

EARLY
FEDERAL REVENUES
OF
LANCASTER COUNTY
PENNSYLVANIA

FEBRUARY 3, 1922

By C. H. MARTIN

The paper read before this society Feb. 4, 1921, of which subject this is a continuation closed, facing increased Internal Revenue duties with the outbreak of the second war with Great Britain, the licenses to retailers, tax on stills, stamp taxes, carriage tax, all of which had been in force for some time were to continue in force "from Jan. 1, 1814 during the present war in which we are engaged and one year thereafter and no longer." (Lancaster Journal 9-17-1813.) At this time it was estimated that the Internal taxes of Lancaster county, under the aforementioned classifications would not be less than \$800,000.00. It being estimated that the tax on stills alone would reach \$350,000.00. The U. S. Direct tax which was to defray the debts of the various colonies and was assumed by the National Government at the time of its founding was still in effect and Lancaster County's share for the year 1814 was \$37,000.00, being exceeded only by that of Philadelphia county. These figures tend to show the early large development of our county.

James Humes was the next Collector of Revenues at Lancaster. In Jan. 1814 he notified the public that persons owning carriages in the county were required to enter them during that month and to secure a certificate that the duty on them was paid. His office was on N. Queen St., and "was open to business during the hours from 9 to 1 and from 3 to 5." (Lancaster Journal 12-23-1814). Lancaster was now known as the 6th Collection District of Pa. At this time parties in business subject to Internal Revenue taxes were allowed, in many instances, to give bond guaranteeing their payment, some of whom deferred, but they were advised by Collector Humes that the bonds due at this time, and all others as they became due would be placed in the hands of an attorney for suit, if not paid immediately. Under date of Dec. 23, 1814, Collector Humes served notice on the citizens of Lancaster county that the several acts of Congress passed in 1813 laying certain duties on retailers of wine, spiritous liquors and foreign merchandise, required parties in these businesses whose licenses expire on the 31st of that month to make application in writing for, and obtain, licenses previously to the 1st day of Jan. next. Owners or superintendents of stills or boilers intended to be used are required to make application for and obtain licenses previously to using them. Auctioneers or vendue criers were required to renew their bonds as they expired. For the purpose of entering carriages subject to the duty the Collector stated he or his Deputy James Scott could be met as follows:

At John Skeller's house, Innkeeper, Mt. Joy, Mon. Jan. 23, 1815.

At Philip Diller's house, Earl Twp., Wed. Jan. 25, 1815.

At John Passmore's house Innkeeper, Salisbury, Thurs. Jan. 26, 1815.

At John Patton's house, Unicorn, Fri. Jan. 27, 1815.

And, all the month at the Collector's office in Lancaster.

These entries had to be made according to the Act of Dec. 15, 1814. The Collector also had stamped paper which was required to be used by law, Bonds and bills of exchange, with or without discount, on hand, which could

be secured at his office. On and after Feb. 1, 1815 the tax on liquor was 20c per gallon being an increase from 9c per gallon, the amount levied under the Act of Mar. 3, 1791.

On this date (Feb 1, 1815) was to become effective one of the most objectionable taxes, I believe, ever proposed by any legislative body—the tax on household furniture. The Act of Jan. 18, 1815 levied this tax on furniture and on many other chattels, of which the following are some principal ones:

Horses kept exclusively for saddle or carriage.

Gold and silver watches.

Pig iron.

Castings of iron.

Bar iron.

Nails.

Candles.

Moulds.

Hats & Caps.

Umbrellas and Parasols.

Cards.

Boots.

The provisions as regards household furniture required that all furniture kept for use, the value of which in any one family, excepting beds, bedding, kitchen furniture, and articles made in the family from domestic materials, shall exceed \$200.00, to be taxed as follows:

Furniture valued at from \$200.00 to \$400.00—\$1.00.

Furniture valued at from \$400.00 to \$600.00—\$1.50.

Furniture valued at from \$600.00 to \$1000.00—\$3.00.

This was scaled upwards to valuation of over \$9,000.00 in which case the furniture tax was \$100.00.

