the minimum limit of the income assessed and the increase of the principle of abatements.

The varieties of income charged being very great, and special claims for consideration having been set up at different times, the result has been the formation of an income tax code, defining the methods and rules for assessing the different classes of profits and income, and prescribing the way in which abate­ments and exemptions are to be obtained. A leading peculiarity is the avoidance of special inquisition into the aggregate of individual incomes. Although it is called a direct tax, the method of levy, as far as property is concerned, is upon the profits at their source, and not as they are distributed among the receivers. The question of the amount of individual incomes only comes before the authorities when claims for exemption and abatement are made. The character of the tax is accordingly much less odious than it would be if an account of individual incomes were invariably demanded, as was the case in the United States during the Civil War, when an income tax existed for a short time.

Other taxes grouped with the income tax by the authorities are house duty and land tax, but they are unimportant by comparison. The house duty replaced a window tax and other charges which were formerly not unimportant, especially in the interval between 1815 and 1843, when there was no income tax. It is a charge upon the occupiers of houses, mainly dwelling-houses, according to the amount of rent, the rate upon dwelling-houses ranging from 3d. to 9d. in the £, and the yield being about £1,750,000 per annum. The incidence is probably much the same as that of the income tax itself, though there are curious questions as to the ultimate incidence as between owners and occupiers of houses. The land tax is quite un­important, being an ancient tax upon an old assessment which has long become obsolete, and it interests economists most of all by the illustration it furnishes of what may be called a rent- charge tax—a tax, that is, which has been so long in existence and so fixed in its basis that it becomes in reality a charge upon the property, and not a direct burden upon the person who pays it, as the income tax is upon the person who pays it or for whom it is paid. In 1897 the basis of the tax was varied, but not in any way to affect the principle just stated.

The next great group of taxes is that of the excise *(q.v.)* and customs duties upon commodities. Excise duties are charges upon commodities produced at home on their way to the consumer, and customs duties in the United Kingdom are charges upon commodities brought into the country from abroad; and they are of essentially the same nature. Not only so, but excise duties and customs duties are in some cases supplementary to each other, like articles being produced at home and imported from abroad, so that for the sake of the revenue they have both to be taxed alike. Of this in the British system spirits are the best instance.

Export duties, it may be observed, are not important in systems of taxation generally, as there are few articles where the charge will not really fall on the wages of labour and profits of capital within the country imposing them; but opium grown in India is a well-known exception, and in the West Indies export duties on principal articles of production, in spite of their incidence, have been found a convenient source of revenue.

The list of commodities selected for taxation in the English fiscal system, under Free Trade, is very small. Few countries have so short a list of import duties, but this is in consequence of their design to give protection, which raises totally different questions from those of revenue.

The next large group of taxes is that of the stamp duties *(q.v.).* The principal items are those derived from a stamp of 1d. upon each cheque or receipt for money paid, and from a variety of charges on deeds and other instruments, and prin­cipally on the price paid for the transfer of real property and of stocks and shares, and on mortgages. Included are various charges on foreign bonds to bearer, to compensate for the advantage they have in escaping the transfer duty on deeds, through their passing on sale or mortgage from hand to hand. The essence of the compulsion in the case of stamp duties is the invalidity of the documents in courts of law unless the stamp is affixed, besides liability to penalties for not affixing the proper stamps. As things go in matters of taxation, English stamp duties are low. In France, besides the stamp duties, there are charges on the transfer of real property amount­ing to about 6 per cent. on the official registration of the transfer which is necessary to make it effective.

We come next, in dealing with taxation, to a group of charges about which the question has been raised as to whether they are, properly speaking, taxes or not. These are the post office charges, and the charges for telegraph service, including tele­phones. In the classification of the revenue in English budgets and in official returns these charges are deliberately separated from the above sources of the revenue described as taxes, and classed with “ revenue derived from other sources.” The correctness of this procedure is questionable. According to old usage, the post office was made a state monopoly for the express purpose of levying taxation by means of it. In France the postage on letters is still called the *taxe des lettres.* There is no doubt also, that when postage on letters is charged at the rate of 1d. each, where the cost of collection and delivery, as in the metropolis, is perhaps not more than a tenth of a penny, it is difficult to distinguish the levy from that of any other tax. The excuse, as a rule, may hold good, that the postal charge is only a reasonable one for service rendered, so that the net income of the post office really resembles the profit of a business, but the element of taxation appears undoubtedly to enter. The same remark would apply to the charges for passenger conveyance and goods freight made by governments which carry on railway business, as in Prussia, India and the Aus­tralian states. In strict theory, where the *government* makes a charge, it levies a tax. The reasonableness of the charge in a given case is to its credit, but the features of monopoly and compulsion on the tax-payer make the charges difficult to distinguish logically from other taxes. The facts are not in dispute, however they may be described. If the govern­ment derived a large income from post office and telegraph service in excess of the amount expended, the whole income would be generally, and not improperly, described as taxation; but consideration, of course, must be given to the difference made by the working of the service generally for the public advantage rather than for purposes of revenue.

Another source of revenue in British imperial finance is that from fees in courts of justice, patent stamps and the like, which is usually classified, like the income of the post office, as revenue derived from other sources than taxes. The amount is not large, though unfortunately it is not exactly known, owing to the fees being treated in many cases as extra receipts, and deducted from the expenditure of the departments by which they are received, so that this part of the national expenditure is not shown in the accounts at all. The proceeding appears to be quite incorrect, whatever excuse there may be for treating revenue like that of the post office as non-tax revenue. Fees levied on proceedings in courts of justice are not only taxes, but taxes of the worst sort. They received the special con­demnation of Jeremy Bentham. It is a blot on British finance, therefore, that this part of the taxation is treated as if it were not taxation at all, and largely concealed from view in the way described.

Last of all, we have to notice among the imperial taxes the estate *(q.v.)* or death duties, as they are called—the charges made by government on the transfer of property from the dead to the living. These have been considerably increased in amount. Various interesting questions arise regarding them. Logically they are apparently taxes upon the dead, as they limit the area of bequest, but they are felt by the living who receive the estate as if the burden of taxation fell on them. Practically, when a stranger receives the estate of a deceased man, the proper way of viewing the tax would appear to be that it is a share of property claimed by the state against a