

LONDON ELECTORAL HISTORY – STEPS TOWARDS DEMOCRACY

4.2 SHOP AND SERVANT TAXES

Data about the shop and servant taxes for some parts of the parish of St Margaret Westminster have been incorporated as an additional feature of the LED. This information relates to but one area of the metropolis, and at but one point in time. Yet it merits incorporation, both for its unusual nature – and for its controversial history.

4.2.1 History of the shop tax

The shop tax (1785-9) was a controversial levy which, during its brief history, generated a rich array of documentation as well as much political argument.¹ It was introduced by prime minister William Pitt as part of the quest to find a reliable new source of revenue that would tap the real wealth of the country. His eventual solution to this problem was the unpopular but high-yield income tax, introduced in 1799 as a wartime emergency measure (*sic*). But there were many expedients before that. They included the window tax, a tax upon men-servants and upon maid-servants (prompting some ribaldry when proposed in the Commons), and various taxes on luxury goods, such as hats, carriages, and race-horses.

None proved satisfactory as a permanent resource, because it was hard to keep up-to-date records of these transient items and also because tax-payers readily switched their patterns of consumption in order to avoid payment.²

Unlike the long-established practice of taxing commodities, the shop tax tried to enshrine a new system. It was devised to fall upon one specific category of traders, chosen for their commercial success and visibility. All retail shopkeepers, except the nation's bakers,³ were to pay tax according to the rents paid for their premises. There was nothing to prevent these traders from recouping the levy by raising prices in their shops. Indeed, that is what Pitt expected them to do. The new scheme excluded the bakers precisely to avoid inflating the cost of bread, which

was the staple food of the poor. Hence the shop tax was intended as an alternative means of taxing consumption.⁴

This rationale, however, did not succeed in appeasing the shopkeepers' wrath. In the first place, the rate of payment in 1785 was steep, being fixed at three shillings in the pound, payable quarterly. It was quickly reduced to a tapering scale but without appeasing the critics. The shopkeepers were affronted at being singled out while other traders, such as wholesale dealers and warehousemen, were untaxed.⁵

Another grievance was a practical one. The tax was levied in proportion to the annual rental of each shop *plus* the house within which it was located. As a result a shopkeeper leasing a salesroom in a costly property valued at over £30 would have to pay twice as much as a comparable trader in a cheaper premises valued at between £15-£20.⁶ The metropolis, with many areas of high rents, was particularly disadvantaged. No allowance was made for the vagaries of business. 'Some get fortunes by it, while others absolutely lose the property with which they have embarked in trade', noted one of the shop tax's many critics gloomily.⁷ Levying a standard charge upon the traders' fixed rental costs, without taking any account of their yearly fluctuations in income, was resented as fundamentally unjust.

Unremitting opposition followed from the shopkeepers, particularly from those in the metropolis, who sought to place pressure on the nearby Parliament. On the day after the shop tax legislation was passed, many London shops closed in protest.⁸ More dramatically, an effigy of Pitt was burnt outside his Downing Street residence by a riotous crowd in June 1785. And in November, when the prime minister attended a feast in the City, he was greeted with 'some *rough compliments* from the Mob', who broke the windows of his carriage.⁹

Throughout, there was grumbling resistance to paying and much *de facto* evasion. The tax yield was never great,¹⁰ and certainly did not reflect the true prosperity of Britain's shopkeepers. In commercial Westminster, the issue was canvassed in the 1788 by-election,¹¹ when the candidates were cross-questioned on their views at a public meeting.¹² Forthwith Pitt's great political rival Charles James Fox, who was one of Westminster's two parliamentary representatives, denounced the tax as 'partial' and unfair.¹³ Each year in the Commons he moved its abolition.

