

THE LAND TAX IN SCOTLAND, 1707-98¹

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THE land tax was part of the high price which England and Wales had to pay for the Glorious Revolution; it was part also of the price paid by Scotland for full union with them under the Revolution system. But whereas in England, the structure of land tax administration had grown up gradually in answer to successive financial crises,² in Scotland it was superimposed at one stroke upon the older system of cess collection, and superimposed as part of the protracted piece of political bargaining concluded by the Act of Union. Thus from the beginning there were many respects in which the land tax system of Scotland differed from that in the south, differences which were to mark its history throughout the century.

In the ninth clause of the Treaty of Union there were two main provisions as to the manner of raising the land tax. The first of these was that the quota was to be "raised and collected in the same manner as the cess now is in Scotland; but subject to such regulations in the manner of collecting as shall be made by the Parliament of Great Britain". The second was that although the quota was to be fixed at the low figure of £48,000, less than was paid by many English counties, it was nevertheless to be "free of all charges".³ Under the first provision,

¹ For convenience shelf-mark references have been given to all manuscript material in the P[ublic] R[ecord] O[ffice] which has been used in this article. This includes the following classes: Treasury Board Papers (T. 1): Out-Letters North Britain (T. 17): Out-Letters General (T. 27): Minute Books (T. 29): Chatham Papers, P.R.O. 30/8 (Out-Letters Taxes and Reference Books have also been examined but yield little information about the Scottish land tax). Reference to volumes of the Cal[endar of] T[reasury] B[ooks] as yet unpublished, are to volumes of proof pages in the P.R.O. References to the Additional MSS. in the British Museum are all to the Newcastle Papers.

² See my book, *The English Land Tax in the 18th Century*, London, 1953.

³ The £48,000 which Scotland was to pay when the rate in England was 4s. in the £, made no pretence of being a £ rate; it was equivalent to eight months of the old cess, and according to the Scottish Commissioners in the negotiations, it was all the country could bear. G. Burnet, *History of his own time*, ed. (London, 1875), p. 799.

subject to regulation from Westminster, the Scottish land tax was to be raised under Scottish law (to be discussed later) and by traditional Scottish practice. In England and Wales the quotas upon counties and boroughs were fixed in the Land Tax Acts; in Scotland the custom was that in return for their legal monopoly of trade the Royal Burghs should bear one-sixth of the quota of cess. The Convention jealously guarded its privilege of apportioning this sixth among the burghs according to the fluctuations of trade.¹ In the counties the quotas fixed in the Acts were raised under the supervision of the Commissioners of Supply who, like the English land tax commissioners appointed the assessors and collectors. In Scotland these officials had not a parish, but a whole county to cover.

There was one Receiver-General for the whole of Scotland stationed at Edinburgh, who had all the duties of his fellows in the English counties. But as the Tax Office in London was both distant and ignorant of the special problems of Scotland, and as under Scottish law he had authority over the local Commissioners denied to his English brethren, he assumed many of the functions of oversight exercised in England by the central office. Though appointed and dismissed by the Treasury (to whom he despatched regular accounts of his payments), his main concern was with the masters close at hand, the Barons of the Scottish Court of Exchequer. This court, erected under the Act of 6 Anne c. 26, was composed partly of Scottish and partly of English Barons, and was designed to accommodate Scottish to English Exchequer practice. For the most part, however, the Court pursued a course of inglorious inefficiency.²

¹ Though in 1708 it decided for the moment to retain the old tax roll. *Extracts from the records of the Convention of Royal Burghs* (cited below as *Convention Records*), iv. 448.

² Scottish History Society (cited below as SHS.), 1st ser., vol. xiii; *The memoirs of Sir John Clerk of Penicuik*, Edinburgh, 1892, pp. 70-1. For the powers of the court: P.R.O. T. 1/548, fols. 59-60; B[ritish] M[useum] Add. MSS. 33049, fols. 246-52. Sir John Clerk and John Scrope, *Historical view of the forms and powers of the Court of Exchequer in Scotland*, privately printed, Edinburgh, 1820. For its inefficiency: B.M. Add. MSS. 32736, fol. 227; 32859, fol. 80; 32917, fols. 90-1; P. C. Yorke. *Life of Hardwicke* (Cambridge, 1913), i. 621; ii. 89-91.

The second provision in the Act of Union that the quotas should be paid free of all charges, prohibited the payment of collectors, Commissioners' clerks and the Receiver by poundage as in England. Hence from the beginning the local Commissioners were forced to turn surplus land tax funds to unofficial purposes to pay their servants, and soon local authorities were using the money for many purposes. The Receiver, who derived his salary from the office of Receiver of Crown Rents and Casualties to which he had been appointed before the Union, became a major pluralist in the financial administration, and had every inducement to profit by his balances instead of remitting them. How did this organization develop in the course of the century?

Local Administration in Scotland : (I) The Royal Burghs

The fundamental problem of land tax administration in the Royal Burghs in the eighteenth century arose from the decaying prosperity of many of the smaller burghs. In this period the wastage of municipal assets went on steadily, and the innumerable petitions for tax relief which came up cannot all be set aside as special pleading.¹ In these cases the Convention would appoint a small committee of representatives of other burghs to investigate the case and make recommendations ;² periodically the whole tax roll would be revised by Commissioners appointed on oath.³

Between 1711 and 1714 this latter procedure provoked a first class battle among the burghs. In 1711, faced by a number of appeals for reduced assessments, the Convention, "considering what great heats and debates doe generally arise among the royal burrows at the alteration of the tax roll", ordered the present roll to continue for a year, merely requiring some of the more prosperous burghs to advance the money due from unfree traders till it came in. The representatives of Glasgow, Aberdeen,

¹ *Convention Records*, v. 6, 174, 432 ; vii. 299, 324, 385 ; S[cottish] B[urgh] R[ecords] S[ociety], *Extracts from the Council Register of the Burgh of Aberdeen* (Edinburgh, 1872), p. 370.