The rate on watches was as follows—\$2.00 on every gold and \$1.00 on every silver watch. The rates on the other articles named have not been made a part of this paper.

These taxes were considered outrageous. Of the household furniture tax one of Lancaster's citizens wrote as follows to the editor of the Lancaster Journal.

The law passed at the last session of Congress laying a tax on household furniture is the greatest encroachment that has ever been attempted on the civil rights and personal privileges of our citizens and contains among other infamous provisions, the following, which appears to have been expressly, if not exclusively intended to expose the interior arrangement of every family to the idle and malevolent curiosity of the world. Sect. 8 of the Act provides "and each Collector on receiving a list of furniture as aforesaid shall subscribe three receipts, on one of which shall be given a full and correct copy of such list, which list and receipt shall remain with the principal assessor and be open to the inspection of any person who may apply to inspect the same." As this law was recommended and most probably drafted by our adopted citizen, Alex. James Dallas, late of the Island of Jamaica, at present by the grace of Thos. Jefferson, and, nomination of James Madison, Sec. of Treas. of the U. S. I may be permitted to ask that citizen, whether if a law had been passed in the year 1784 or for a number of years after his arrival in this country, requiring him to lay bare the interior of his household in like manner with his present bill of inquisition, he would not have considered it a gross infraction of the rights which he had just acquired? And, whether such a law might not have afforded to his political colleague and official predecessor, Albert Gallatin (for he too arrived as soon as 1784) an earlier occasion for exciting such an insurrection, as was produced by the denunciation, which he issued, under his signature at Parkinson's Ferry against any one who shall dare to aid or assist in execut-

ing the laws of Congress, laying a duty or excise on Whisky. You would Mr. Editor certainly oblige your subscribers by publishing this odious law which takes from every citizen of the U.S., the privileges he has heretofore enjoyed of considering his dwelling house his castle. It is only by the exposure of such abominable despotism that a change of rulers can be hoped for. The editor stated, in reply, he would take an early opportunity to publish this most infamous law.

The insurrection which this writer charged Albert Gallatin with exciting was the Whisky Insurrection. As prominent as he was at that time, he nevertheless advocated resistance to the law imposing the tax on whisky. The term used "for he too arrived as soon as 1784" (Bolle's Financial History of U. S. 1789-1860, Page 108 and Page 203) refers to Gallatin's arrival in the U. S., having been born in Switzerland he arrived in this country in 1784. He was elected a U. S. Senator in 1793 but refused admission at this time on account of not having lived in this country long enough to become a resident thereof. He was Secretary of the Treasury of the U. S. under Jefferson.

It was estimated the furniture tax would produce very little money in Lancaster county as our farmers were generally men who think they can enjoy domestic comfort without a great amount of showy or costly furniture. Not many of them possess furniture to the value of \$200.00 exclusive of that exempt.' (Lancaster Journal 4-14-1815.) 8

The War of 1812 was very unpopular. Some poet or near poet of Lancaster about election time, in Nov. 1815 wrote the following lines:

TAXES—TAXES

The election's o'er and now they come
Sound the trumpet, beat the drum

Americans rejoice—

We'll have to get our treasury full
Because we chose to fight John Bull

Which was a glorious choice.

However some relief was in sight as petitions were circulated in Lancaster for the repeal of these heavy burdens, which was later done. Laanc. Journal 12-18-1815.)

The direct tax for 1815 was due early in 1816. The county was subdivided. Deputies appointed and the following itinerary arranged where the public of the county could attend to making payment. At the same time the duties on household furniture and gold and silver watches was due and could be attended to at the same places and dates. This itinerary may seem somewhat perfunctory but in giving it I may open thought along some other historical lines. The itinerary was as follows. Private houses unless otherwise indicated.

