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Abstract

In this working paper, I argue that United States (US) territory quadrupled within the first three generations since 1789 because, in the nineteenth century, the US developed a *fiscal-military state* capable of mobilizing considerable resources without provoking any major tax rebellion. Relying on indirect taxes—customs duties and excises—meant that the federal government could draw on a stable and uncontentious stream of revenue. This fiscal capacity allowed the US government to finance different methods of its territorial expansion, including warfare and purchase.

Keywords

US federal tax policy; indirect taxation; customs duties; excises; fiscalization; fiscal-military state; US territorial expansion; financial history.

It is idle to suppose that the Genl Govt. can stretch its hand directly into the pockets of the people scattered over so vast a Country. They can only do it through the medium of exports imports & excises. (...) For a long time, the people of America will not have money to pay direct taxes. Seize and sell their effects and you push them into Revolts
Morris, Constitutional Convention of 1787 (Edling 2014: 41)

The main variations in premodern tax structures were a function of the level of development of urban centers, trade, and capitalism. States lacking these things relied on direct taxation of people and/or land, whereas states in more economically developed areas had a more varied tax structure and a greater reliance on indirect customs and excise taxes
Kiser and Karceski (2017:4)

I. Introduction[*]

How was it possible for the United States (US) to expand the size of its territory four times within the first three generations after its founding? In this working paper, I argue that it was possible because, in the nineteenth century, the US developed a "fiscal-military state" (cf. Brewer 1989) capable of mobilizing considerable resources without provoking any major tax rebellion. This, in turn, was possible because the federal government relied on indirect taxation on consumption, rather than direct taxation of property, as I explain in the following sections. This paper details a long-term view of the US federal government's finances from its creation in 1789 up to the Sixteenth Amendment in 1913,[1] which introduced a federal income tax. While there is a large body of literature on the public finances in the nineteenth century, this literature tends to focus on shorter periods, either up to the Civil War (for instance, Edling 2014; Einhorn 2006), the Civil War itself (Thorndike [no date]), or the post-war period (Weisman 2002). Several scholars have examined the US government's public finances in the long run (Brownlee 2020; Dewey 1968; Studenski and Krooss 1963; Wallis 2000), some of whom have also focused on federal taxation (Brownlee 2016). Yet, the research exploring the relationship between federal tax policy and territorial expansion is rather scarce (but see Edling 2021).

This paper, in turn, focuses on the entire nineteenth century. In so doing, it seeks to explain how it was possible for a country that emerged as an independent state after a war with Britain triggered by taxation—and which soon after witnessed a series of tax rebellions—could create a system in which the central government was able to extract revenues from its population to finance territorial expansion without causing similar social unrest. Hence, by analyzing the structure of federal taxation in the nineteenth century based on up-to-date historical sources, this paper contributes to our understanding of American fiscal policy and its role in US territorial growth.

This working paper proceeds as follows. The next section details the origins of the federal tax power clause to explain why the federal government could levy taxes in the first place and why—until 1913—direct taxes had to be levied proportionally among the states, while this requirement did not apply to indirect taxes. The third section is devoted to analysis of the structure of American federal taxation between 1789 and 1913. Here, I explain why reliance on indirect taxation led to the creation of a strong fiscal capacity. In turn, this fiscal capacity allowed the US government to expand its territory via wars, annexation, negotiation, and purchase, a topic I explore in the fourth section. Section five concludes the paper.

* The research leading to these results has received funding from the European Research Council under the European Union's Seventh Framework Programme (FP7/2007–2013)/ERC Grant Agreement n. 295675. This publication reflects only the author's views and the Union is not liable for any use that may be made of the information contained therein. I am grateful for discussions and valuable comments I received on this working paper from Sven Steinmo. The usual caveat applies.

1 "The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration."

II. The origins of the Taxing Clause

In order to fully understand federal fiscal policy in the nineteenth century and the reasons that the federal government relied almost exclusively on indirect taxes throughout this period, even though it could also levy direct taxes, we must explain the origins of the US Constitution, the document that vests taxation power in the Union. Elsewhere I have shown that, paradoxically, the heavy direct state taxation in the mid-1780s that led to social unrest, such as Shays' Rebellion in Massachusetts, was the leading cause of fiscalization - namely, the emergence of the federal power to tax (Woźniakowski 2018). As a result, the new Constitution of 1787 gave the federal government vast power to tax, including the right to levy indirect taxes, such as customs duties, levied on goods brought to the US from abroad and excises imposed on certain products, such as spirits or tobacco. Both customs duties and excises were indirect taxes. Consumers did not have to pay the tax directly to the tax authorities. Rather, the tax was included in the price of purchased goods. Duties on exports were prohibited—neither the states nor the federal government could tax exported goods. This clause was the result of lobbying from the Southern states, especially Virginia, which feared that Northern states would be inclined to raise federal revenue by taxing products imported from the South, such as tobacco, cotton, and indigo, which were crucial to Southern economies.