² *Convention Records*, e.g. vii. 299, 324, 385.

³ *Ibid.* v. 194, 196, 401, 473.

Dumfries and Aberbrothock, with the support of Inverness, no doubt fearing that this would become a permanent addition to their assessment, refused to pay. Both sides carried their case to Westminster, making wild allegations against each other.¹

For the moment the recusant burghs gained their point, and their view that assessments should fall upon landed rents rather than upon trade was inscribed in the Act. When in 1712 the Convention met to draw up a new tax roll on this basis, the conflicts between the two parties broke out again over the interpretation of the Act. The recusant party accused the majority of omitting property from assessment. The opinion of the Lord Advocate did nothing to settle the quarrel, and again the dispute went to Westminster. This time the majority with the assistance of the Earl of Finlater (the late Chief Baron) triumphed by the narrow margin of 26 to 21, and the new clause was dropped from the bill.² At the General Convention of July 1713, Aberdeen and the recusants still stood out for the adoption of some definite rule like that of 1711, but in the end a new tax roll was adopted in which all the recusant burghs but Aberdeen received a notable increase in assessment. In the following year Scottish M.P.s began to put pressure on the burghs to settle their differences, and it was finally agreed that three-quarters of the quota imposed on each burgh should be raised on "lands, burrow-roods, tenements, houses, and fishings" traditionally rated within the burgh, and the other quarter upon trade. Thus peace was restored at last after three years' unbroken squabbling.³

Conflicts of this type were not the only threat arising from the decay of certain burghs. The Receiver General might quarter troops on large burghs for debts due by small.⁴ When this was

¹ *Convention Records*, v. 6-19; *C[ommons] J[ournals]*, xvii. 13; *Extracts from the records of the Burgh of Glasgow* (cited below as *Glasgow Records*), iv. 461, 466, 470; *H[istorical] M[anuscripts] C[ommission]*, *Portland MSS.*, x. 370.

² *Convention Records*, v. 42-91, *passim*; *Glasgow Records*, iv. 477-502, *passim*; *C.J.*, xvii. 305.

³ *Convention Records*, v. 91-140, *passim*; *Glasgow Records*, iv. 515, 519. This division of the assessment between land and trade lasted in Glasgow throughout the century. *Ibid.* vi. 556; vii. 41, 251; viii. 1, 147.

⁴ *Convention Records*, vi. 263, 351, 385, 457.

threatened the Convention would put pressure upon those in arrear,¹ but was sometimes reduced to borrowing to avoid quartering.² More important was the persistent struggle of the Convention with the unfree traders. Though the Royal Burghs paid their special land tax in return for their legal monopoly of trade, the prosperity of many of them suffered by the ebbing of trade to the burghs of barony and regality. One of the main themes of Convention politics in the eighteenth century was the persistent attempt to check the growth of unfree trade, and with greater realism, since they could not stop it, to turn it into a tax-paying asset. Under William III an Act of the Convention had been made by which burghs of barony or regality might accept "communication of trade", and in return shoulder part of the tax burden of the Royal Burghs. This scheme was a failure. Not many burghs accepted the communication of trade; of those that did some later renounced it. In any case they took on only a trifling part of the quota of cess, and the Royal Burghs had scant legal rights to compel them to pay even this.³

For many years, however, the Convention did its best to make the system work.⁴ The Receiver was encouraged to quarter on the recalcitrant burghs;⁵ individual burghs were given warrants to pursue their local unfree traders; but in 1724 a committee reported that the hopes of the Royal Burghs, either of getting back their trade or of securing their land tax on unfree traders, were illusory without a change in the law. Soon afterwards the burghs which had accepted communication of trade began to renounce it and to take out bills of suspension to hold up the quartering parties. On the advice of the Lord Advocate, the Convention from 1730 to 1733 started at last to press hard for a clause in the Land Tax Acts.⁶ In 1745 another committee spurred on the Convention once more to press for their clause. After the issue had been urged in vain till 1749 an approach was made to the Duke of Argyll. He pointed out that their plan to

¹ *Convention Records*, vi. 33.

² *Ibid.* iv. 483; v. 484. Cf. *Glasgow Records*, vi. 417-18.

³ For all these questions see the report of the subcommittee on unfree trade, 1724. *Convention Records*, v. 339-47.

⁴ E.g. 1719. *Ibid.* v. 210-11.

⁵ *Ibid.* v. 149, 238.

⁶ *Ibid.* v. 506, 514, 523, 538, 542, 546.

make the M.P.s for the three Lothians, Stirling and Fife, overseers of the assessments on unfree trade would be unacceptable both to the Treasury and to the members for the other counties. The Convention was at once willing to substitute a committee of Barons of the Exchequer and Lords of Session for the obnoxious board of M.P.s. But they were fighting a losing battle, and in 1770 the Convention still had neither its clause nor its land tax from unfree traders.¹ Still worse, a dispute over the land tax on unfree trade between Kirkwall and Stromness which began in the early 'forties and reached the House of Lords in 1756, led to a judgement which restricted still further the tenuous rights of the Royal Burghs to give sanction to their claims by the seizure of the property of unfree merchants.²

On one further occasion the burgh land tax came into the public eye, in the course of an interesting agitation for reform in the Scottish burghs led in Parliament by Sheridan. This campaign in the late 'eighties and early 'nineties seemed a good occasion to harry the government, and it was loudly claimed that land tax money had been misapplied. It proved in the end that many burghs (but by no means all) levied rates for local purposes on the land tax assessments, a practice which had certainly continued for years, and had been invited by the provision of the Act of Union requiring the quota to be raised net. The mountain had become a molehill, and in 1793, with Parliament already tiring of reforming schemes and the gyrations of the opposition, the campaign fell flat.³

The problems of land tax administration in the Scottish burghs were, therefore, principally two. In Edinburgh, Glasgow and a few other large towns which bore a high proportion of the total assessment, there were the problems common to the growing towns in England.⁴ Moreover, although the scheme

¹ *Convention Records*, vi. 184, 213, 238, 246, 252, 264, 296, 311, 332, 349-50, 464; vii. 392.