Sub-Div.	Comprising	Place	Date
1.	Boro. and Twp. of Lancaster and Manheim Twp.,	Lancaster office--	Feb. 14, 1816.
2.	Conestoga Twp., John Kendig's Inn—		Feb. 21-22, 1816.
	Daniel Moore, Principal Deputy		
	Conestoga Twp., Sam. Heiney House		Feb. 23, 1816.
	Manor Twp., Peter Burk's Inn—		Feb. 26, 1816.
	Manor Twp., Christ. Binkley's Inn—		Feb. 27, 1816.
	Manor Twp., Hasson's Tavern—		Feb. 28, 1816.
	Village of Washington		
	Hempfield Twp., Joshua Ring's Inn, Columbia—		Feb. 29, 1816.
			Mar. 1-2, 1816.
	Hempfield Twp., Jac. Gamber's house, Marietta Pike—		Mar. 4, 1816.
	Donegal Twp., Geo. Ross's Inn, Marietta—		Mar. 5-6, 1816.
	Donegal Twp., Jac. Bear's Inn, Maytown—		Mar. 7-8, 1816.

Mt. Joy Twp., Henry Moyer's Inn—	Mar. 12, 1816.
Rapho Twp., John Guy's Inn—	Mar. 15-16, 1816.
Rapho Twp., John Bartruff's Inn, Manheim—	Mar. 19-20, 1816.
3. Drumore Twp., Jos. Showalter—	Feb. 15-16, 1816.
Drumore Twp., Wm. McCumsy—	Feb. 19-20, 1816.
J. Ramsey Martick, John Hart—	Feb. 21-22, 1816.
Deputy Martick, John Harris—	Feb. 23-24, 1816.
Little Britain Twp., Martha Campbell—	Feb. 26-27, 1816.
Little Britain Twp., Wm. Hutton—	Feb. 28-29, 1816.
Bart Twp., Nathan Thompson—	Mar. 1-2, 1816.
Sadsbury, Josiah K. Irwin—	Mar. 4-5, 1816.
Colerain Twp., Wm. Barkley—	Mar. 6-7, 1816.
4. Strasburg Twp., Mrs. Shade Strasburg—	Feb. 26-27-28, 1816.
Lampeter Twp., John Martin, Lampeter Square—	Mar. 4, 1816.
John Boyd Deputy.	
Lampeter Twp., Wm. Smith's Inn—	Mar. 5, 1816.
Leacock Twp., Sam Sheaffer—	Feb. 22, 1816.
Leacock Twp., Sam Garber—	Feb. 23, 1816.
Salisbury Twp., Barton Henderson—	Feb. 16, 1816.
Salisbury Twp., Isaac Smith—	Feb. 17, 1816.
5. Carnarvon Twp., John Jones, Churchtown—	Feb. 19-20, 1816.
Benj. Bauman, Deputy.	
Cocalico Twp., Jac. Stabley, Reamstown—	Feb. 20, 1816.
Cocalico Twp., Sam Brenisen Inn, Adamstown—	Feb. 21, 1816.
Cocalico Twp., Jac. Erb—	Feb. 23, 1816.
Cocalico Twp., Jac. Reddig—	Feb. 22, 1816.
Cocalico Twp., Dan Bard—	Feb. 27, 1816.
Cocalico Twp., Jos. Ulrich—	Feb. 29, 1816.
Also at house of said Deputy in Ephrata Twp.,	Feb.— 23-24-26, 1816.
	—Mar. 1-2, 1816.
Jac. Adams, Deputy	
6. Earl Twp., Jac. Adams—	Feb. 23-24, 1816.
Earl twp., Isaac Ellmaker, New Holland—	Feb. 26-27-28-29, 1816.
Benj. Kreider, Deputy.	
7. Warwick Twp., Christian Hall—	Feb. 23-24, 1816.
Warwick Twp., Christian Summy—	Feb. 26-27, 1816.
Warwick Twp., Philip Roth—	Feb. 28-29, 1816.
Warwick Twp., John Bricker—	Mar. 1-2, 1816.
Warwick Twp., Geo. Plasterer—	Mar. 4-5, 1816.

