

## A Single Tax Town

HON. GEORGE FINGER, for the past four years mayor of Capitol Heights, Maryland, was unable to attend the Henry George Congress in September, but sent the following interesting communication treating of a Single Tax experiment with which few of our readers are familiar. This municipality comes nearer to having the Single Tax than any town in the United States.

—Editor LAND AND FREEDOM.

Single Tax has always appealed to me since I first learned of it, which was when I was about nineteen years of age (I am now fifty-four). I remember well sitting on the platform with Henry George at Lenox Hall, 116th Street, New York City, almost the last meeting at which Henry George spoke.

Being interested in Single Tax, the town of Capitol Heights, Maryland, has had a very great interest for me since I first learned of the town. The town had an unfortunate start. It was formerly farm land cut up into residential lots, twenty feet by one hundred feet, which is entirely too small for the proper development into a suburban town. The lots were sold for a very small price, some as low as twenty-five dollars a lot, on a payment of five dollars cash and monthly payments of one dollar. As a result the town was peopled largely by a poor class of people, untrained in civic affairs, whose chief object was to acquire a plot of ground upon which they could build a house in which to live.

Several years ago Jackson H. Ralston succeeded in getting a bill passed by the State Legislature of Maryland, granting to each community or county the right to decide upon its own methods of taxation. As a result of this legislation and through his activities the town of Capitol Heights adopted the Single Tax method of taxation, that is, that the land only should be taxed and not the improvements placed thereon. This method of taxation would have worked a more direct advantage to the town had some person residing therein been informed as to this method and the theory upon which it is based, but unfortunately it had to grope along through its infancy without any such assistance. There were no industries in or near the town, it being located just outside the District of Columbia, near its Northeast corner, and being populated mostly by working people who were employed in Washington.

When the town of Capitol Heights was chartered, there was incorporated a provision for a single tax and it was also provided therein that the rate of taxation should not exceed twenty-five cents on the one hundred dollars, assessed valuation. Unfortunately those appointed to make an assessment were not thoroughly informed as to Single Tax principles. No consideration was given to the effect of population and improvements in raising land

values. The land was assessed at a value only slightly above what had been paid for it. Although the population had increased to about one thousand persons and homes had been built and improvements made sufficient to accommodate the population.

During the year 1918, while in Washington, D. C., I became attracted to the town of Capitol Heights because of its Single Tax provision, and decided to locate there and take part in the development of the town and the application of the single tax therein. I found very little interest being taken therein by the town council. This led me to organize an association called The Civic League from which emanated many suggestions that were presented to the council. After I had resided in the town the statutory period of two years, required by the charter for citizenship, and because of the interest I took in public affairs, I was nominated and elected Mayor of the town.

Knowing that the previous year the Mayor had failed to levy the tax rate and the assessment required by the charter, I called a meeting of the town council in special session at the school house so that I would have the advantage of the use of the black board, and from eight P. M. until midnight the matter of assessment was thoroughly discussed with the councilmen. A recent assessment had been made which made practically no change over the old assessment though the value of the land had been considerably enhanced. Thereupon I recommended that the entire assessment be raised twenty-five per cent. The income of the town at this time was about sixteen hundred dollars and was entirely inadequate for a town with twenty miles of street to care for, street lights to keep up and other municipal expenses to be met. In a recent amendment to the charter (1922) the tax rate limit had been raised from twenty-five cents to one dollar per one hundred dollars assessed valuation of property. I requested that the rate be placed at one dollar but the council did not assess this limit for more than two years after I entered upon my duties as Mayor.

This raise in the assessment, a legitimate raise, and one that was not sufficient to hurt anyone, increased the town's income to over four thousand dollars. After I had been in office for about two years the rate of taxation was raised to the maximum, one dollar. This constituted the second raise in the income of the town and brought said income to slightly more than six thousand dollars per year, which puts the town at last upon a fairly decent footing to do the things that are required.

During the past few years there have been several occurrences which were rather unfortunate for the town. In 1923 there occurred a regular cloudburst, which almost proved disastrous in the havoc it wrought. The town of Capitol Heights is situated in a beautiful valley surrounded by hills that make it one of the most scenic parts of the territory around the District of Columbia.

