longer, is quite gratuitous ; that it is merely an average rule deduced from observations made on a large number of individuals ; and that for any thing we can affirm to the contrary, A may die to-morrow. But all this may be admitted without impeaching the prin­ciple laid down above ; for the difference between A’s ac­tual income of L.1000, and the corresponding perennial income of L.660, that is, L.340, will, if accumulated for twenty-seven years and a half at four per cent., produce L.16,500, and an insurance office would transact with A on this footing, or on one not very different.

These statements show how taxes on professional in­comes ought to be imposed ; and they also show how very difficult, or rather how impossible, it would be, fairly to assess such incomes, even if there were any means of learn­ing their amount with so much as an approach to precision. It is to no purpose to talk about establishing uniform rates of deduction. Unless wholesale injustice is to be perpetrated, all uniformity in cases of this sort must be rejected. Each case must be judged of separately. The income of two lawyers may be the same, but if their ages differ, they can­not be taxed to the same amount without trampling on every principle of justice ; nor when interest is four per cent., is the tax to be the same as when it is three or five per cent.

But it is said that this difficulty of taxing professional incomes is a good reason for exempting them wholly from the tax, which should fall only on the incomes of those pos­sessed of real property. We take leave however to dis­sent entirely from this conclusion. The difficulty of assess­ing professional incomes is a sufficient reason for rejecting an income-tax altogether ; but it is assuredly no reason for making it partial, and consequently unjust and oppressive. Professional men contribute to taxes on commodities. And if these be repealed, and an income-tax, from which profes­sions are exempted, be imposed in their stead, an obvious injustice will be done to the other classes, who will be sad.