Eventually, heeding the political clamour and aware that the tax's yield was not great, William Pitt gave way gracefully. In 1789, the levy was withdrawn, after further behind-the-scenes pressure from an *ad hoc*

committee representing shopkeepers across the metropolis.¹⁴ The change did not become an issue of confidence and the government did not fall. Nonetheless, the demise of the shop tax was seen as an undeniable triumph for the metropolitan commercial lobby and, above all, for Charles James Fox on the opposition benches.¹⁵

4.2.2 History of the Servant Taxes

Servant taxes came under the category of ‘taxes on domestic establishments’ and were levied separately upon menservants (1777-1882)¹⁶ and upon female servants (1785-92).¹⁷

Taxing men-servants was an innovation that was copied from the Dutch by Lord North in 1777, to contribute to meeting the costs of the American war.¹⁸ It was a sort of proxy for taxing income but the expedient never proved satisfactory. The initial charge was one guinea per servant, with no exemption or lesser charge for young boys. Later, in 1834, boys under the age of 18 were exempted, after which it seemed that many young boys never grew old, being continuously returned as aged under 18 for decades.¹⁹

Throughout, labourers in the fields and assistants in shops were exempted, with the intention of confining the tax to ‘luxury’ personnel, such as game-keepers and huntsmen among the outdoor staff and liveried menservants in the home. In addition, no payment was required in the case of servants working for the royal family, accredited ambassadors, and the University Colleges.

William Pitt then decided in 1785 to update the tax, repealing the old one and instituting a new graduated rate, from 25 shillings for one manservant, up to £3 for every male servant in households where 11 or more were employed. Under the new legislation, bachelors who kept their own establishments were required to pay at a higher rate throughout – a stern decision from the unmarried Pitt.²⁰

The tax was never popular with those liable to pay; and it proved hard to check exactly how many menservants in the different taxable categories were actually employed at any given moment. The levy was particularly unpopular in the metropolis, where there was an above-average concentration of servant-employing households.²¹ Potential taxpayers also expressed their dislike for state enquiries into their domestic affairs. Nonetheless, these tax returns provide historians with fascinating social data about affluent servant-employers and the composition of their

households.²² A complex case-law of appeals and adjudication upon appeals was also generated, providing much information about casual employment.²³ After many vicissitudes, the tax was abolished in 1882.

In the case of female servants, this tax was newly introduced by William Pitt when he revised the menservants' tax in 1785.²⁴ It was strongly opposed in the House of Commons. One MP declared it to be 'oppressive and impolitic'. Another attacked it as 'very odious and unpopular'. And for Charles James Fox it was 'a bad tax at best'.²⁵ The criticisms included the ribald and the personal. Prostitution would be increased, it was warned, as indigent householders would cease to employ young girls. In response to the complaints, the tax on keeping maidservants was also made payable at graduated rates, according to the number of women in service. And there was a double levy upon bachelor employers. In addition, exemptions were given for maidservants under the age of 14 or over 60. Furthermore, fresh legislation in 1785 allowed an abatement for employers whose households included two or more young children or grandchildren.²⁶

As a result of these extra variables, and the characteristically high turnover of female staff, the tax proved particularly difficult both to assess and to collect. It potentially impinged upon a relatively wide social range, including middling families who were more likely to employ a maid than a costly manservant. As a result, this tax became even more notoriously unpopular than the disliked manservant tax, not least in metropolitan London with its huge concentration of servant-employing households.²⁷ The levy generated only a relatively small annual income (c.£31,000) but much hostility. Thus, in succession, the maidservants' tax followed the shop tax into oblivion, being abolished by William Pitt in 1792.²⁸

4.2.3 Shop and servant tax data from St Margaret Westminster, 1786

The individual-level data on liabilities for the Shop Tax and the taxes on menservants and maidservants are a curious survival. They are very detailed, including uncollected information about liabilities for other taxes, but they are from a very limited area encompassing less than the whole of the parish of St Margaret Westminster. They are, moreover, from just one point in time, in 1786.²⁹

It is not clear why the records have been preserved among the archives of St Margaret Westminster, although it is possible that the

official responsible for collecting the taxes due was also responsible for the collection of parish rates. Information collected from the surviving register include the forename and surname of the person liable for the tax, the address at which the liability fell and the rack rent valuation of the property occupied, the nature of the retail enterprise, and the number of menservants and maidservants employed: see summary in Table 25.

