

REMARKS RESPECTING THE STAMP REVENUE.

(*Private and confidential.*)

THE mode of Stamping Stamp paper, and the plan under which those duties of the Stamp Office which may be called the Manufacture of Stamps are conducted, have been long established on their present footing; and while meliorations of all kinds have taken place in other manufactures, this has continued stationary, notwithstanding important and obvious improvements have been suggested from various quarters. The principal of these are contained in the 14th Report of the Commissioners of Revenue Inquiry, printed in 1826; which suggests (p. 45.) that, instead of *manufacturing by retail*, as at present, the Board should find their own paper and parchment, and manufacture by wholesale, keeping a stock of Stamps for the supply of the public *at the instant of demand*. This plan has not been carried into effect, on account of a slight supposed difficulty occurring to the Board of Stamps, which made them at once decide that it was "impracticable."

According to the present system of the Office, every applicant for Stamps *in London* (in the Country, he finds them ready made in the hands of the Distributors) has to wait, after paying the duties and receiving a warrant, until the slips or sheets of paper, or skins of parchment, he has given in be stamped. This is a great inconvenience to the public; but that is not all. The demand for Stamps being very miscellaneous, not only must all the Dies necessarily be spread about the Stamping Room, but a number of extra Dies must be provided on account of the fluctuating nature of the demand; and a great number of Stampers, for whose labour there is no regular or continuous demand, must be in attendance in case of emergencies. In consequence of this preposterous arrangement, the application of Machinery to the business of stamping, for which it is peculiarly adapted, is completely prevented. The delay, fraud, and wasteful expenditure resulting from such a state of things, are obvious, and have been repeatedly alluded to by the Commissioners referred to above. Thus it is stated (14th Report, p. 45.):—

"That, for the supply of Stamps to the public in London, a general Sale Warehouse should be established at the Head Office in Somerset House; that in this warehouse an adequate stock of the various denominations of Stamps should be constantly kept ready, &c.; which, whilst it would materially facilitate both the supply of Stamps to the public and the general business of the department, would also afford a complete protection against frauds and collusions of the nature above alluded to."

But it is affirmed to be impracticable to carry into effect the important suggestion of the Commissioners of Inquiry, because the public require Stamps to be affixed to documents which have printed forms, such as Notes and Bills, Receipts, Bonds, Bills of Lading, Powers of Attorney, &c., and that the subsequent printing would obliterate the Stamp. But this objection would be at once removed by the adoption of a Letterpress Stamp, something in the style of the annexed Specimen, limited or not to the cases where printed forms are required, as may be thought most expedient. This Stamp may be made of much more difficult execution than the usual dry Stamp. It meets the whole supposed difficulty; and, were it adopted, it would be a great convenience to every commercial town in the United Kingdom, except London, to have Stamps of that description in the hands of the Distributors, because it would save them from sending all their printed forms to London, which they are compelled to do at present.

Another egregious defect in the Manufacture of Stamps is, that there has been no attempt to render them difficult of imitation: they continue the same as formerly, notwithstanding it has

been proved to the Board of Stamps that their forgery is the easiest thing in the world; and that it may be accomplished without Dies or Stamp Presses, or any mechanical skill in the forger!

Under these circumstances, combined with the fact that Stamps do not, like Bank Notes or Checks, *necessarily* become subject to investigation, the most extensive forgery might well be anticipated; and the result has shown, (as far as with such slight chance of detection it can be shown,) that in this instance, as is invariably experienced, the practice of fraud has kept pace with the opportunity. The recent trial in the Court of King's Bench of Laird, a dealer in Stamps, would, had there been previously any doubt of the fact, have proved that Stamps are extensively forged: and it has further proved, that it is not possible to convict the issuers. The jury would not, even under the most suspicious circumstances, *infer* guilty knowledge; because it did not appear that the dealer had any means of judging whether the Stamps were or were not genuine.

This public proof of the practice, and of the impunity with which it may be carried on, and the information given to the Board of the extreme facility with which the existing Stamps may be forged, has forced them to take some steps for the better securing this branch of Revenue. Their measures, however, are by no means calculated to effect the object in view. No improvement whatever is proposed in the official system—the manufacture is not to be varied one tittle—the difficulty of forgery is not to be increased—nothing is to be done for the accommodation of the public—nothing for the security of those whose most important documents are made to depend for their validity on the genuineness of the Stamps which they are *compelled* to use;—but, instead of these, which are the real points to be attended to, it is proposed to make *every dealer in Stamps in the United Kingdom take out a licence, and to render his stock of Stamps subject to the examination of inspectors!*

Now, it appears by the Population Returns, that there are in England, Wales, and Scotland 2619 towns and parishes of above 1500 inhabitants, and, from the great activity of British commerce, none of these can have less than one Stamp Dealer, and many of them require a great number for the convenient supply of the public; so that probably the whole number of sellers of Stamps is not under 10,000. What result, other than the incurring of an enormous expense, can arise from putting this number of persons under surveillance, while the system under which Stamps are supplied is so defective that it is impossible to convict the most notorious offenders?

