



# FISCAL SYSTEM I. ACHAEMENID

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**FISCAL SYSTEM** in Persia.

## i. ACHAEMENID PERIOD

There probably was no clear distinction between state and royal incomes in the Achaemenid empire. All state receipts were considered royal property, as was the income from the king's estates (Dandamayev and Lukonin, p. 208).

Taxes constituted the most substantial source of government income. Beginning from ca. 519 B.C.E., when Darius I (q.v.) established a new tax system, the peoples subject to the Persians paid 7,740 Babylonian talents of silver (i.e., 232,200 kg) a year, not counting the Indian satrapy, which contributed an assessment in the form of gold dust (Herodotus, 3.90-94). In addition to direct taxes, the state income was also derived from various sources such as port and market duties, etc. (Pseudo-Aristotle, *Oeconomica* 2.4). A certain part of royal income was received from temple estates of the empire. In any case, such a practice is attested in Babylonian documents, according to which, royal control in the temples was exercised by fiscal agents who were the managers of the royal fisc and checked on prompt and precise payment of state taxes (Dandamayev, pp. 590-92).

Silver ingots in the shape of little bars, rods, circles, wires, and stars as well as in other forms, served as money and were weighed each time they were used



as payment. Taxes were also paid in unminted silver which contained varying parts of alloy.

Temples and palaces in the Near East had worked out techniques for collecting large amounts of taxes, voluntary gifts, and other revenues; this system was adopted by the state administration of the Achaemenids. Taxes were paid in silver of rather poor quality which was evaluated by official experts. In order to obtain the necessary uniformity, the silver was sent to temple and state workshops for refining and smelting into ingots of standard size and quality, after which these ingots were deposited in treasuries (Torrey, p. 298; Oppenheim, pp. 116-20). One document drafted in Babylonian and discovered in Persepolis records the payment of state taxes in the 19th to 20th regnal year of Darius I (502 B.C.E.). The silver that had been submitted by four individuals was evaluated in terms of purity and weight, after which a final calculation was made; it was determined what sum the taxpayers still had to contribute, proceeding on the basis of the fact that taxes had to be paid in silver of a certain standard. The paid silver was of three types (white, second-grade, and third-grade) and, depending on the quality of the metal, the sums paid were marked down from 0.416 to 10 percent (Cameron, p. 4 and n. 85, pp. 200-03).

The medieval Arabic *jahbad*, which denoted professional assayers, goes back to the Old Persian *\*gaiθāpati-* with its original meaning “overseer of the livestock.” This word is attested in the form of *gitepatu* in a Babylonian document drafted in 419 B.C.E. in Nippur in order to designate a financial official of a fiscal department who assayed silver paid as tax to the royal treasury (Torrey, pp. 299 f.).

The treasury functioned as the center for the financial administration of the state. The chief of the treasury (*ganzabara*, q.v.), his assistant, accounting clerks, and scribes were engaged in the receipt, verification, sealing, storage, and issuance of gold, silver, and various valuable things. Royal treasuries were located in Susa, Persepolis, Ecbatana, Babylon and in other important cities (Hinz, p. 265; Koch, pp. 235-55; Young, pp. 83 ff.).

Precious metal belonging to the state was subject to minting only at the discretion of the king, and a large portion of it was left unminted (Pseudo-Aristotle, *Oeconomica* 2.1-4). According to Herodotus (3.96), when money was needed, the king indicated how much molten precious metal had to be cut off. Besides, the Persians kept a lot of gold and silver in the form of utensils (Strabo, 15.3.21). Thus, the king could manipulate the ratio of exchange



between gold and silver in his favor, on the basis of the vast reserves of unminted metal accumulated in his treasuries (Altheim, pp. 192-93, review of Cameron).

According to the opinion of Olmstead accepted by many scholars, gold and silver paid as state taxes were deposited in treasuries and withdrawn from circulation for many decades. This, Olmstead assumed (p. 298), caused a disastrous drain on precious metals, a shortage of specie, and disrupted local markets. But this opinion has been rejected by Matthew Stolper, according to whom, documentary evidence from Babylonia and recent historical studies show that there was no shortage of specie and no general decay in Achaemenid Mesopotamia. It is true that Achaemenid treasuries had accumulated huge amounts of precious metals. However, according to some calculations, the Achaemenid kings hoarded in all their treasuries no more than 5 percent of annual tax income and 95 percent was put back into circulation (Stolper, pp. 143-46).

See also [DARIC](#).

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