Table 25
Format of the Shop Tax table

Field Name	Description	Data Type	Size
<i>Lineno</i>	Database line number	Number	4
<i>ID</i>		Number	4
<i>Parish</i>	Parish in which rated property was located	Text	40
<i>Ward</i>	Ward within parish in which rated property was located	Text	50
<i>Surname</i>	Surname string of assessed person as recorded in source	Text	40
<i>Stdsur</i>		Text	50
<i>Fname</i>	Forename string of ratepayer as recorded in source	Text	25
<i>Shtname</i>	Ratepayer's standardised short forename string, using first four characters	Text	4
<i>Scode</i>	Russell Soundex code of taxpayer's surname string	Text	4
<i>Snr/Jnr</i>	Senior/Junior of ratepayer	Text	10
<i>Status</i>		Text	50
<i>Alley</i>	Location of property as recorded in source	Text	50
<i>Streetno</i>		Number	50
<i>Street</i>	Standardised location of property	Text	40
<i>Institution name</i>			
<i>RV</i>	Rack rental value of property taken from source	Number	4
<i>Male servants</i>	Number of menservants employed by assessed	Number	
<i>Female servants</i>	Number of maidservants employed by assessed	Number	
<i>Householder</i>			
<i>Occup</i>	Occupation string as recorded in source	Text	50
<i>Oclv4</i>	Revised Booth/Armstrong classification of	Text	8

Field Name	Description	Data Type	Size
<i>Oclv3</i>	voter's occupation as recorded in source Revised Booth/Armstrong classification of voter's occupational trade cluster	Text	7
<i>Oclv2</i>	Revised Booth/Armstrong classification of voter's occupational sub-sector	Text	4
<i>Oclv1</i>	Revised Booth/Armstrong classification of voter's occupational sector	Text	2

Source: LED.

The inclusion of this material in the LED makes it possible to undertake a local micro-study, to explore the implications of this taxation for individuals within one specific metropolitan area in the heart of Westminster in 1786; and to investigate the electoral behaviour of these tax-payers in the light of the controversial assessments.

Notes

- ¹ The shop tax was enacted by 25 George III, c. 30 (1785); and revised by 26 George III, c. 9.
- ² On property taxes as a general category, see S. Dowell, *A history of taxation and taxes in England, from the earliest times to the present day* (4 vols; 1965 reprint), iii, 178-248.
- ³ 25 George III, c. 30 (1785), clause 8.
- ⁴ Dowell, *History of taxation*, ii, pp. 190-1. Further commentaries are available in P. Horn, 'Eighteenth-century shopkeepers and the shop tax, 1785-9', *Cake and Cockhorse*, 16/8 (2006), pp. 246-58; and I. Mitchell, 'Pitt's shop tax in the history of retailing', *Local Historian*, 14 (1981), pp. 348-51.
- ⁵ J.P.W. Ehrman, *The younger Pitt, vol. 1: the years of acclaim* (1984), pp. 253-4.
- ⁶ Mitchell, 'Pitt's shop tax', p. 349.
- ⁷ J. L. de Lolme, *Observations relative to the taxes upon windows ... to which are added, observations on the shop-tax and the discontent caused by it ...* (1788), p. 92.