Moreover, the South successfully negotiated a prohibition against the imposition of duties on imported slaves until 1808,[2] after which the rate of duty was capped at $10 per slave. One can see ambiguity and inconsistency in the treatment of slaves. Sometimes they were treated like property, as in the example of the duty applied to their import. At other times, they were treated as persons, albeit only 60% of a person, as the infamous Three-Fifths Clause regarded slaves as three-fifths of the population regarding representation and direct taxation. It was perhaps the only element that survived from the Articles of Confederation, the first American constitution. The clause resulted from a political compromise between the North and the South, whose economies differed tremendously. In the North, which was composed primarily of free farms, yeomen, and big ports, the economy was based on trade, and merchants constituted both the economic and political elite. In the South, however, the economy relied on large plantations whose primary source of labor was slavery. The Three-Fifths Clause was meant to provide the Southern states with a measure of security and influence on federal affairs so that federal policy would not endanger the slave-based economy and to protect them from the abolition movements that were becoming increasingly popular in the North (for example, already at that time, Benjamin Franklin headed up an abolitionist organization in Pennsylvania). In other words, Southerners wanted to make sure that the North could not impose abolition on them. The North accepted the deal because it was connected with taxation (the word "direct" was implemented later). It was argued that since the Southern states would contribute more to the federal Treasury because their slaves were included in the computation of their tax share, they should also have more representation in federal affairs.

Although taxation and representation were intertwined, few expected that direct taxes would actually be used, as the quote from Morris cited at the beginning of this paper illustrates. Indeed, which taxes were direct was not clear from the very beginning: when John Jay asked about it during the New York Convention, nobody had a definite answer, and it was a matter of constitutional controversy throughout the nineteenth century (Maier 2010: 368). This controversy ended with the Sixteenth Amendment, which allowed the federal government to raise an income tax without proportioning it among the states based on their population. Prior to the amendment, it was a rule regarding direct taxation that the more populous states would pay more into the federal budget than potentially richer but less populous ones. Importantly, this apportionment requirement did not apply to imposts or other indirect taxes, such as excises (Einhorn 2006: 157-199).

