

Fun Tax Facts

- Rachana Khandelwal, MST Student

As famously quoted by Benjamin Franklin: "In this world, nothing is certain except death and taxes."¹ Taxes are inevitable and an obligation to pay taxes has been considered as oppressive since the origin of mankind. Historical documents, old architecture, and artifacts reveal the impact of taxes on society over a period of time. Following are a few interesting facts about taxes discussed briefly.

Hearth Tax (1662-1688)

In 1662, King Charles II introduced the hearth tax² to raise revenue for the government. The hearth tax tied to the number of hearths, fireplaces or stoves in the house. Also, known as chimney money, the hearth tax was considered one of the first progressive taxes in England. It was a form of property tax on the wealth of the family living in the house rather than on the individual's income. The wealthier people paid more hearth tax because of large houses and therefore a greater number of hearths in the house. Poor people exempt from paying local taxes to the church, and hospitals were exempt from this tax. People started evading taxes by demolishing their chimneys and thus avoiding or reducing the tax. This innovative way of evading taxes became a concern for assessors in collecting adequate revenue for the government. Further, the resentment of the people on the assessors and collectors entering the house to count the number of hearths and invading their privacy led to the repeal of the hearth tax.

Window Tax (1696-1851)



One of the reasons the hearth tax was repealed was the invasion of taxpayer's privacy. Thus, as a result, a window tax³ was introduced which didn't require the assessor to enter the taxpayer's house. The tax was levied based on the number of windows in the house. Like the hearth tax, people who were exempt from paying local taxes to churches and hospitals were exempt from paying the window tax. However, the practice of tax evasion started by bricking up the window (as seen in the picture) to avoid the tax. Sometimes, the windows were temporarily bricked before the assessment and opened again after the assessment was completed.

A British architecture depicting the tax evasion of window tax Brighton Street, Edinburgh, Credit: Kim Traynor⁴

¹ National Constitution Center, Benjamin Franklin's last great quote and the Constitution, November 13, 2018, available at <https://constitutioncenter.org/blog/benjamin-franklins-last-great-quote-and-the-constitution>.

² Stephen Dowell, *A History of Taxation and Taxes in England*, p. 187.

³ Stephen Dowell, *A History of Taxation and Taxes in England*, p. 193-203.

⁴ Wikimedia Commons, [CC BY-SA 3.0 (<https://creativecommons.org/licenses/by-sa/3.0>)].

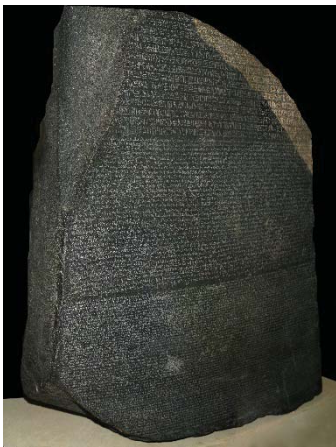
This lack of light and air resulted in poor health of the people and thus resulted in the repeal of the window tax in 1851 (almost after 150 years of being in effect).

Hair Powder Tax (1795-1869)

William Pitt, the Younger, introduced the hair powder tax⁵ to raise funds for the war with France. Back then, men used to wear wigs and women used to wear extensions as a fashion statement. Both men and women used to color their hair with hair powder, men preferably used white powder and women used to color the hair grey or blueish. The use of hair powder was taken as evidence of affordability to pay this tax. Every person using hair powder was required to register his name at the office of the stamp commissioner, and obtain an annual certificate, paying one guinea.

Though, this tax initially generated revenue for the government and lasted for 74 years, the decline in the number of taxpayers using hair powder led to a decline in revenue. Thus, it became unproductive and as a result, the tax was repealed.

Rosetta Stone (196 BCE)



The Rosetta Stone⁶ placed in the British Museum is a marble-like rock, which bears an inscription of ancient Egyptian history in Egyptian, Greek, hieroglyphic⁷ and demotic.⁸ The inscriptions on the stone serve as a record of one of the earliest tax systems in human history. The records reveal the story of Egyptian civilization, the types of taxes, and who and what was taxed. At the time of inscription, Egypt was embroiled in a civil war started by its soldiers who returned from a military campaign in the east and were met with a new tax burden. In order to bring peace, Ptolemy V, the king, agreed on certain terms by granting amnesty to the soldiers and signed the “Proclamation of Peace.” According to historians, the interpretation of the civil war could also be a result of high taxation, tax debts and grants of tax immunity to the priests which made them rich, thus creating strife.⁹

Credit- Hans Hillewaert¹⁰

⁵ Stephen Dowell, *A History of Taxation and Taxes in England*, p.289-293.

⁶ Charles Adams, *For Good and Evil- The Impact of Taxes on the Course of Civilization*, second edition, p.17-24.

⁷ Hieroglyphic script was a writing script in Egypt which used picture words sculpted in stone. Hellmut Brunner, Peter Dorman, Hieroglyphic writing, Britannica available at <https://www.britannica.com/topic/hieroglyphic-writing>.

⁸ Demotic script is a cursive writing system. Hellmut Brunner, Peter Dorman, Hieroglyphic writing, Britannica available at <https://www.britannica.com/topic/hieroglyphic-writing>.

⁹ Charles Adams, *For Good and Evil- The Impact of Taxes on the Course of Civilization*, 2d ed., p.17-24.

¹⁰ Wikimedia, available at

https://commons.wikimedia.org/wiki/Category:Rosetta_Stone#/media/File:Rosetta_Stone.JPG.