- ⁸ Ibid., p. 72.
- ⁹ Ehrman, *Younger Pitt: years of acclaim*, pp. 254, 575.
- ¹⁰ At its demise, the tax was yielding £56,000 per annum: Dowell, *History of taxation*, ii, p. 193.
- ¹¹ Election squibs on the issue included Anon., *The case of the retail shopkeepers ...* (1788) and ‘Enemy to the Shop Tax’, *Shop tax or no shop tax?* (1788). For details of the by-election, see section 6.2.2 and Table 62.
- ¹² The outcome of the meeting at the *Crown and Anchor* Tavern in July 1788 was circulated in a handbill entitled *Meeting of shop-keepers ...* (1788): see *ESTC*.
- ¹³ The Shop Tax victory has been eclipsed by the other political excitements of 1788/9 and it remains unmentioned in the long sequence of biographies of Fox. See for example H.O. Wakeman, *Life of Charles James Fox* (1890); J.L.B. Hammond, *Charles James Fox: a political study* (1903); C. Hobhouse, *Fox* (1934); L.D. Reid, *Charles James Fox: a man for the people* (1969); J.W. Derry, *Charles James Fox* (1972); S. Ayling, *Fox: the life of Charles James Fox* (1991); and L.G. Mitchell, *Charles James Fox* (Oxford, 1992).
- ¹⁴ 17 leading campaigners are named in a letter, beginning *Sir, notice having been given of a motion ...*, dated 30 March 1789 and signed at the Guildhall Coffee House on behalf of ‘the committee appointed by the retail shop-keepers of the Cities of London and Westminster, the Borough of Southwark, and parts adjacent’: see *ESTC*.
- ¹⁵ When a London debating society considered the topical question: ‘Ought the repeal of the Shop Tax to be ascribed to Mr Pitt or Mr Fox?’ the verdict was given in favour of ‘the exertions of Mr Fox’: see *Morning Post*, 8 April 1789, reporting on the Westminster Forum.
- ¹⁶ Dowell, *History of taxation*, iii, 243-51.
- ¹⁷ Ibid., iii, 242-4.
- ¹⁸ 17 George III, c. 39 (1777).
- ¹⁹ Dowell, *History of taxation*, iii, 248-9.
- ²⁰ 25 George III, c. 43 (1785).
- ²¹ Registers of servant-tax payers survive in TNA T 47/8 (1780). See also below, n. 27.

- ²² See J. Chartres, 'English landed society and the servant tax of 1777', in N. Harte and R. Quinault (eds), *Land and society in Britain, 1700-1914* (Manchester, 1996), pp. 34-56. Some county returns have also been transcribed: see J.J. Cartwright, 'List of persons who paid the tax on male servants in 1780', *Middlesex and Hertfordshire Notes and Queries*, 1 (1895), pp. 20-4, 43-6, 91-4, 165-8.
- ²³ [Excise Commissioners], *Abstract of cases and decisions on appeals relating to the tax on servants* (1781).
- ²⁴ Also 25 George III, c. 43 (1785).
- ²⁵ Parliamentary debate, reported in *Scots Magazine*, 47 (July 1785), pp. 330-1.
- ²⁶ 25 George III, c. 70 (1785).
- ²⁷ On this, see C. Harvey, E.M. Green and P.J. Corfield, 'Continuity, change, and specialisation within metropolitan London: the economy of Westminster, 1750-1820', *Economic History Review*, 52 (1999), pp. 475-7; and L.D. Schwarz, 'Hanoverian London: the making of a service town', in P. Clark and R. Gillespie (eds), *Two capitals: London and Dublin, 1500-1840*, Proceedings of the British Academy, 107 (Oxford, 2001), pp. 93-110, esp. pp. 96, 98, 107-8. Schwarz queries the calculations, made by Harvey, Green and Corfield, which show a particularly high proportion of the female population in Westminster as engaged in domestic service (*ibid.*, p. 96) on the grounds that such a high proportion would equate to almost all the young women there who were aged between 15 and 29. However, there is absolutely no reason to assume that all maidservants had to be youthful. Indeed, the fact that the 1785 Act allowed for exemptions for maidservants under the age of 14 or over 60 indicated that this occupational group was recruited from an exceptionally wide range of ages.
- ²⁸ 32 George III, c. 3 (1792).
- ²⁹ WAC E/3171.