In the Presidential campaign of 1816 the high Federal revenues were made a part of the contest as fought in this county. Some relief however was in sight as Collector Humes advised retailers that their licenses from and after Dec. 31, 1816 would be reduced to those rates under the Act of Aug. 2, 1813. Daniel Moore, principal assessor for the Collection District of Lancaster County, who had charge of the 2nd Sub-division of the itinerary above given, arranged an itinerary of the county in June 1816 for adjustments of assessments. These adjustments were to be made of June 1, 1816 and were necessitated through transfers of real estate, sale of slaves, change on residence, destruction of property by fire or otherwise, since the prior assessment. The most striking of these realignments was that on slaves regarding which Mr. Moore's notice stated 'that slaves that had been born, or had died, or run away or become useless since preceding assessment, necessitated an adjustment on the assessment. He gave an outline by which to list assessable property, as to slaves the outline was as follows:

10 slaves of the following description:—

Males—1 above 50 years, 4 between 12 and 50 years, 2 under 12 years.

Females—2 between 12 and 50 years, 1 under 12 years.

Valued at \$.....

The census of 1810 gave 44 slaves held in Lancaster county and in 1820, 21 held, so that it is shown the provisions relating to new assessments on them applied. The Collector's office at the time of this assessment of 1816 was on S. Queen St., Lancaster, 3rd door from the square.

Further relief from high duties was granted by an Act of Congress of Dec. 23, 1817 which authorized refunding of duties paid extending beyond Dec. 31, 1817, and stamps not used were to be refunded by Collectors if presented prior to May 1, 1818. Coll. Humes advised the citizens of the county accordingly.

Collector Humes was one of the most prominent men in Lanc. in his day (Lanc. Jour., 11-5-1819). In addition to his duties as Collector, he was one of a committee of five appointed Nov. 1, 1819 to examine the affairs of the Farmers Bank in this city. The committee reported the bank in a prosperous condition but thought quite a saving might be made in the expenses of the bank by cutting the salaries of its officers. He was sheriff of Lancaster county from Oct. 1808 to Oct. 1812. Was a captain in the war of 1812. A director in the Conestoga Navigation Co. Was Aid-de-kamp to committee of arrangements for the reception of Lafayette upon his visit to Lancaster and Chief Marshal of the procession conducting the arrival of this honored visitor to Lancaster, Wednesday, July 27, 1825. He was chairman of a meeting held in Lancaster, Nov. 7, 1829, celebrating Geo. Wolf's election as Governor. Also presided at a meeting held Mar. 16, 1831 in furthering James Buchanan for Vice Pres. of the U. S. He also was president of meeting held Friday, Feb. 1, 1833 at which time Lancaster county was aroused at the threatened secession from the Union by South Carolina. The citizens of the county were alive to the trend of affairs and the effect the action of South Carolina would have on the entire country and met to express their views and anxiety at the proceedings of the S. C. convention. The sentiment of this meeting was strong for the Union. Towards the latter part of his term of service as Collector an affair occurred which put him in an embarrassing position before the public. The Grand Jury of Lancaster in report to the Apr. 1829 term of Quarter Sessions Court stated inter alia, they have noticed with surprise allowances made to two former sheriffs of large sums of money which they believe was altogether illegal. They asked the Court to make inquiry into this matter and to require its return if such could be done under the law. One of these sheriffs was Jamees Humes. He explained the matter was the sum of \$333.00 compensation for summoning and returning the jurors for all courts during his term as sheriff. He paid this amount back to the county and the affair was settled. His life would make an interesting paper for this society and a valuable addition to its files. So far as I have been able to find none of the histories of Lancaster County make any mention of the activities of James Humes excepting Ellis and Evans and that only briefly of his being a captain in the War of 1812.

Due to the Collection of the Direct tax each year the estates of a number of persons who were unable to pay were sold by the Collectors. (Lanc. Journal 3-31-1820.) Certain swindlers took advantage of this condition and traversed several states pretending to be purchasers of such estates. In districts where estates had been sold, some of considerable value were knocked down by the Collectors for amounts as low as \$20.00. These swindlers pretended to hold deeds from the U. S. of such estates, claiming no plea could be offered against the title, and aimed to take advantage of persons in these unfortunate circumstances. Publication of the activities of

these swindlers were made and the residents of Lancaster county were warned and cautioned accordingly.

