

# The Tea Act



The Tea Act was passed in Parliament

This article on the Tea Act in Colonial America provides fast facts and information about the effects of these laws and taxes.

- What was the Tea Act?
- The Meaning and Definition of the Tea Act
- The purpose of the Tea Act
- The effect of the Tea Act
- Fast and easy to understand explanation of the Tea Act, suitable for schools and kids

## [Tea Act of 1773 Words and Text](#)

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History of the 13 Colonies and the laws & taxes that sparked rebellion against the British

The definition and purpose of the 1773 Tea Act and the cry of "No taxation without representation!"

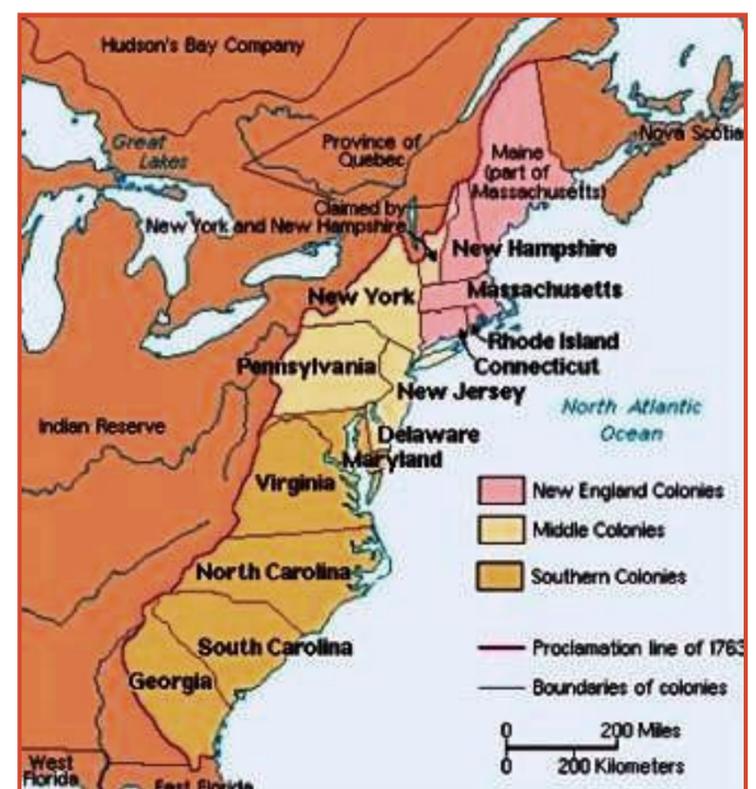
## Definition of the Tea Act 1773

The Meaning and Definition of the Tea Act: The Tea Act of 1773 was a British Law, passed by the Parliament of Great Britain on May 10, 1773, that was designed to bail out the British East India Company and expand the company's monopoly on the tea trade to all [British Colonies](#), selling excess tea at a reduced price.

## The Tea Act - A Follow-up Act

The Tea Act was a follow-up to the Revenue Act, that was one of the laws in the [Townshend Acts](#) which set new import duties (taxes) on British goods including paint, paper, lead, glass and tea. Due to protests from British merchants, whose trade was seriously effected by the American colonists refusing to buy the goods, Parliament repealed all of the duties (taxes) - except the tax on tea.

- The Tea Act imposed no new taxes
- It gave a tea monopoly in the American colonies to the British East India Company
- The Tea Act allowed the East India company to sell its large tea surplus below the prices charged by colonial competitors

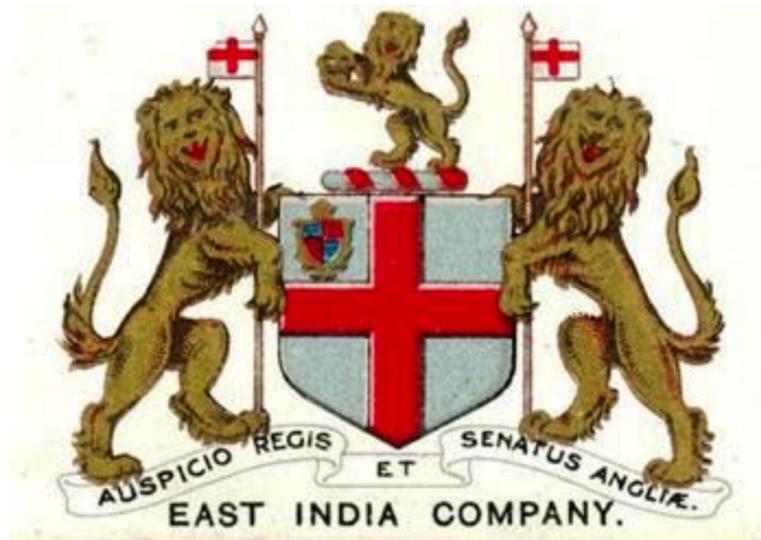


Map of the Thirteen Colonies

## The Tea Act of 1773

Of all the Townshend duties (taxes) only the import tax on tea was left. Not surprisingly, the American colonists continued to boycott tea. As a result of the boycotts, the East India Company had literally tons of tea in its London warehouses and was on the verge of bankruptcy. By 1772 the East India Company had 18 million pounds of unsold tea in warehouses and

1.3 million pounds of debt.