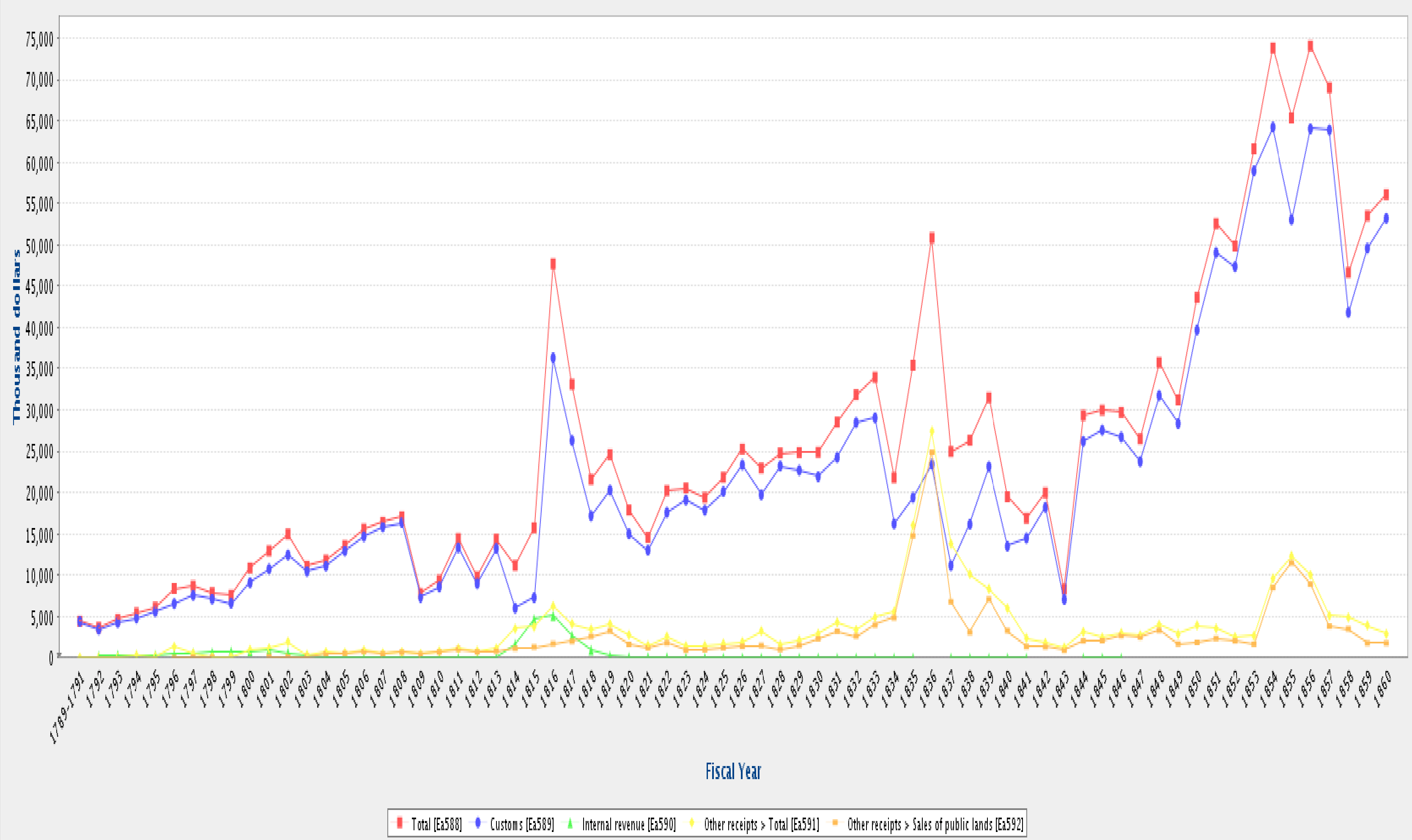
[2] Art.1, sec. 9, US Constitution

III. Indirect taxation as a key to successful federal fiscal policy

The fiscal-military state's development started in 1789 when the Federalists' first administration took office and continued for a decade. Thomas Jefferson's defeat of John Adams in the 1800 presidential election, however, meant that the European-style fiscal-military state created by Alexander Hamilton and George Washington would be diminished. True, Jefferson dismantled many aspects of the Hamiltonian strong central government. But despite his rhetoric and some changes in public policy, he used the fiscal and military capacity developed by the Federalists to pursue ambitious goals in foreign policy. For instance, Jefferson used good US credit to purchase Louisiana from France in 1803. Often regarded as a bargain (the US acquired a territory that included fifteen current states), it was nevertheless an expensive purchase, as the $15 million purchasing price represented 120% of annual federal income (Edling 2014: 13). The military capacity of the US meant the US delegation negotiating with the French had additional leverage. Napoleon did not want to risk a war with the US over this territory and preferred to sell it instead. The nascent fiscal-military state showed signs of its future power, as demonstrated by its fiscal capacity—namely, the ability to attract funds on the markets (i.e., good public credit) and to extract revenue from its population.

This working paper argues that this fiscal capacity was possible because the federal government was raising revenues from indirect taxes throughout the nineteenth century. Prior to the Civil War, those taxes were basically limited to one tax – a customs duty, sometimes called an impost or a tariff (those are not precisely the same, but for the sake of simplicity, I use them interchangeably. For details on their differences, see Einhorn 2006:145–156). While it is true that tariffs could be used in a prohibitive manner to prevent the import of goods or to encourage domestic production—and, indeed, they were used precisely that way, especially after the Civil War—the main reason for giving power over this source of revenue to the federation was not protectionism, but revenue needs. As one historian notes, the "tariff would certainly become a divisive issue later as the North, and the South battled over protectionism. But as a revenue measure, the impost remained the most acceptable type of tax for Northerners and Southerners alike" (Edling 2014: 48–49). Indeed, as Graph 1 shows before the Civil War, federal revenues almost equaled custom duties at 85% of total revenue (all calculations are based on Tables 1 and 2 from the Appendix).

Graph 1 Federal government revenue, by source: 1789-1861



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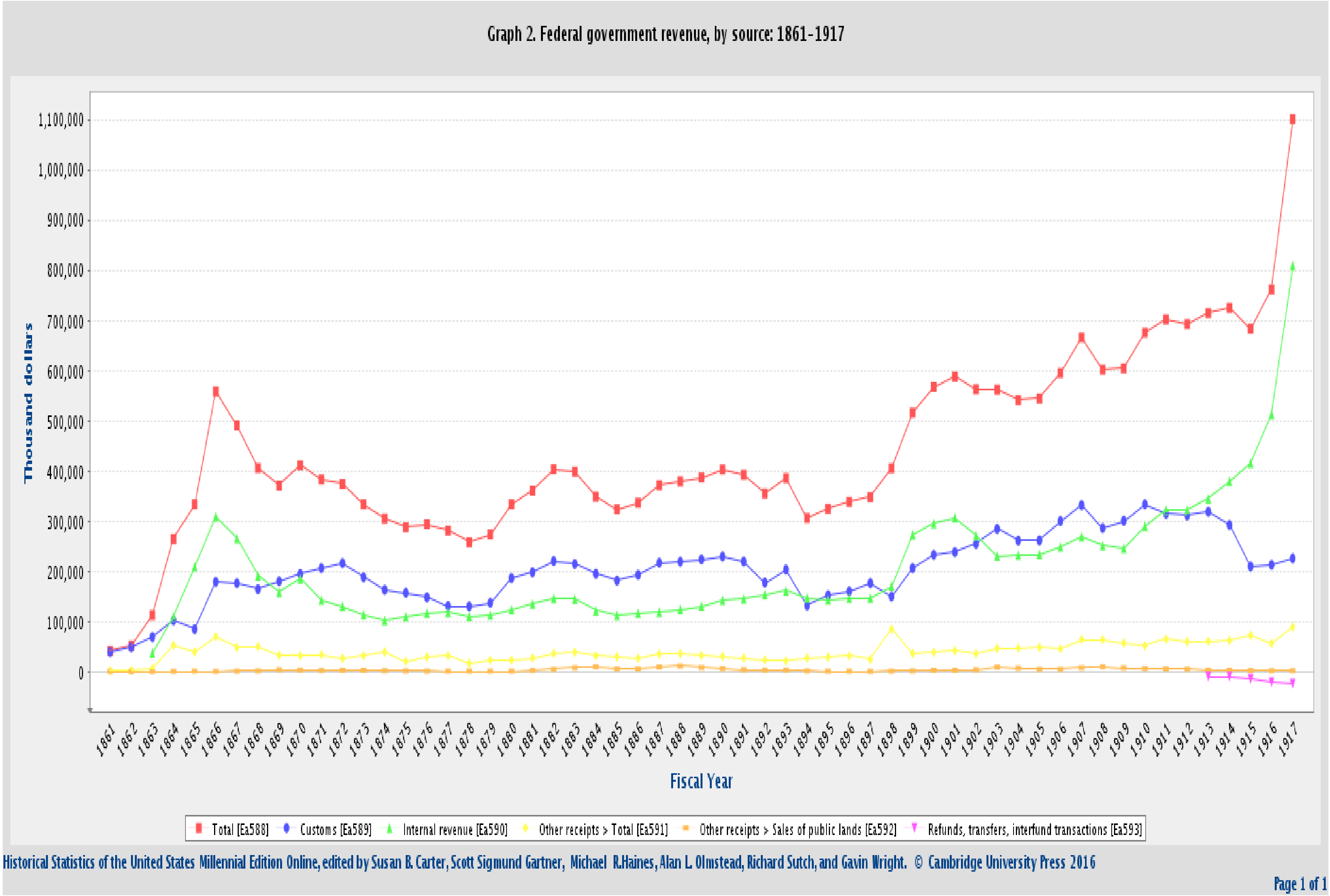
There was also another source of revenue at that time – land sales. However, while extremely important for territorial growth and economic development, its fiscal significance has been overestimated. For instance, Riker claimed that the federal governments survived its most acute phase between 1812 and 1863 due to revenues from land sales: "Quite probably one of the factors that allowed it to survive was the unanticipated income from land sales, which relieved the central government of the necessity for invading the states for tax purposes" (Riker 1964: 54). The analysis of tax data proves this statement unwarranted, as this source had a limited impact on federal revenues. Between 1789 and 1861, revenues from land sales constituted 9.68% of total federal revenues. Between 1812 and 1863, it was only marginally higher (10.09%), and if we extend the period up to 1918, the figure stands at just 1.26% (see Table 1). When the government stopped selling land on credit in the 1820s, these revenues dropped. The year 1836 was the only exception when revenues from the land sales exceeded those from the customs.