² *Ibid.* vi. 146, 154, 180, 256-7, 269-70, 399, 420, 424, 523, 532, 573.

³ *C.J.* xliii. 43, 206-8, 539, 554; xlv. 521, 523, 550; xlvi. 654; xlvii. 696, 711, 749-50; xlviii. 377-80, 447, 462, 872, 947, 954-61, 990; Cobbett (*Parliamentary History*), xxvii. 631-5; xxix. 636 ff., 1183 ff.

⁴ For trouble with collectors in Glasgow similar to that in English towns: *Glasgow Records*, vii. 252, 343, 493.

of Glasgow and other towns to prevent an increase in their assessment was defeated in 1711, they gained their ends later for there was no change in the tax roll after 1737 with the exception of a minor adjustment between two burghs in 1768.¹ The burgh quotas became in practice as rigid as the assessments fixed in the Act in England.² But all these issues were complicated by the difficulties found by collectors in small decayed and remote burghs, of collecting and remitting even their trifling quotas; through the law of quartering the large burghs might be penalised for the delinquencies of the small. Like the other authorities concerned in the administration of the land tax, the Convention sought changes in the law which might make their efforts more effective, and like them did not succeed. In this way the land tax problems of the burghs worked themselves out in a way very similar to those of the counties.

Local Administration in Scotland : (II) The Counties

The collection of the land tax from the Scottish counties was no less difficult than from the burghs. From the time of the Union complaints began that the Scottish land tax was in arrear, complaints which were to last the whole century.³ That these complaints were well founded is made clear by the few statistics that are available. In 1746 over £43,000, almost a year's quota, was outstanding in the country, though admittedly 1745 was an exceptional year.⁴ In 1780 the Scottish land tax was almost two and a half years in arrear.⁵ No part of England had ever sunk to these depths of inefficiency, yet the situation continued to deteriorate in the last two decades of the century.⁶ The statistical evidence, fragmentary though it is, leaves no

¹ *Convention Records*, vii. 300.

² By the 'seventies the Convention itself was meeting part of the quota of several of the poorer towns. *Ibid.* vii. 474, 526.

³ P.R.O. T. 1/138, fol. 95 (but cf. T. 1/191, fol. 84); T. 1/245, fol. 245.

⁴ P.R.O. T. 1/321, fol. 100.

⁵ House of Commons Library. A[ccounts] & P[apers], ii (1780-1), no. 13. Cf. the slightly earlier figure in Bodleian MS. North A 5, fol. 158.

⁶ P.R.O. T. 29/62, fol. 377; T. 29/64, fol. 409; T. 1/686, fol. 251; T. 1/705, fol. 64.

room for doubt that the collection of the land and assessed taxes in Scotland was one of the great unsolved problems of eighteenth century administration.

Among the most intractable reasons for this situation were the difficulties of Scottish geography. Scottish collectors with a whole county to cover, and remittances from remote places to make, had a much more arduous task than the parish collectors in England, and in the later years of the century were much aggrieved about their pay.¹ A more serious problem was that since the Union much of the financial legislation relating to Scotland had been legislation by reference, owing to the provision in the Act of Union by which the land tax was to be collected as the cess had been previously. As the law of public finance had by no means spoken with one voice at that date, the administration found itself in a position of uncertainty.

The principal penalty which the Receiver might inflict upon counties in arrear was that of quartering parties of troops upon them. Unfortunately this practice from the first suffered from severe administrative difficulties.² The Commissioners made sport of the quartering parties and hindered them with legal quibbles.³ The size of the party was legally proportioned to the size of the arrear,⁴ and small units were so roughly handled that commanders became unwilling to release them.⁵ Remote parts such as Orkney and Shetland were inaccessible for such long periods that quartering was almost impossible, though in 1753 a full scale expedition to the islands was prepared.⁶

The worst problem was that, though there was no doubt that the Receiver could order quartering upon deficients, the law did not make clear who the deficients were. Under older Scots law,

¹ P.R.O. 30/8/317. "A state of the hardships imposed on the collectors of the land tax in North Britain." Cf. *Glasgow Records*, viii. 237, 240, 246. In the burghs in 1793 collectors' salaries varied from over £200 p.a. in Edinburgh to that of the unfortunate collector of Forres "where . . . no salary is fixed . . . but the persons liable in payment make him what satisfaction they please for his trouble". *C.J.* xlvi. 958.

² P.R.O. T. 1/191, fol. 84.

³ P.R.O. T. 1/285, fol. 46.

⁴ *Convention Records*, vi. 155.

⁵ P.R.O. T. 1/285, fol. 46.

⁶ P.R.O. T. 1/325, fol. 115; T. 1/352, fol. 212; T. 27/27, fols. 71, 79; T. 29/32, fol. 95.