## Tea Act of 1773 - The East India Company

The East India Company was an early English joint-stock company of investors that was formed initially for pursuing the spice trade with the East Indies including India, Pakistan and other countries in South east Asia. But it was the trade in tea with China that was the most viable in the 18th century. Tea accounted for more than 60% of the Company's total trade in the late 1700's. Customs duty on tea was providing 10% of the British government's annual revenues.

## The Provisions of the Tea Act of 1773

The provisions of the Tea Act of 1773 were as follows:

- The new provisions in the Tea Act allowed tea to be shipped in East India Company ships directly from China to the American colonies, thus avoiding the tax on goods first sent to England, as required by previous legislation
- The Tea Act also made the provision for a duty (tax) of 3 pence per pound to be collected on tea delivered to America
- This new import tax of 3 pence was considerably less than the previous one in which 12 pence (1 shilling) per pound on tea sent via Britain
  - The American colonists would therefore get their tea cheaper than the people of Britain
- The tea was to be marketed in America by special consignees (receivers of shipments) who were to be selected by the East India Company
- The tea consignees were to be based in four centers in the colonies:
  - Boston
  - New York
  - Philadelphia
  - Charleston



## Tea Act of 1773 - the British View

Proposals were made that the Townshend tax on tea be completely waived, but Lord North opposed this idea, saying that those revenues were used to pay the salaries of crown officials in the colonies.

Never-the-less the British anticipated a good reception to the Tea Act in America, after all, the colonists would get their tea at a cost lower than ever before. Tea would be cheaper in America than Britain. Ships laden with more than half a million pounds of tea set off for the colonies shortly after the Tea Act was passed.

The Tea Act would allow the British to undercut the price of tea smuggled into Britain's North American colonies via the illegal Dutch tea trade. The British government led by the Prime Minister, Lord North, hoped to reassert Parliament's right to impose direct revenue taxes on the American Colonies with the cheap tea.



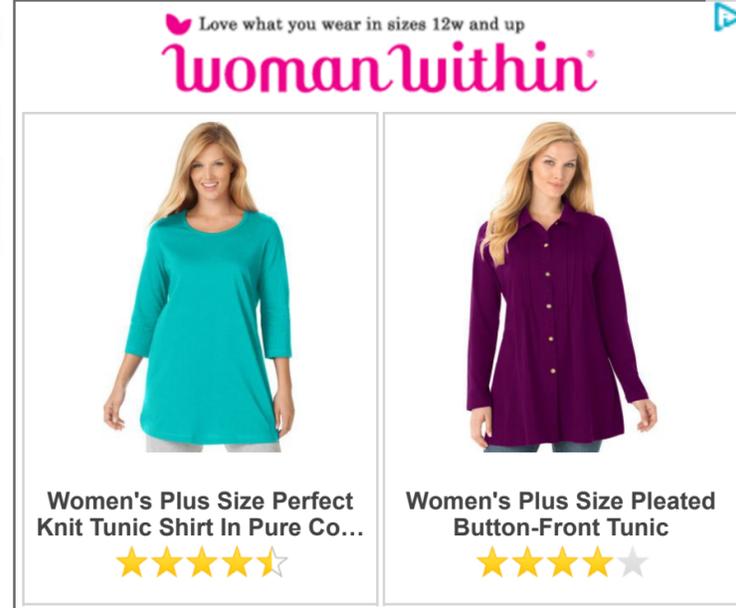
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## Effect of the Tea Act of 1773 on the Colonists

The effect of the Tea Act on the American colonists would be as follows:

- Merchants who had been acting as the middlemen in legally importing tea stood to lose their business to the the East India Company agents
- Merchants dealing with the illegal Dutch tea trade would be undercut by the Company's lowered prices and also stood to lose their business
- The Tea Act directly impacted shop keepers who would only be allowed to purchase tea from merchants selected by the East India Company and their monopoly
- Only ships owned by the East India Company could carry tea, the American ships engaging in the tea trade would be redundant
- Favoritism - Consignees who were to receive the tea and arrange for its local resale were generally favorites of the local governor. The Governor of Massachusetts, Thomas Hutchinson, was a part-owner of the business hired by the East India Company to receive tea shipped to Boston. He was disliked by the Boston patriots with whom he had clashed during the Boston Massacre of 1770

## Reaction of the Colonists to the Tea Act of 1773

The reaction of the American colonists to the Tea Act came as a shock to the British. Buying the tea would mean that the colonists had accepted paying the British import tax. The American colonists had not forgotten their outrage at the Stamp Act of 1765 and the efforts made to gain the political victory in having the hated act repealed.