The Civil War marks an important juncture when it comes to federal revenues. While before the war, 85% of federal revenue consisted of money raised through the custom duties, as showed in Graph 1 and Table 1 (the figure drops to 51% if we extend the analyzed period up to 1913), after the Civil War, federal revenue was divided almost equally between customs duties and excises on alcohol and tobacco, as demonstrated in Graph 2 and Table 1. Between 1863 and 1913, customs duties provided 49% of total federal revenues, internal revenue 42%, while other sources (including land sales) came to 9% of total revenue (see Tables 1 and 2). Regarding "internal taxes"—i.e., those collected within the borders of the US (as opposed to external revenues, which were collected at the borders in the form of customs duties)—excises on alcohol provided 61% of revenues, and tobacco excises, 21%, as shown in Graph 3.

Relying on indirect taxes meant that the federal government could draw on a stable and uncontentious stream of revenue. It was stable because, first, those taxes were easy to administer. For instance, custom duties required a few tax collectors, who were concentrated in the main ports (such as New York, Philadelphia, Baltimore, and Charleston, the four main ports at the beginning of the eighteenth century; cf. Edling and Kaplanoff 2004: 739). Second, the impost was paid in specie - gold or silver coins, rather than paper money. Having access to specie was especially important for the federal government because interest on the public debt was always paid in specie. For this reason, the actual importance of the revenues from the customs duties is even greater than shown by the tax data (see Tables 1 and 2) because other taxes could be paid in various forms of paper money, which often depreciated and were never accepted by foreign investors in US public debt. Needless to say, regular payment of interest was of the utmost importance to the maintenance of the good public credit, which in turn was crucial in times of war, when the federal government needed ready access to money.