Sheriffs and Stewarts in the counties, and Provosts and Bailies in the burghs, had been liable to summary penalties in the event of the tax not being paid. It seemed probable to one Receiver that by references backward in the Acts, the land tax Commissioners had become heir to both their functions and their responsibilities. But neither Commissioners nor collectors were clearly liable to quartering, and with the law so complex, quartering parties laid themselves open to penalties every time they set out. By the middle of the century the weapon of quartering was blunted in the Receiver's hands, so he persuaded the Barons of the Exchequer to grant horning against some of the northern counties. This ancient method of securing debts under penalty of seizure of moveable property on failure to pay, was even less successful, for the Receiver had no legal means of recovering the expenses incurred, as the land tax quotas had to be paid "free of all charges".¹ The Receiver's second line of defence had failed.

Although the local land tax administration in Scotland suffered from a legal confusion unknown in England, the basic trouble was the same, that the law assumed, rather than required, that the Commissioners would exercise their powers in a public spirited manner. By 1734 the Receiver reported that this premise was no longer justified. Commissioners were interested only in providing a place for a friend as collector, the collectors only in profiting from their balances; both united in obstructing the Receiver.² The one hope was a radical overhaul of the law with the object of fixing precisely the duties of the various officials, with precise and efficient penalties for lapses in performance. For these changes Allan Whitefoord pressed for twenty years, but, with that curious supineness which marked all English governments in these affairs, little was done.³

¹ For the nature of this process and its fate: P.R.O. T. 1/331, fol. 15; T. 1/333, fol. 5.

² See the Orkney case of the 'forties; P.R.O. T. 1/325, fol. 115; T. 1/333, fols. 5-6; T. 27/26, fol. 455.

³ The above account of the law is drawn from four long reports by Allan Whitefoord in the P.R.O. As evidence they suffer somewhat by being written in self-defence, but are nevertheless very valuable: T. 1/285, fols. 42-8; T. 1/325, fols. 115-6; T. 1/331, fols. 15-20; T. 1/333, fols. 5-7. A clause was ordered for the land tax bill in 1749: *C.J.* xxv. 758.

But in nothing is the obstructive temper of the local administration revealed more clearly than in the affair of the new window duties of 1747. The earlier window duties had had a chequered history,¹ but when the copies of the Act of 1747 arrived² the entire local administration went on strike, and a few small sums collected in Edinburgh never reached the Receiver. The Commissioners claimed that the poundage was too miserable to offer collectors; the collectors were unwilling to offend their neighbours; the taxpayers led by the clergy refused to pay.³ Tories in England whispered that the Scottish M.P.s had been promised that nothing would be collected if they would refrain from opposing the bill.⁴ The Treasury wrote to all and sundry to know why nothing was raised, and in 1752 the Lord Chancellor confessed that "some method to be sure should be taken to make Scotland pay her taxes, but could any ministry ever hit upon that method?"⁵

In Scotland the Lord Advocate began to use his influence in the region of Edinburgh,⁶ and Newcastle got Argyll somewhat reluctantly to help in "putting an end to the evil in a gentle but at the same time in an effectual manner".⁷ The Scottish surveyors of window lights also worked hard to produce assessments,⁸ and most important of all, despite pressure from Scotland, Newcastle got through an Act for the better collection of the duties.⁹ The essence of this Act was to eliminate the

¹ For administrative delay and political controversy: 3 SHS. 17, *Minutes of the J.P.s for Lanark*, 1707-23, pp. 107-24, *passim*; *Marchmont Papers*, ed. Sir G. H. Rose (London, 1831), ii. 54-5; H. Walpole, *Memoirs of George II* (London, 1822), i. 239. *Cal. T.P.* v. 441-2.

² 20 Geo. II, c. 3. The Act (*inter alia*) transferred the management of the duties from the J.P.s to the land tax Commissioners. For administrative defects in Scotland: P.R.O. T. 1/325, fol. 116; T. 1/331, fol. 12.

³ P.R.O. T. 1/337, fols. 88-9; T. 1/326, fol. 179; T. 1/338, fol. 139; T. 1/438, fol. 62-4.

⁴ *Records of the Cust family*, ed. L. Cust, iii. (London, 1927), 137. The administrative papers reveal the falsity of the charge.

⁵ P.R.O. T. 29/31, fol. 295; T. 29/32, fol. 30; Walpole's *George II*, i. 237.

⁶ P.R.O. T. 1/350, fol. 183.

⁷ B.M. Add. MSS. 32736, fols. 271-2, 449-50, 531.

⁸ B.M. Add. MSS. 32736, fol. 9. At their head was Sir Robert Laurie, Bt., brother-in-law of Baron Erskine and M.P. for Kirkcudbright Burghs 1738-41.

⁹ 26 Geo. II, c. 17; B.M. Add. MSS. 32736, fol. 552.

influence of contumacious Commissioners. If they chose no collector, the collector of land tax was made *ipso facto* the collector of the window tax. If they failed to appoint assessors, the charge made by the surveyors was made the official assessment. The one defect remaining was that appeals lay to the Commissioners, and that payment could be held up pending settlement.¹ Scotland was set on the high road to the first fully professional system of collection of a direct tax seen in Great Britain.

As the Scottish Commissioners continued to resist, apart from the hearing of appeals they were excluded from the administration.² Despite the open jealousy of the London Tax Office,³ a new system was built from the old window tax administration, consisting of two Surveyors-General with an office in Edinburgh, and twenty Surveyors beneath them. On the latter was placed the tremendous labour of producing all the assessments which were now commonly completed about twelve months in arrear. The post formerly regarded as a sinecure, assumed the greatest importance.⁴ The organization of the central office was undertaken by George Innes, the deputy Receiver, who rapidly found himself overwhelmed with work.⁵

The two main issues of the rest of the period were demands for increased pay and staff, and the continued jealousy of the Tax Office towards the new Scottish administration. On all points the Scots emerged victorious. The revenue rose with the appointment of additional staff after examination.⁶ The surveyors gained moderate increases in pay.⁷ Most notably the Scottish Barons rebuffed all attempts at interference by the Tax Office in Scottish affairs, and won a decisive victory in 1791

¹ B.M. Add. MSS. 33049, fol. 178.