Thursday, Sept. 13, 1821 at 10.00 A. M. a meeting was held in the Lancaster Court house at which time several matters of public interest vital to the county were to be considered. Prior to the meeting notice was given that distillers particularly, were to attend. The subjects taken up were the matter of duty paid on globes of stills, and, the militia fines. In determining the tax on stills, the capacity thereof including that of the globe, was used as the basis. A Mr. Anderson, was the manufacturer and I believe the patentee of a condensing tube which was an improvement on the former style of still. Collector Humes held that the globes should not have been taken into consideration in determining the capacity of stills but the Hon. Commissioner of Int. Revenue overruled him. Under this construction of law the distillers of the county had paid from \$40,000.00 to \$50,000.00 into the U. S. Treasury. Mr. Anderson tested the validity of this ruling, the case being heard in the Circuit Court of the U. S., Phila, which resulted in a verdict in Mr. Anderson's favor. The meeting of Sept. 13, 1821 was to devise ways and means whereby the Lancaster Distillers could have the \$40,000.00 to \$50,000.00 refunded to them. Geo. Kinzer, Esq., acted as chairman and John Reynolds as Sec. A resolution committee consisting of James Buchanan, John Lintner, Michael Musselman, Jacob Sherer, and John Leman was appointed and the solutions pertaining chiefly to the refund of the taxes paid under the aforegiven ruling of the Comm. of Int. Revenue, and, the refund of the Militia fines to which I shall refer later, were adopted. It was brought out at the meeting that the amount of revenue collected by the General Government since the beginning of the last war (1812) in Lancaster County exceeded that collected in any other county in the Union and equalled that of some four or five states put together. Lancaster's share had been faithfully paid and since it was now held some was illegally exacted it should be returned promptly as in some sections of the U. S. revenues had not been collected to this day, as payments were not generally enforced throughout the Union, which was unjust to those compelled to pay. The following were named as Committee to draw up and circulate a petition to Congress, asking passage of a law authorizing the repayment of these taxes and fines

Geo. Kinzer, John Lintner, Henry Haines, Jr., Henry Bear, Robt. Elliott, Christian Metz, Jr., Michael Musselman, Henry Becker, John Landis, Conestoga, Jacob Sherer, Joseph Musser, Jacob Stemon, Benj. Herr, Michael Keagerise, John Herr-Lime burner, John Leman, John Stauffer, Enoch Passmoree, John Hoover, Samuel Hathorn, Adam Bare, John Neff, Jr., Jacob Erb, John Shenck, Chicques, Jacob Mishy, Samuel Weidler, John Good, Esq.

Regarding the Militia fines on which action was also taken, it was shown that Lancaster county paid into the U. S. Treasury, or at least in that direction, about \$30,000.00. Some of these fines were said to have remained in the hands of the U. S. Officers, a number of whom were charged as defaulters in large amounts. It was also claimed that not one cent of this money had yet reached the U. S. Treasury and if refunded could be used in improving the Susquehanna river on the Lancaster county side. It will thus be seen that the improvement of the Susquehanna has been a question of long standing.

This meeting seemed to have a very potent effect on Congress. (Lancaster Journal, 2-1-1822.) The petition as to refund of taxes paid on globes of stills was presented to the Ways and Means Committee which reported favorably on the same, and on Apr. 26, 1822 a law was passed directing refund of this duty and Collector Humes who was still in office, notified the

distillers of the county to present their claims so they could be audited and proven as arrangements were being made for early refund.