Graph 2. Federal government revenue, by source: 1861-1917
Thousand dollars
1,100,000
1,000,000
900,000
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
Fiscal Year
Total [Ea588]
Customs [Ea589]
Internal revenue [Ea590]
Other receipts > Total [Ea591]
Other receipts > Sales of public lands [Ea592]
Refunds, transfers, interfund transactions [Ea593]
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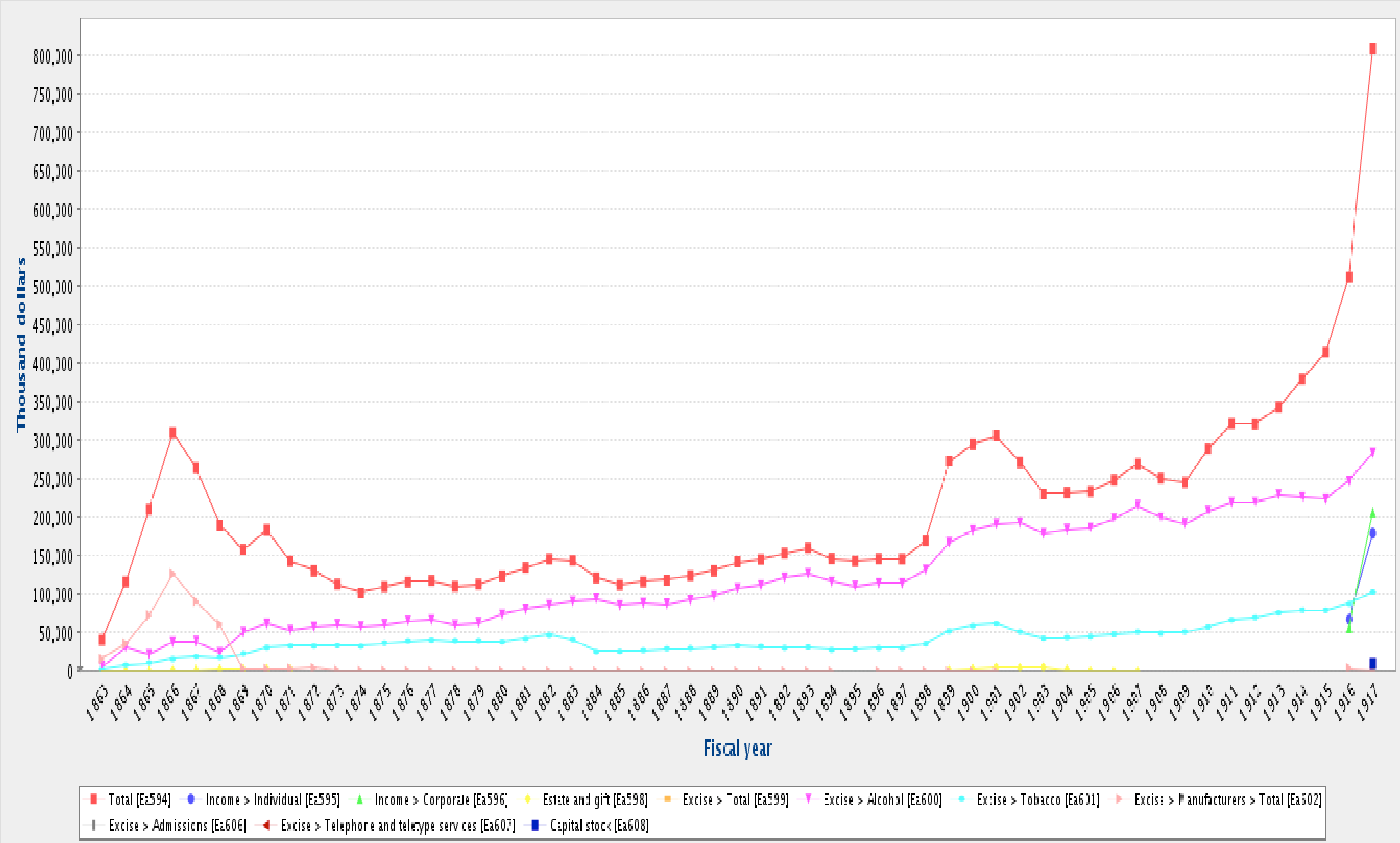
Graph 3. Federal government internal tax revenue, by source: 1863-1917



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This type of revenue was uncontentious for two main reasons. First, when it comes to customs duties, there is a natural limit on excess embedded in the nature of the tax, a rare instance in which both Federalists and Anti-Federalists agreed during the ratification debate. Namely, if the rates were too high, smuggling or a drop in consumption would ensue, so it was safe to place such a power in the hands of the federal government, as it could not be used excessively. For instance, as one of the Anti-Federalists argued:

> The first [type of tax] includes impost duties on all imported goods; this species of taxes it is proper should be laid by the general government; many reasons might be urged to shew [*sic*] that no danger is to be apprehended from their exercise of it. (…) [T]here is no danger of oppression in laying them, because, if they are laid higher than trade will bear, the merchants will cease importing, or smuggle their goods. We have therefore sufficient security, arising from the nature of the thing, against burdensome, and intolerable impositions from this kind of tax.[3]

Second, nobody could have their property seized for not paying an indirect tax, which was the case with direct state taxes in the 1780s, when farms and other property were confiscated in lieu of payment of direct state taxes, which triggered social unrest. For those who struggled to pay their taxes, this was the most important feature of the federal tax system. Moreover, the payment of indirect taxes was continuous, and so the burden for customers was stretched over time, rather than once a year in cash, as this tax was “hidden” in the price of the good.

IV. Tax policy and territorial expansion

The fiscal capacity developed throughout the nineteenth century allowed the US government to finance different methods of its territorial expansion, including warfare and purchase. This financing took two primary forms—the revenue coming directly from governmental sources (indirect taxation being the main component) and revenue from loans, with the revenues from taxes being used as collateral against the loan.

Hence, the fiscal capacity developed up to the Sixteenth Amendment laid the foundations for American power. On the one hand, relying only on indirect taxes afforded the federal government a peaceful existence with no tax rebellions in the nineteenth century. The federal government was almost invisible to the average citizen, who did not have to deal every year with the Internal Revenue Service, as they paid their moderate taxes via purchases of imported goods and alcohol and tobacco. On the other hand, the same light-taxing government was able to command a vast amount of resources in times of war. How was that possible? This paradox can be explained by the decision taken by the representatives of the federal government at the beginning of the Republic, as a result of the social unrest and chaos caused by the way the states decided to pay for the cost of the War of Independence (they imposed heavy direct taxation to quickly redeem wartime debt), which was followed thereafter (Woźniakowski 2016).