But like all valleys that have to bear the burden of carrying off the excess drainage of the hills, it is subject to the devastating effect of rainstorms. The stream which runs through the town crosses it in a winding valley. When the town was laid out this stream could have been straightened at little cost, but rather than that this cost be incurred, the developer laid out the town and opened up the stream in such a way that one of the most prominent streets and one that formed the main artery through the town crosses this stream seven times in one-half mile. Because of this stream crossing the various streets there are thirteen bridges required. The bridges in use at the time of the cloudburst were mainly of wood, which were washed away and caused a dam to form at one of the concrete bridges. This damming of the stream at this concrete bridge caused it to be undermined and utterly destroyed. This was a disaster which had to be met and we were limited in our town income, to the taxes, and one other source or means of raising revenue, a Bond Issue. The charter gives the town a right to vote a bond issue of not more than fifteen thousand dollars. In order to relieve the disastrous situation I appealed to the citizens for a bond issue, but at an election held for that purpose, it was defeated by a small majority of three. But shortly thereafter at the request of the citizens by a petition properly prepared and presented, another vote was taken on the question of a bond issue and at this election the bond issue was voted by a small majority.

The proceeds of the bond issue was used for the construction of bridges, sidewalks and general street improvements, two large bridges were constructed of concrete and another one repaired. One of the concrete bridges constructed forms a culvert extending diagonally across the street, ninety feet long and serves to open up communication to an important section of our town.

The income of the town now is over six thousand dollars per annum, the tax rate being at the maximum of one dollar. A reassessment is to be made on all property this year as the charter provides that the town be reassessed every five years. The appointment of the assessors is with the mayor and the council and upon them largely depends the efficiency and the correctness of the assessment. It will depend upon the knowledge the assessors have of valuations for Single Tax purposes and how to levy them, whether the benefit that should be derived from single tax town will be derived or not. My hopes are that it will.

The town places no tax upon business or stores, the only licenses are for a moving picture theatre which seats four hundred persons and pays a yearly license of forty-eight dollars or about twenty-five cents per performance, and pool rooms. Pool rooms were taxed with the idea of putting them out of business, twenty-five dollars for the first table and five dollars for each additional table.

The town is ideally located for business purposes, being on two State roads and on the edge of the District of Columbia, six miles from the Nation's Capitol.

The town, being in the Washington Sanitation District, is having its sewer and water system installed by that body, the rate being thirteen cents per front foot for water and thirteen cents per front foot for sewer for a period of fifty years. The town has nothing to say nor any part to play as such in the water and sewer systems, as this is a State matter and applies to territory around the District of Columbia. The electricity for the town is supplied by the Potomac Electric Power Company at the rate of six and three-fourths cents per kilowatt. Gas is not yet installed in the town.

The county assessor does not like Single Tax, but the people of our town could not be induced to change the method of taxation after ten years experience with it. There is now in the town a weekly newspaper of which I am the editor. It is part of the purpose of this paper to disseminate information and a proper understanding of the principles of Single Tax.

It is most unfortunate more is not done to induce communities to adopt the Single Tax, as it is practical wherever put into operation and I believe it would not take much effort to make Prince Georges County, Maryland, in which Capitol Heights is situated, a Single Tax county. The only opposition probably would be from large land holders, of which Maryland has many, who, by allowing their land to become overgrown by trees of the poorest quality, can get away with taxes as low as twenty-five cents per acre; but when one tries to purchase this same land, they will either refuse to sell or charge exorbitant prices.

There was but one man in Capitol Heights who held a large property before I was elected as Mayor, a realty estate agent. After I had formed the Civic League, he asked me whether I would not assist him in doing away with Single Tax in the town, as a man should be encouraged in having a large property surrounding his home (he was holding these lots for higher values). I informed him that I heartily favored Single Tax, and six months later he had cut up his property in small lots and had sold them and moved from town.

The assessed value of the town, by the town is \$480,000, while the State and County assessment for the same property amounts to over one million and a quarter; the State rate being \$1.85. per \$100.00. The County returning part of the road tax for care of roads which amounts to \$1,200.00 bringing the income of the town to \$6,000.

If I can be of any service in granting further information, write to me and I shall gladly give all the details possible, it being my belief that Single Tax in operation would be of inestimable value to all.

—GEORGE FINGER.