² P.R.O. T. 1/485, fol. 304; T. 1/630, fol. 69.

³ P.R.O. T. 1/381, fol. 75. As on an earlier occasion (T. 1/329, fol. 74) there was talk of employing the Excise officers but this idea was rejected. T. 1/382, fol. 41; T. 1/543, fol. 95; T. 29/33, fol. 81.

⁴ P.R.O. T. 1/630, fols. 69-70.

⁵ P.R.O. T. 1/485, fol. 304; T. 1/618, fol. 219; T. 1/623, fols. 209, 213.

⁶ P.R.O. T. 1/630, fols. 68-70; T. 1/631, fol. 226; T. 1/643, fol. 153; T. 1/647, fol. 121; T. 1/678, fol. 122; T. 1/719, fol. 5.

⁷ P.R.O. T. 1/605, fol. 143; T. 1/623, fols. 209, 213; T. 1/686, fol. 110; T. 1/704, fol. 192; T. 1/719, fol. 4; T. 17/25, fol. 166.

when the Taxes Commissioners were making representations about Scottish arrears before the Treasury Board.¹ Hence when the Scottish administration came under the fire of the Select Committee on Finance of 1797 the Tax Office sought revenge by placing entire responsibility upon the Barons.²

The point attacked by the Committee was that the cost of collecting the direct taxes as a whole in Scotland was nearly double that in England (despite there being no charges on the land tax), and that whereas the window tax alone cost £11 15s. per cent. to collect in England, the figure for Scotland was £30 per cent.³ The Scottish Barons showed that without expensive surveyors the money would not come in at all. As for delays, the collectors would not take up the land tax till the assessed taxes could be collected with it after the Surveyors had made their rounds. The defect which Parliament should tackle was to fulfil the promise of the Act of Union to make regulations as to the manner of collecting; the Receiver had no adequate means of compelling the collectors to disgorge their balances.⁴

Thus during the eighteenth century land tax administration in the Scottish counties pursued its own devious and peculiar course, hampered at first by a confusion in the law unknown in the south, impeded by rivalry between bureaucracy in Edinburgh and bureaucracy in London, but finally moving towards a system of tax collection more modern than that in England, both in its professional character and in its cost of maintenance. The poverty and hostility of Scotland had produced the changes in financial administration only effected in England a generation or more later by pressure of high war-time taxation.

The Scottish Receivers

The work of the Scottish Receiver was similar to that of his English brethren, and yet more responsible and far-reaching.

¹ P.R.O. T. 1/382, fol. 50; T. 1/485, fol. 304; T. 1/486, fol. 196; T. 1/509, fols. 51, 53, 54; T. 1/707, fol. 114; T. 1/711, fol. 1.

² P.R.O. T. 1/793, fol. 355.

³ *8th Report of the Select Committee on Finance, 1797*, p. 9.

⁴ P.R.O. T. 1/799, fols. 372-3.

Like them he had to put pressure upon local Commissioners,¹ but he had far more of them to deal with, and found them far more stubborn than any English Receiver. He had to pick his way through the legal maze surrounding quartering, and was expected by the Treasury to be ready with advice for making a bad situation better. The Scottish Receiver was also extremely versatile in his work. From the Union he drew his salary as Receiver of Crown Rents and Casualties. Allan Whitefoord also managed funds arising from various arrears; monies from the Lordship of Dunbar and Ettrick Forest and land in Haddingtonshire; monies imprested from the Excise, Customs and Seizures; compositions on leases of Bishops' Tythes; Bishopric Rents; the deductions of sixpence in the pound from salaries,² not to mention the grants made to support Scottish manufactories and fisheries which he disbursed in co-operation with the Convention of Royal Burghs,³ business with forfeited estates, and the payment of the whole civil establishment of Scotland.⁴ Other Receivers managed other funds,⁵ and paid out grants for the capture of deserters from the armed forces.⁶

The work of remittance was often hazardous. Archibald Douglas the first Receiver refused to send money to London by waggon without special orders, as the cost of the guard was prohibitive. Remittance by bill was difficult too,⁷ and commonly expensive.⁸ It is rather surprising to find that in earlier days much was sent up in English bank notes.⁹ Douglas, however, remitted largely through James Douglas, a London merchant

¹ 3 SHS. 17. *Minutes of the J.P.s for Lanark*, pp. 107, 119; P.R.O. T. 1/191, fol. 84.

² P.R.O. T. 1/356, fol. 123.

³ *Convention Records*, e.g. vii. 3.

⁴ *C.J.* xxxviii. 78.

⁵ P.R.O. T. 1/193, fol. 88; T. 1/229, fol. 9.

⁶ E.g. 1757, 256 deserters. Register House, Edinburgh. Pipe Office. Taxation accounts. Land Tax 1757.

⁷ P.R.O. T. 1/191, fol. 84.

⁸ In the 'twenties a premium of 1 per cent. or $1\frac{1}{2}$ per cent. was usual; P.R.O. T. 1/245, fol. 246, cf. 1714; *Cal[endar of] T[reasury] B[ooks]*, xxviii. 20. Sometimes it rose to 2 per cent.: *Cal[endar of] T[reasury] B[ooks and] P[apers]*, iii. 39; P.R.O. T. 1/407, fol. 47.