Here, we are speaking of the decision to cover the extra expenditures through credit and not taxation. Moreover, this credit would be redeemed over a long period so that (indirect) taxes, which would have to be imposed to pay off this debt, were as light as possible. This pattern was followed during the two wars that the US fought between the American Revolution and the Civil War—namely, the War of 1812 with Britain and the Mexican War (1846–48). The government issued long-term bonds (it was borrowing in other forms, a subject too detailed for this study), which were mainly paid off with revenues from customs duties. And when the Southern rebellion broke out in 1861, and the costs proved far in excess of those of previous conflicts the US had fought, the government continued to borrow, this time from its own population, as the fear the Union would dissolve made European investors wary of lending to a government that could soon disappear. After the war, repayments on the enormous debt

[3] Brutus V, *New York Journal*, 13 December 1787, DHRC XIX: 415.

(over $2 billion) continued for decades through new taxes (excises on alcohol and tobacco), which were still indirect (Edling 2014).[4]

Thus, the fiscal capacity that developed in the nineteenth century was strictly connected with the US's ability to expand its territory. There were four main methods of territorial expansion, and all of them required a strong fiscal capacity: 1) conquest through war, as demonstrated in the Mexican War (1846-48) and the wars with the Native Americans; 2) the purchase of land as was the case with Louisiana, Florida, and Alaska; 3) annexation, which is how Texas joined the Union in 1845; and 4) negotiation, as was often the case with more than 300 treaties regulating land cessions that the US concluded with the Indian tribes until the Civil War. During this time, the number of states in the Union more than doubled (from thirteen original states to thirty-four by 1861) and the territory quadrupled, from 820,000 square miles in 1789 to 3.5 million square miles in 1867 (Gates 1968: 86).[5]

The enormous amount of land the US acquired through those different means brought a unique concentration of natural resources into its possession, including gas, oil, and coal, which mattered greatly in its capacity to wage wars. More important for nineteenth-century federal revenues was that the new land—regardless of how it had been acquired— belonged to the federal government. This federal land had to be measured and then sold to individuals and companies.[6] This process started with the Northwestern Ordinance of 1787, which organized a territory northwest of the Ohio River into the Northwestern Territory and set a precedent in which every parcel of new land would belong to the federal government rather than individual states (Gates 1968). Also, in the following years, the individual states ceded their western lands to the federal government. After that, new land was administrated first by the federal government and then transformed into new states (Linklater 2003).

As a result, the US expanded from thirteen states occupying a narrow strip of land on the Atlantic coast in the late eighteenth century into a federation with borders on the Pacific coast soon after the Civil War. Fiscal capacity allowed the US to extend its territory on such a large scale for two reasons. First, it allowed it to create an army able to win wars with its neighbors, such as Mexico and the Indian tribes, and to conquer their territory. Second, fiscal capacity made it possible to successfully negotiate and eventually purchase land from the European countries with colonies in America: France (Louisiana), Spain (Florida), and Russia (Alaska). The US fiscal-military power demonstrated during the Civil War also fueled fears of the annexation of Canada and the consequent British exit from its Northern American colony in 1867, when the last British troops left Halifax. The annexation of Texas, the only state to join the Union through a treaty, was also connected to the US ability to defend itself and its constitutive members, as opposed to Mexico, with its weak central authority. These two motives are connected because land purchase was often connected with a military threat: countries like France were more willing to sell land rather than to risk a war with the US.

The federal government's willingness and ability to adjust its tax policies to particular American customs is crucial for understanding its success in creating its state capacity. The creation of the US fiscal-military state led to its domination of the American continent: it proved to be capable of deterring

[4] The Civil War also had serious ramifications in other important spheres of American government, especially monetary integration. During the war, the Union issued Treasury notes that were meant to provide immediate financial relief for the government, at a time when it was difficult to obtain foreign loans quickly, and those were made legal tender. These "greenbacks," as they were called, were the first universally accepted American currency. To the surprise of many, they survived the war, and citizens proved happy to use them also during peacetime. The reason greenbacks did not follow the fate of the "Continentals," a currency that the Congress issued under the Articles of Confederation, was due to the fact that they were backed by the federal power to tax, which was not the case with the Confederation Congress.

[5] This includes: the Original domain (821,020 square miles), the Louisiana Purchase (817,885 square miles), Florida (67,725 square miles), the Texas Annexation (386,032 square miles), the Oregon Compromise (282,527 square miles), the Mexican Cession (522,624 square miles), the Gadsden Purchase (29,628 square miles), and the Alaska Purchase (571,065 square miles).

[6] For the history of the public land management, see Gates (1968).

foreign intrusion (all foreign powers, including Britain, Spain, France, and Russia disengaged from America by 1867) as well as the internal rebellions in the form of the Southern secession in 1861. It created an American empire, which expanded its territory to dominate the North American continent in the second half of the nineteenth century.

V. Conclusions

During the long nineteenth century, the US federal government exercised its power of taxation mainly through indirect taxes. While before the Civil War, federal revenue made up 85% of customs duties, afterward (up to the Sixteenth Amendment of 1913), both custom duties and excises on alcohol and tobacco contributed almost equally to the Treasury and provided 91% of federal revenue. In this regard, this empirical analysis confirms the observation made by Kiser and Karceski, cited at the beginning of this paper, that “states in more economically developed areas had a more varied tax structure and a greater reliance on indirect customs and excise taxes” (2017:4). The decision to use indirect taxes on consumption, rather than direct taxes on property, allowed the federal government to avoid tax rebellions, as experienced at the beginning of its existence. Consequently, it could develop a *fiscal-military state* that was able to extract revenues peacefully from its population. This fiscal capacity allowed it to expand its territory by four main methods: conquest through war, the purchase of land, annexation, and negotiation. As a result, the US took—more or less—the shape we know today.