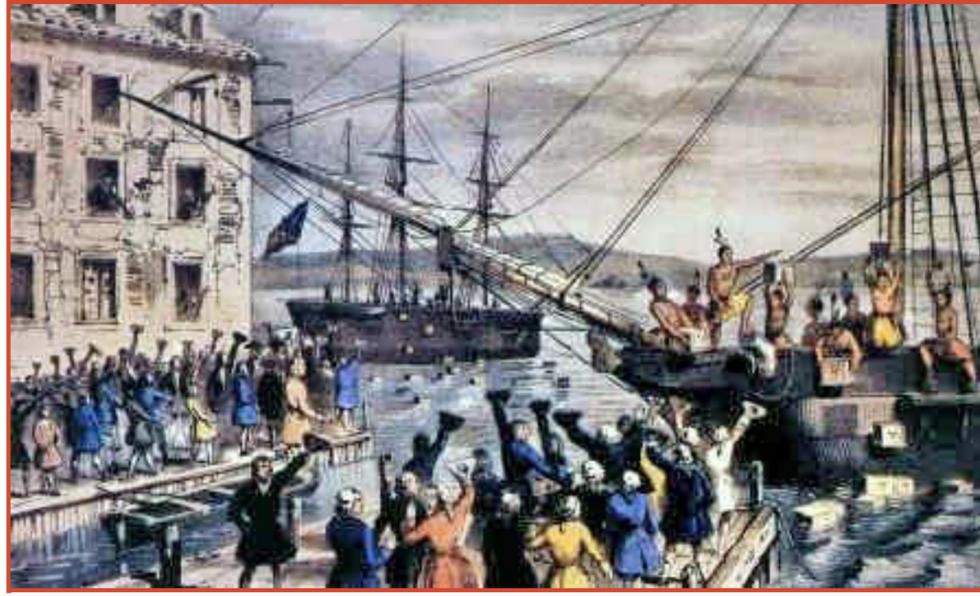
- Since the Colonies were not represented in Parliament, they saw the Tea Act as unconstitutional
- Their cry of "No taxation without representation!" had not been forgotten.
- The seeds of revolution had been sewn in the minds of many of the American colonists. The [Sons of Liberty](#), and the Daughters of Liberty, had experienced a relatively calm period since the repeal of the Stamp Act and the [Boston Massacre of 1770](#). The Tea Act stirred up all of the old feelings of resentment towards the British

## Tea Act of 1773 - Action by the Colonists

The American colonists in the ports of Boston, New York, Philadelphia and Charleston had time to consider the implications and impact of the Tea Act before the ships laden with tea arrived in their harbors. They had time to plan their responses and what action they could take against the Tea Act:

- The press became more active in its political discussions
- Circulars and handbills were printed and distributed
- The Sons of Liberty organised public demonstration against the British government
- Public meetings were held - everyone got to hear about the Tea Act resulting in strong Anti-British attitudes
- Americans decided they would continue to boycott tea from the British
  - To enforce the [Nonimportation Agreements](#) by merchants not to purchase British goods
- A public meeting was held in Philadelphia and there was agreement that anyone who aided in "unloading, receiving, or vending" the tea was an enemy to his country
- The colonists agreed that the Consignees, who were supposed to receive the tea, should "resign their appointment"
- The Sons of Liberty reorganized and owners and occupants of stores were warned against harboring the tea, and all who bought, sold or handled it, were threatened as enemies to the country
- Colonists resolved to prevent the landing and sale of the teas - they wanted the tea to be sent back to England

The scene was set for confrontations when the ships laden with tea arrived at the ports of Boston, New York, Philadelphia and Charleston. The scene was set for the [Boston Tea Party](#)...

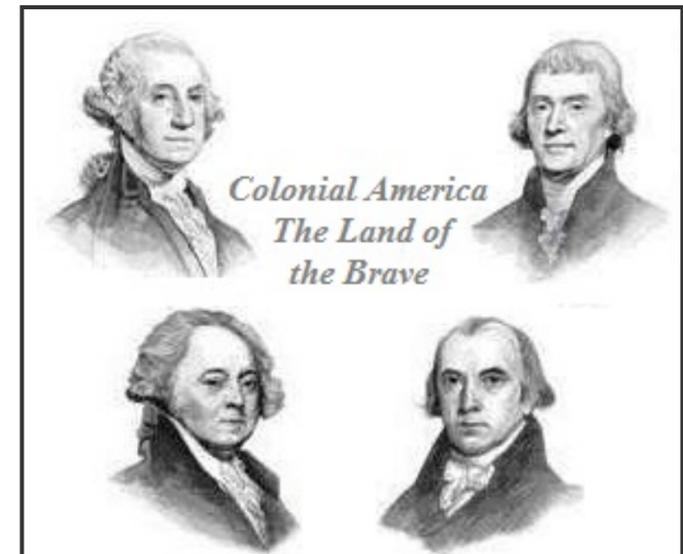


*The Tea Act led to the Boston Tea Party*

infolinks

## Tea Act

- Meaning and Definition of the Tea Act
- History of the Tea Act of 1773
- Fast Facts and info about Tea Act timeline
- The Tea Act article is a great history resource for kids
- Social Studies Homework help for kids on the Tea Act of 1773



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