The matter of the Militia fines was taken up in the U. S. Senate in the same Congress. Mr. Walter Lowrie, U. S. Senator from Penna., from 1819 to 1825 asked leave to introduce a bill to vest in the various states the right the U. S. had to all fines assessed for non-performance of militia duty during the war of 1812. Pennsylvania had a peculiar interest in this matter and the fines was a subject of much discussion. During that war 20,387 men had been asked for from Penna., but 21,926 were furnished and the citizens of Penna. felt they had done more than their duty in that respect, and it was felt that militia fines for delinquencies were uncalled for. Mr. Lowrie in introducing his bill advised the Senate that his action was based on a Lancaster, Pa., case as follows—Moore the Deputy Marshall at Lancaster, collected a fine from a Mr. Houston, delinquent militiaman, who after the fine was collected brought suit against Moore in the Court of Common Pleas. His objection was that part of the State law in the case was unconstitutional. The court sustained the objection and judgment was rendered against Deputy Marshall Moore. Writ of error was taken to the Supreme Court of Penna. The decision of the Common Pleas Court had raised quite an excitement and, was reversed. Writ of error then was taken to the U. S. Supreme Court. Mr. Lowrie recalled to the Senate the activities of Penna. in the war of 1812 and her attitude regarding the fines. His bill received first reading Tuesday, Jan. 22, 1822. The matter was taken up in the House of Representatives a few days later. Under date of May 4, 1822, Congress passed an Act carrying out the purpose of the bill introduced by Senator Lowrie which vested in the states all the right the U. S. had in the militia fines. It will be seen the meeting held in Lancaster, Sept. 13, 1821 exercised an active influence in the matter of the fines. Later an act was introduced in the Pennsylvania Legislature, and passed, requiring the Auditor Gen. of the state to collect the militia money from the Deputies Marshall and to determine who the sureties were on their bonds, to see what the status was in cases of enforced collections from these defaulters as they were designated. The Legislature later demanded a statement of account from the Auditor Gen. of these fines.

Daniel Moore who as aforestated was the principal assessor for Lancaster Revenue District (Lancaster Journal, 6-9-1826) and Deputy Marshall apparently lost none of his influence through the suit against him by Mr. Houston to recover the militia fines, for he was appointed about June 1, 1826 Commissioner to take depositions at Lancaster in cases pending before the U. S. Circuit and Supreme Courts.

For many years up to the advent of prohibition a large portion of the cost of maintaining the Federal Government was derived from the tax on distilled spirits. The distillers of the county were cautious and zealously guarded their interests, particularly during the first few decades of the last century. The citizens of Donegal and Mt. Joy townships met Aug. 4, 1827 at the house of Geo. Redsecker, Esq., Elizabethtown, for the purpose of considering the propriety of petitioning Congress at the next session, to prevent the great importation of foreign spirits, as the low rate of duty on them worked to the disadvantage of the Lancaster county distillers and farmers and the revenues of the county were accordingly effected. Jacob Gish, Esq., acted as Chairman and Francis Boggs and Andrew P. Wilson as Seretaries. After making certain explanations of the conditions in respect to the effect the importation had on the county they resolved to call a meeting in Lancaster, as this was a matter effecting the entire county. This meeting was accordingly held at Lancaster, Wed. Aug. 22, 1827. The Lancaster meeting was largely attended, John Lightner was chairman, Jacob Hibshman and

N. W. Sample, Jr., Secs. Among the resolutions passed was the following —It is the opinion of this meeting that the importation of foreign distilled spirits should be either entirely prohibited or the duty upon its importation be raised to such a standard as would insure in a great degree the consumption of domestic distilled spirits in their stead and thus promote the agriculture of this county by increasing the demand for and raising the price of rye and corn. A committee was also appointed to draft and circulate a petition to present to Congress to this end. This is quite a comparison with 20th Century prohibition.

During Jackson's term as President consternation reigned in financial channels due to the revocation of the charters of the U. S. Banks, and, dangerously near resulted in Jackson's impeachment. Federal taxes are a vital part of Federal finances and akin thereto, being practically the basis of them but in spite of the trouble due to President Jackson's stand regarding the U. S. Banks no additional burdens were placed on the Internal Revenue officers as the U. S. Treasury's receipts from revenues in effect were greatly augmented by receipts from the sale of public lands in territories taken up for settlement.

In one of the years during the decade 1830 to 1840 the U. S. Treasury offices were practically entirely destroyed by fire. I did not make note of the exact date thereof, but due to this fact, there likely have been lost to posterity, figures showing receipts of Federal Revenues of Lancaster County during the years covered by this paper, excepting those which I have given.

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