Abbreviations

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Appendix

Table 1. Federal government revenue, by source: 1789-1918

Fiscal Year	Total	Customs	Internal revenue	Other receipts	
				Total	Sales of public lands
	Ea588 \3	Ea589	Ea590	Ea591	Ea592
	Thousand dollars	Thousand dollars	Thousand dollars	Thousand dollars	Thousand dollars
1789-1791	4,419	4,399	----	19	----
1,792	3,670	3,443	209	18	----
1,793	4,653	4,255	338	60	----
1,794	5,432	4,801	274	357	----
1,795	6,115	5,588	338	188	----
1,796	8,378	6,568	475	1,334	5
1,797	8,689	7,550	575	564	84
1,798	7,900	7,106	644	150	12
1,799	7,547	6,610	779	157	(Z)
1800	10,849	9,081	809	958	(Z)
1801	12,935	10,751	1,048	1,137	168
1802	14,996	12,438	622	1936	189
1803	11,064	10,479	215	370	166
1804	11,826	11,099	51	677	488
1805	13,561	12,936	22	602	540
1806	15,560	14,668	20	872	765
1807	16,398	15,846	13	539	466
1808	17,061	16,364	8	689	648
1809	7,773	7,296	4	473	442
1810	9,384	8,583	7	793	697
1811	14,424	13,313	2	1,108	1,040
1812	9,801	8,959	5	837	710
1813	14,340	13,225	5	1,111	836
1814	11,182	5,999	1,663	3,520	1,136
1815	15,729	7,283	4,678	3,768	1,288
1816	47,678	36,307	5,125	6,246	1,718
1817	33,099	26,283	2,678	4,138	1991
1818	21,585	17,176	955	3,454	2,607
1819	24,603	20,284	230	4,090	3,274
1820	17,881	15,006	106	2,769	1636
1821	14,573	13,004	69	1500	1,213
1822	20,232	17,590	68	2,575	1804
1823	20,541	19,088	34	1,418	917
1824	19,381	17,878	35	1,468	984
1825	21,841	20,099	26	1,716	1,216
1826	25,260	23,341	22	1898	1,394
1827	22,966	19,712	20	3,234	1,496
1828	24,764	23,206	17	1,541	1,018
1829	24,828	22,682	15	2,131	1,517
1830	24,844	21,922	12	2,910	2,329
1831	28,527	24,224	7	4,295	3,211
1832	31,866	28,465	12	3,389	2,623
1833	33,948	29,033	3	4,913	3,968

1834	21,792	16,215	4	5,573	4,858
1835	35,430	19,391	10	16,028	14,758
1836	50,827	23,410	(Z)	27,416	24,877
1837	24,954	11,169	5	13,779	6,776
1838	26,303	16,159	2	10,141	3,082
1839	31,483	23,138	3	8,342	7,076
1840	19,480	13,500	2	5,979	3,293
1841	16,860	14,487	3	2,370	1,366
1842	19,976	18,188	(Z)	1788	1,336
1843	8,303	7,047	(Z)	1,256	898
1844	29,321	26,184	2	3,136	2,060
1845	29,970	27,528	4	2438	2,077
1846	29,700	26,713	3	2,984	2,694
1847	26,496	23,748	(Z)	2,748	2,498
1848	35,736	31,757	(Z)	3,978	3,329
1849	31,208	28,347	(Z)	2,861	1,689
1850	43,603	39,669	(Z)	3,935	1860
1851	52,559	49,018	(Z)	3,542	2,352
1852	49,847	47,339	(Z)	2,507	2043
1853	61,587	58,932	(Z)	2,655	1,667
1854	73,800	64,224	(Z)	9,576	8,471
1855	65,351	53,026	(Z)	12,325	11,497
1856	74,057	64,023	(Z)	10,034	8,918
1857	68,965	63,876	(Z)	5,089	3,829
1858	46,655	41,790	(Z)	4,866	3,514
1859	53,486	49,566	(Z)	3,921	1757
1860	56,065	53,188	(Z)	2,877	1,779
1861	41,510	39,582	(Z)	1928	871
1862	51,987	49,056	(Z)	2,931	152
1863	112,697	69,060	37,641	5,997	168
1864	264,627	102,316	109,741	52,569	588
1865	333,715	84,928	209,464	39,322	997
1866	558,033	179,047	309,227	69,759	665
1867	490,634	176,418	266,028	48,189	1,164
1868	405,638	164,465	191,088	50,086	1,349
1869	370,944	180,048	158,356	32,539	4,020
1870	411,255	194,538	184,900	31,817	3,350
1871	383,324	206,270	143,098	33,955	2,389
1872	374,107	216,370	130,642	27,094	2,576
1873	333,738	188,090	113,729	31,919	2,882
1874	304,979	163,104	102,410	39,465	1852
1875	288,000	157,168	110,007	20,825	1,414
1876	294,096	148,072	116,701	29,323	1,129
1877	281,406	130,956	118,630	31,820	976
1878	257,764	130,171	110,582	17,012	1,080
1879	273,827	137,250	113,562	23,016	925
1880	333,527	186,522	124,009	22,995	1,017
1881	360,782	198,160	135,264	27,358	2,202
1882	403,525	220,411	146,498	36,617	4,753
1883	398,288	214,706	144,720	38,861	7,956
1884	348,520	195,067	121,586	31,866	9,811
1885	323,691	181,472	112,499	29,720	5,706
1886	336,440	192,905	116,806	26,729	5,631
1887	371,403	217,287	118,823	35,293	9,254