If they are to be surveyed, and their stocks inspected, it must be by the employment of a great additional number of inspecting officers, and consequently a very heavy expense, to make the inspection worth any thing.

If the inspection be merely nominal, it can be no impediment to the issue of forged Stamps.

A dealer in the practice of issuing forged Stamps would, of course, have one drawer for the inspector, and a private one for the supply of such customers as he thought not likely to scrutinise the Stamp. It is idle, indeed, to suppose that any system of inspection can ever be effectual for the suppression of fraud.

The only motive for efficient inspection is the gain by the inspectors of a proportion of the fines and forfeitures of offenders; but if the manufacture of Stamps be left in its present state, there is no chance of *convicting* an issuer of forged Stamps—so that on the one hand there is nothing to fear, and on the other nothing to be gained, by detection.

Whether this licensing and inspecting system be or be not adopted, it seems equally necessary to render, by every possible means, the forgery of Stamps a matter of difficulty, and to acquire the power of convicting detected offenders.

For this purpose the PECULIAR PAPER on which these remarks are printed, has been submitted for the use of the Stamp Department. It has silk threads in the body of the sheet, which, being entirely new in appearance, forms a much more marked characteristic than any water-mark, and enables it to be satisfactorily distinguished and described in legislative enactments or official regulations; and it is presumed that, were this peculiar paper restricted by law to the exclusive use of the Stamp Department, its employment for Stamps would create a great obstacle to their forgery; first, because the manufacture of such paper without the aid of large, expensive, and complicated machinery, is impossible; and second, because imitations of it, by sticking thin

sheets of paper together with silken threads between them, may be detected without any difficulty, merely by steeping a small portion of the paper in warm water; so that were the manufacture of this paper — or of any imitation of it — its use for any purpose other than that of Stamps — or the having any quantity of it in one's possession without authority of Government — prohibited under heavy penalties, the circumstance of any spurious paper being found in the hands of a dealer or other person would ensure his conviction, without its being necessary, as at present, to prove *a guilty knowledge* on his part.

If this paper be employed, the expense of stamping may be very much reduced, and all the frauds of the Stamping Room, as regards Stamps on paper, prevented by adopting Letterpress Printing in lieu of the present system of stamping; because, after the first cutting of the blocks and casting of the stereotype plates, which might be made very neat, and of rather difficult execution, the paper might be printed in whole sheets, at an expense of less than 900*l.* per annum, and every sheet of paper delivered to the printers be brought to account.

Stamps might then be supplied immediately to the public, on payment being made of the duties and of the price of the paper (as recommended by the Commissioners of Revenue Inquiry). This would be a great accommodation to the public; at the same time that, by putting an end to the plan of manufacturing Stamps only when applied for, it would enable the operations to be carried on continuously, and in the best manner, obviating the fraud and unnecessary expense inseparable from the present practice.

This paper, from the costliness of the materials, and the necessity of destroying all that is not perfect, must be more expensive than ordinary paper, but that difference would be far more than compensated by the saving in the Stamping Room; and the price paid by Government would not be so high as that now charged by the Department to the public for the paper issued through the Stamp Distributors.

The whole quantity of paper annually required would not exceed 6000 reams, of various sizes and weights: the cost would be about 12,000*l.*

Both the Chairman of the Board of Stamps and the Comptroller of the Stationery Office think that it is the best protective paper they have seen.

In the event of adopting this paper, it would be sufficient, in the same Act of Parliament, to require dealers in Stamps to notify it in writing on the exterior of their shops, and to give authority of inspection to officers of the Stamp Department in cases of suspected fraud.

The stock requisite for facilitating to the utmost the supply of the public would not exceed in *amount* or *variety* that of an ordinary London retail shop, because the Stamps themselves cost nothing; and it would be a great convenience to the public to get the article they want at the time they apply for it.

The paper now supplied by the Stamp Department through the Stamp Distributors is about half the quantity used for Stamps, and they charge the public double what they pay for it. If they did the same with the remaining half, they would actually make a profit, instead of incurring an expense, by the adoption of the proposed paper: but, *effectual protection being manifestly required for this department of Revenue, and for the public who use Stamps*, it is as obviously necessary to pay for it as for the guards of mail-coaches.

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13th March, 1833.