⁹ *Cal[endar of] T[reasury] P[apers]*, vi. 71.

whose firm was to handle this business for three-quarters of a century.¹

The obvious solution to this problem seemed to be that the Receiver should supply the Scottish garrisons with money for pay and subsistence,² taking in return bills on the Paymaster-General in London. Yet despite Treasury support this system never worked well. Sometimes there were too few troops; more often the colonels were tempted by the favourable exchanges to profit by selling their bills to private individuals.³ Checked for a time by the refusal of the Paymaster-General to honour bills other than those payable to the Receiver, the trouble broke out again in the 'forties.⁴ In 1750 Pitt as Paymaster concluded a contract with the Royal Bank by which the Bank was to pay subsistence to the Scottish troops up to £10,000 p.a. and furnish the Receiver with bills on the Bank of England at par. But within a decade even this arrangement was jeopardized by the desire of the Paymasters of the Scottish regiments "to put [the] high exchange in their own pockets".⁵

The association between the Receivers and the Royal Bank of Scotland in this contract is explained by the study of the Receivers' connections.

The first Receiver after the Union (1708-17) was Archibald Douglas of Cavers, hereditary sheriff of Roxburgh, who had been Receiver of Crown Rents and Casualties and other funds before the Union.⁶ His balances were never large,⁷ he was well spoken of by the Scottish Barons,⁸ and (though trusted by Mar and employed in paying pensions to leading Jacobites⁹) he acted

¹ P.R.O. T. 1/191, fol. 84; T. 29/25, fol. 301; T. 27/23, fol. 358.

² *Cal. T.B.* xxvii. 51; xxviii. 150.

³ *Ibid.* xxx. 307; P.R.O. T. 29/25, fol. 301.

⁴ *Cal. T.B.P.* iv. 274, 275, 498; v. 538.

⁵ P.R.O. T.1/407, fols. 22 ff., especially 43-7.

⁶ *H.M.C. R. 7, pt. ii, Douglas MSS.*, p. 732; but cf. *Cal. T.P.* iv. 32. For his pay and allowances in this capacity: *Cal. T.B.* xxiii. 225; xxvi. 336; xxviii. 150, 159. He or his namesake was postmaster for Edinburgh, a place which passed to the son. P.R.O. T. 29/26, fol. 20.

⁷ E.g. *C.J.* xvi. 432.

⁸ P.R.O. T. 17/6, fol. 3.

⁹ Cobbett, vii. 14; *H.M.C. Portland MSS.*, x. 311.

loyally with Argyll and Carpenter in 1715.¹ Yet he was not reappointed in 1718. His fall began when he offended the Lord Justice Clerk, Sir Gilbert Elliot (who had been a close friend) and the Earl of Roxburgh by assisting his son to displace the former as M.P. for Roxburghshire; it was completed when Sutherland, then First Lord of the Treasury, condemned him for not quitting the service of the Prince of Wales for whose Scottish Revenues Douglas was Receiver.² Despite pitiful petitions for his place in later years,³ Douglas had little to complain of; for he was granted generous expense allowances, payment of debts and a pension,⁴ and sat in Parliament for Dumfries, 1727-34.

He was succeeded by Elliot's son-in-law, Sir Robert Sinclair (1718-24), and Charles Cathcart (1725-8), a Groom of the Bedchamber and eighth Lord Cathcart to be. It was Cathcart who began the connection with the Royal Bank, for he was one of the galaxy of administrative personalities numbered among the first nine extraordinary directors.⁵ Clearly the Bank proposed to make the best of official connections in the full knowledge that the handling of public balances offered advantages not likely to be found elsewhere. Cathcart was succeeded by his deputy and nephew Allan Whitefoord⁶ (1729 till his death in 1766). In his time the connection with the Royal Bank was at its closest, for he was chief cashier from the foundation of the Bank in 1727 to his retirement owing to ill-health in 1745. He was then made an ordinary director, and his deputy as land tax Receiver, the ubiquitous George Innes, was appointed cashier. First unofficially, then through the contact with Pitt, the Royal

¹ *H.M.C. R. 7, pt. ii, Douglas MSS.*, p. 732; *H.M.C. Laing MSS.*, ii, 178; P.R.O. T. 17/6, fol. 2.

² G. F. S. Elliot, *The Border Elliots* (Edinburgh, 1897), p. 319; *H.M.C. R. 7, pt. ii, Douglas MSS.*, 732.

³ *Ibid.* p. 732; P.R.O. T. 17/5, fol. 405; T. 17/6, fol. 2.

⁴ P.R.O. T. 17/6, fols. 4, 105; T. 17/8, fol. 155 (cf. T. 17/12, fol. 416). *Marchmont Papers*, i. 268. See also *C.J.* xix. 490. Cf. *C.J.* xxv. 371.

⁵ N. Munro, *History of the Royal Bank of Scotland* (Edinburgh, 1928), p. 37.

⁶ *Convention Records*, v. 480; *H.M.C. Laing MSS.* ii. 293. Some of the Whitefoords served in the army under Cathcart, and he was a regular correspondent of the family. W. A. S. Hewins, *The Whitefoord Papers* (Oxford, 1898), *passim*; P.R.O. T. 1/333, fol. 111.

