**THE STAMP ACT OF 1765**

 Despite the revenue raised by the Sugar Act, Britain's financial situation continued to spiral out of control. In 1765, the average taxpayer in England paid 26 shillings per year in taxes, while the average colonist paid only one- half to one and a half shillings.

 Prime Minister Grenville thought that the American colonists should bear a heavier tax load. To this end, Parliament passed the Stamp Act in March 1765. The act required Americans to buy special watermarked paper for newspapers and all legal documents. Violators faced juryless trials in vice-admiralty courts, just as under the Sugar Act. Grenville optimistically predicted revenues of between 60,000 and 100,000 pounds.

 William Pitt, the colonies' greatest defender in England, argued that the colonies could not be taxed without representation in Parliament. Grenville and his followers claimed that the colonies were represented in Parliament, even though they did not elect any of the members. He claimed that all of these people were "virtually represented" in Parliament.

 The theory of virtual representation held that the members of Parliament did not only represent their specific geographical constituencies, but rather that they took into consideration the well-being of all British subjects when deliberating on legislation. Grenville further argued that Americans were not exempt from taxation, as many claimed, simply because they elected their own assemblies which legislated for and taxed the colonies. He compared colonial assemblies to Scottish town councils, claiming that they only exercised as much power as was granted to them by Parliament.

 This position clashed directly with the contention of many colonists that their assemblies exercised legislative powers equal to those of the House of Commons in Britain. To many colonists, the Stamp Act seemed to represent all of the problems of Anglo-American relations. Moreover, it affected every one of the thirteen colonies equally, and every rank in society, since all colonists would at some time find reason to draw up a legal document such as a will, or to buy a newspaper. Throughout the colonies, town meetings and colonial assemblies heard violent demonstrations against the Stamp Act. Colonial agents in London and petitions from colonial legislatures warned against passage, but Parliament dismissed the petitions without even granting them a hearing.

 In late May 1765, Patrick Henry persuaded the Virginia House of Burgesses to adopt several strongly worded resolutions. The Virginia Resolves, as they were known, were passed on May 30, 1765, and denied Parliament's right to tax the colonies under the Stamp Act. Word of Henry's resolutions spread throughout the colonies, taking on certain dramatic embellishments in many cases, and by the end of the year, eight other colonial legislatures had adopted similar positions.

 Unlike the Sugar Act, which was an external tax (i.e. it taxed only goods imported into the colonies), the Stamp Act was an internal tax, levied directly upon the property and goods of the colonists. Internal taxes had far wider effects. While external taxes were paid primarily by merchants and ship captains, internal taxes, especially the Stamp Act, were not so discriminatory. Anyone who made a will or bought a newspaper would pay the tax on paper. The colonies had never been taxed internally by Britain before, and had traditionally taxed themselves through their colonial assemblies. Taxation was a primary function of the self-government to which the colonists so passionately clung. The Stamp Act refuted the claim to a measure of self-government, painting as subject to Parliamentary legislation and taxation.

 The Stamp Act forced colonists to consider the issue of Parliamentary taxation without representation. Few colonists agreed with Grenville that they were virtually represented. Though most admired and respected Parliament, few imagined it represented their needs. They claimed that the theory that members of Parliament concerned themselves with the needs of all British subjects was not valid. In the common colonial view, unless a legislator shared, to some extent, the interests of his constituents, he could not be expected to consider their welfare. Since the needs of the American colonists differed substantially from the needs of inhabitants of England, they feared that were Parliament permitted to legislate for the colonies its members would be easily persuaded to vote against the Americans' best interest, especially if England stood to gain. It seemed to many, that this was precisely what had happened in the case of the Stamp Act.

 Colonists conceded that as they were British subjects, Parliament did reserve limited powers of legislation over them.

 The colonists also accepted the role that in the interest of broad economic goals Parliament had to play in the regulation of trade throughout the Empire, and even accepted that this regulation might at times prove disadvantageous to the colonies.

 Further, they acknowledged the need for loyalty to the crown and considered their responsibility to defend the Empire in time of war undeniable.

 However, they insisted that in all other ways they should be self-governed--that colonial assemblies alone could tax the colonists, and that in return they would not interfere with laws that regulated the empire's trade.