1888	379,266	219,091	124,297	35,878	11,202
1889	387,050	223,833	130,882	32,336	8,039
1890	403,081	229,669	142,607	30,806	6,358
1891	392,612	219,522	145,686	27,404	4030
1892	354,938	177,453	153,971	23,514	3,262
1893	385,820	203,355	161,028	21,437	3182
1894	306,355	131,819	147,111	27,426	1,674
1895	324,729	152,159	143,422	29,149	1,103
1896	338,142	160,022	146,763	31,358	1,006
1897	347,722	176,554	146,689	24,479	865
1898	405,321	149,575	170,901	84,846	1243
1899	515,961	206,128	273,437	36,395	1,678
1900	567,241	233,165	295,328	38,748	2,837
1901	587,685	238,585	307,181	41,919	2,965
1902	562,478	254,445	271,880	36,153	4,144
1903	561,881	284,480	230,810	46,591	8,926
1904	541,087	261,275	232,904	46,908	7453
1905	544,275	261,799	234,096	48,380	4,859
1906	594,984	300,252	249,150	45,582	4,880
1907	665,860	332,233	269,667	63,960	7,879
1908	601,862	286,113	251,711	64,038	9,732
1909	604,320	300,712	246,213	57,396	7,701
1910	675,512	333,683	289,934	51,895	6,356
1911	701,833	314,497	322,529	64,807	5,732
1912	692,609	311,322	321,612	59,675	5,393
1913	714,463	318,891	344,417	60,803	2,910
1914	725,117	292,320	380,041	62,312	2,572
1915	683,417	209,787	415,670	72455	2,167
1916	761,445	213,186	512,702	56,647	1,888
1917	1,100,500	225,962	809,366	88,996	1,893
1918	3,645,240	179,998	3,186,034	298,550	1,969

Footnotes
(Z). Less than $500.
1. Refunds of receipts are excluded starting 1913; comparable data are not available for prior years.
2. Certain interfund transactions are excluded starting 1932; for prior years, the amounts of such transactions are insignificant.
3. Through 1912, total; thereafter, net.
4. Total for three-year period.
Source: Historical Statistics of the United States, edited by Susan B. Carter at al., Cambridge University Press 2016, Table Ea588-593.

Table 2. Federal government internal tax revenue, by source: 1863-1915

Fiscal year	Total	Estate and gift	Excise		
			Alcohol	Tobacco	Manufacturers
					Total
	Ea594	Ea598	Ea600	Ea601	Ea602
	Thousand dollars	Thousand dollars	Thousand dollars	Thousand dollars	Thousand dollars
1863	41003	57	6805	3098	16525
1864	116966	311	32619	8592	36223
1865	210856	547	22466	11401	73318
1866	310120	1171	38489	16531	127231
1867	265065	1865	39600	19765	91531
1868	190375	2823	24612	18730	61650
1869	159124	2435	51171	23431	3345
1870	184303	3092	61925	31351	3017
1871	143198	2505	53671	33759	3632
1872	130890	----	57734	33736	4616
1873	113504	----	61424	34386	1267
1874	102191	----	58749	33243	625
1875	110072	----	61226	37303	864
1876	116768	----	65998	39795	509
1877	118549	----	66950	41107	238
1878	110654	----	60358	40092	430
1879	113450	----	63300	40135	299
1880	123982	----	74015	38870	228
1881	135230	----	80854	42855	149
1882	146523	----	86027	47392	82
1883	144553	----	91269	42104	72
1884	121590	----	94990	26062	24
1885	112421	----	85742	26407	23
1886	116903	----	88769	27907	24
1887	118837	----	87752	30108	22
1888	124326	----	92630	30662	10
1889	130894	----	98036	31867	6
1890	142595	----	107696	33959	9
1891	146035	----	111901	32796	4
1892	153858	----	121347	31000	2
1893	161005	----	127269	31890	7
1894	147168	----	116674	28618	2
1895	143246	----	111503	29705	(Z)
1896	146831	----	114454	30712	1
1897	146620	----	114481	30710	9
1898	170867	----	132062	36231	1
1899	273485	1235	167928	52493	5
1900	295316	2884	183420	59355	3
1901	306872	5212	191698	62482	1
1902	271868	4843	193127	51938	----
1903	230741	5357	179501	43515	----
1904	232904	2072	184893	44656	----
1905	234188	774	186319	45660	----
1906	249103	142	199036	48423	----
1907	269664	50	215905	51811	----
1908	251666	----	199966	49863	----

1909	246213	----	192324	51887	----
1910	289957	----	208602	58118	----
1911	322526	----	219648	67006	----
1912	321616	----	219660	70590	----
1913	344424	----	230146	76789	----
1914	380009	----	226180	79987	----
1915	415681	----	223949	79957	----

Footnotes
(Z). Less than $500.
Source: Historical Statistics of the United States, edited by Susan B. Carter at al., Cambridge University Press 2016, Table Ea594-608.

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