Bank gained the use of the land tax balances in return for finding bills for the Receiver and paying the Scottish garrisons. More than once this arrangement was threatened, but the Royal Bank could not afford to let the balances slip, and after hard bargaining the contract was renewed on the Treasury's terms in 1764.¹ For the rest of the century the Royal Bank virtually monopolized the land tax remittances.²

Whitefoord's tenure of office was distinguished by his analyses of the law of taxation, his proposals for reform neglected by successive governments, the additional work attaching to the office, and the efforts he and George Innes made to build up a new window tax administration. It was no small feather in his cap that there were no losses on any of the funds under his control in 1745. And it was under him that the problem of expense allowances became serious. Sinclair had had difficulty in obtaining any grant towards administrative expenses like that made to Douglas,³ and Cathcart (perhaps because even in 1766, after his death, his accounts had still not been cleared) had been totally unsuccessful.⁴ Whitefoord received no payment for all his additional work, his nephew, executor and heir, Sir John Whitefoord, paid over his balances promptly, yet he received no expense allowances for eleven years after the Receiver's death, and then only two-thirds of the sum claimed.⁵ The Treasury Board could hardly state more clearly the view that the Receiver must make his living through the use of the balances.

The consequences of this attitude were worked out to the full during the Receivership of John Fordyce (1766-83), a merchant and former director of the Royal Bank.⁶ He was also connected in some way with the Whitefoords, for Sir John was

¹ P.R.O. T. 1/428, fols. 71 ff. ; T. 29/36, fol. 220. For interest paid to Fordyce for the use of his balances : *8th Report of Committee on Finance*, 1797, Appendix A 16, p. 65.

² In 1791 the Royal Bank attempted to secure a similar monopoly of Excise remittances. P.R.O. T. 1/708, fols. 68-76.

³ *Cal. T.B.P.* i. 205.

⁴ *Ibid.* ii. 49 ; iii. 39 ; P.R.O. T. 17/11, fol. 255 ; T. 17/19, fol. 8.

⁵ P.R.O. T. 1/454, fol. 116 ; T. 1/469, fol. 286 ; T. 1/518, fol. 144 ; T. 17/20, fols. 12, 141 ; T. 17/21, fols. 14, 336, 364.

⁶ Munro, *op. cit.* pp. 123-4, 400.

one of his sureties,¹ and they appear to have suffered losses together in the famous collapse of the Ayr Bank in 1772, as did another of Fordyce's sureties, Sir Adam Fergusson.² Whatever Fordyce may have lost in this affair proved no lesson to him either in keeping watch upon his debtors or in conducting his business, for his correspondence gives the impression that he left most of the work to Innes.³ Two successive agents, Douglas and Cockburn, and Ferguson and Murdock, failed with large sums of his money in hand, which Fordyce thought had been paid into the Exchequer; by 1781 his arrears exceeded £100,000, and soon after the Treasury made dilatory moves to replace him by his deputy, Robert Scott Moncrieff.⁴ But Fordyce evaded severe criticism from the Committee on Public Accounts,⁵ and he had powerful friends. Dundas, then Lord Advocate, supported him.⁶ The Scottish Barons were reluctant to proceed against him.⁷ George Dempster M.P. was active on his behalf in London.⁸ Only the failure of a fresh agent brought Fordyce down.⁹

No case could illustrate more clearly how mistaken was the Treasury attitude towards the remuneration of the Scottish Receivers. Fordyce estimated his expenses to the Commission

¹ P.R.O. T. 1/568, fol. 340.

² See the "Ode to Ruin" in J. Ferguson, *Letters of Geo. Dempster to Sir Adam Fergusson, 1756-1813* (London, 1934), p. 302. "Ayton" in the ode is John Fordyce of Ayton, Berwickshire.

³ P.R.O. T. 1/579, fol. 229.

⁴ P.R.O. T. 29/51, fol. 1. He was a director of the Royal Bank, 1806-14. On Fordyce's affairs: P.R.O. T. 29/49, fols. 65, 159, 178; T. 29/50, fols. 72, 236, 304, 380; T. 1/568, fols. 361-3; T. 1/569, fols. 319, 324, 328, 337, 341; T. 1/579, fols. 229-31.

⁵ C.J. xxxviii. 78.

⁶ P.R.O. T. 29/50, fol. 425.

⁷ P.R.O. T. 1/583, fol. 334.

⁸ *Dempster-Fergusson Corr.* pp. 131, 132, 135. "Fordyce's business" left unexplained by the editor, p. 131, n. 1, refers to this collapse.

⁹ He was still not poor; in 1787 he calculated his assets which varied from his estate at Ayton to a share in the Clyde Navigation at £86,400: his debt to the Crown then amounted to £56,000. Dundas pushed him on in the Land Revenue Office where he became Surveyor General and produced plans for the reorganization of Crown property with a view to the advancement of himself and his son. He sat for New Romney, 1796-1802, was active on behalf of the government in Berwickshire politics and unsuccessfully contested the seat of Berwick himself. P.R.O. T. 1/736, fol. 178; T. 1/796, fol. 124; T. 1/798, fol. 167; P.R.O. 30/8/136; *8th Report of Committee on Finance, 1797*, Appendix A 16, p. 66; Appendix A 19, p. 69.

on Public Accounts at £750 p.a. and to the Treasury at £640 p.a.¹ His salary as Receiver of Crown Rents was £650 p.a., subject to tax. The Receiver's only way of paying himself for his labour and his risk was by the use of his balances. Granted complacency on the part of the Tax Office and negligence on that of the Receiver, crashes like that of Fordyce were only too probable. The cost of these errors to the public is illustrated by the fact that on Fordyce's land tax account for 1780 nothing was paid till 1794, and the account was not cleared till 1818.² Yet even the fall of Fordyce taught no lesson to the Tax Office and Treasury.

He was succeeded by the Hon. Keith Stewart (1784 till his death in 1795), a professional sailor who became an admiral during his tenure of office, and was no doubt rewarded with the Receivership for deserting the Government after many years' support as M.P. for Wigtonshire, 1770-84, and speaking with Pitt in the Powell and Bembridge debate.³ This appointment has the appearance of jobbery as much as any carried through by Pitt's predecessors. His arrears accumulated rapidly,⁴ and on his death he was indebted to the Government on various accounts to the tune of well over £100,000. Still worse, his deputies, John and Alexander Gordon, who held the fort from February to September 1795 when a successor was appointed, retired with over £40,000 in hand, half of which had not been paid two years later.⁵

It was only to be expected that the Committee on Finance of 1797 should devote some of their most savage remarks to the situation in Scotland where for fifty years past not a Receiver had quitted office without leaving a mass of debt. For many years the Receivers had constantly retained a balance in hand of £30,000, plus whatever came in in the course of a quarter. This

¹ P.R.O. T. 1/579, fol. 227. Cf. allowances by the Convention: *Convention Records*, vii. 556.

² Register House. Pipe Office. Taxation Accounts. Land Tax, 1780.

³ He was the second son of the 7th Earl of Galloway by his second wife. J. Charnack, *Biographia Navalis*, vi (London, 1798), 47; Sir J. Fortescue, *Correspondence of King Geo. III*, vi (London, 1928), 389.

⁴ House of Commons Library, *A. & P.* xxvii. 667.

⁵ *8th Report of Committee on Finance*, 1797, p. 10.

practice encouraged the collectors to keep their balances, and in 1797 Scotland was over £190,000 in arrear on land and assessed taxes, £50,000 more than the annual assessment. Small wonder that the Committee demanded a "radical cure" and "unremitting attention in the part of the Treasury and of the Tax Office". Their own solution was to assimilate Scottish administration as far as possible to the English pattern.¹

This public criticism provided the occasion for more bad blood between the Barons and the Tax Office. The policy of allowing Receivers to retain large balances, which the Taxes Commissioners had complacently followed for so long, they now condemned.² The Scottish Barons retorted that it had always been clearly understood Treasury policy that the Receiver should keep his perquisite of £30,000 and at the end of each quarter remit whatever sum he held above that figure. In any case the Scottish administration should not be reformed without a special Act, a draft of which they transmitted.³ The willingness of both sides to maintain their hostility, even in the face of public criticism boded little good for the future of Scottish land tax administration.

Epilogue

The Receivers' accounts bring out fully the extent to which the administration had decayed.⁴ In the 'nineties it was normal for much less to be remitted within two years of the annual Land Tax Acts coming into force than Douglas had remitted in one year in 1708. After 1775 nothing ever came in in the financial year for which the money was voted. Something of this was due to the local collectors, but the responsibility of the Receivers is brought out in the astonishing acceleration of Fordyce's payments, 1781-3, after the Tax Office had become aware of the precariousness of his position.⁵

¹ *8th Report of Committee on Finance, 1797*, pp. 8 ff.; App. A 15-21.

² P.R.O. T. 1/793, fols. 355-6.

³ P.R.O. T. 1/799, fols. 372-4.

⁴ Register House, Edinburgh. Pipe Office. Taxation Accounts. Land Tax, 1708-97.

⁵ Percentage of the quota paid within two years: 1778, 2·1; 1779, 2·1; 1780, nil; 1781, 68·7; 1782, 75·1; 1783, 72·7.

Friction between the Tax Office and the Scottish Barons suggested that reform was unlikely to come from direct administrative pressure. Prospects of parliamentary action could not but be dimmed by the display of English peevishness about the Scottish land tax when the proposal came up to found a Scottish militia (which should be paid from the land tax),¹ and by the way the opposition exploited the complaints about the land tax in the burghs in the 'nineties. Nor was the scandal of the exposures of the select committee of 1797 the stimulus to reform as that of the Commissioners' strike on the window duties of 1747 had been. In February 1798 a bill recommended by Pitt "for the more speedy collection and remittance of the land and assessed taxes in Scotland" was not proceeded with.² Pitt had brought a new broom into the administration in England, but proved little more successful than his predecessors in Scotland.

Nor did Pitt face the peculiar problems of the Royal Burghs in preparing his scheme for the redemption of the land tax. In England assessments had been stable for so long that it was equitable to make the current rates perpetual and redeemable. In Scotland, however, as Pitt was warned,³ the Convention had never surrendered its right to redistribute the burgh quota. The amount received upon unfree trade varied. Within individual burghs assessments both on trade and property altered frequently. It was characteristic of the Government's attitude to the Scottish land tax down the century that no special provision was made in the Act for these unusual conditions. In consequence the situation in the burghs went on as before, and over sixty years passed before an Act⁴ provided that wherever there was a surplus on a burgh assessment, it was to be used for the gradual redemption of the burgh quota. How artificial the situation had become was shown in 1896 when by the Agricultural Rates Act the burghs were freed from their land tax quota ;

¹ J. Boswell, *Life of Johnson*, Everyman edn., i. 608 ; Cobbett, xviii. 1228 ; *Convention Records*, vii. 20, 40, 41, 85, 103, 522, 524.

² *Diary and correspondence of Chas. Abbot, Lord Colchester*, i (London, 1861), 136 ; C.J. liii. 291.

³ P.R.O. 30/8/317, "Brief Relative to the Land Tax . . .", Fordyce to Dundas.

⁴ 24 & 25 Vict. c. 91.

in order to preserve the position left unsettled by Pitt's Redemption Act it was provided that the burghs which had partially redeemed their land tax should receive an annual sum equal to the yearly value of the land tax redeemed. This last curious subsidy was perhaps a fitting monument to the ineptness of the land tax legislation which had issued from Westminster ever since 1707. At the terminal dates of this study, the omissions in the Redemption Act are a match for the ambiguities of the Act of Union.