

# LAND & LIBERTY

FREE LAND

FREE TRADE

FREE PEOPLE

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## THE BUDGET AND LAND VALUES

### STATEMENT BY DEPUTATION OF MEMBERS OF PARLIAMENT

Presented on 26th March to the Chancellor of the Exchequer by the Land Values Group at an Interview in the House of Commons

(For Report of the Interview, see p. 62)

#### TO THE CHANCELLOR OF THE EXCHEQUER :

This Deputation of Members of Parliament, representing both Labour and Liberal Parties and concerned to promote legislative measures that will institute the Taxation and Rating of Land Values, desires to submit the following considerations :

This reform would enforce the rights of the people to the land in a just and effective way by obliging all who hold the land to pay national and local taxation based in each case on the true market value of the land apart from improvements, whether the land is used or not and irrespective of its use. By making possible the relief of improvements and of trade and industry from the burden of rates and taxes it would stimulate production and promote employment.

The forthcoming Budget offers the opportunity to make a beginning with the necessary legislation by providing for (1) a national tax on the market value of land apart from improvements ; and (2) an up-to-date Valuation of the land of the country and the re-equipment of the Land Valuation Department for that purpose.

The proposals we place before you are simple and practicable. The Tax on Land Value would be a direct charge on all Land Value at a uniform rate in the £, and its levy and collection would not be trammelled by such complications as were embodied in the land clauses of the 1909 Budget.

The Valuation which would be essential for a Tax on Land Value could also be adopted afterwards as the basis for local rates on Land Value. Both the Tax and the Valuation should be combined in a Money Bill whose passage through both Houses of Parliament would be assured.

The first requirement is a single definition of Land Value. The second requirement is full publicity in respect of both provisional and final results of Valuation. The Land Valuation Department should ascertain only the Land Value, apart from improvements.

The Valuation of 1909, so far as it went, has provided much material and detailed information

in the District Valuers' Offices, and much experience has been gained which will be of great assistance. The Land Valuation Department, if re-equipped with the powers of which it was deprived last year and adequately staffed, could, we are convinced, make a new Valuation in comparatively short time.

We respectfully recall the statement made by the Prime Minister in his speech in the House of Commons on February 12th that Government after Government had promised to deal with local taxation ; that the whole question of rating was due for revision ; that the present Government proposed to bend its attention to the production of a scheme for re-adjustment and reform.

We recall also the significant remark of the Prime Minister on the same occasion to the effect that public expenditure in connection with schemes of public improvement raised land values and put more power in the hands of owners of land to exact an increased rent. Measures were foreshadowed which would divert those land values into the public coffers where they rightfully belong. Here again, Valuation and the Taxation or Rating of Land Values are essential.

The more carefully these questions are examined, and from whatever angle, it is obvious that no time should be lost in giving effect to the necessary legislation. The Budget for the year provides the opportunity. The alternative is to wait another year before the first steps can be taken and perhaps several years more before the policy can be in full operation.

We feel satisfied that the proposals we recommend would have a sufficient majority of the present House of Commons to carry them, in the form of a Money Bill, into law. Both Labour and Liberal Parties, with a combined vote of 350, are pledged in repeated official declarations to advance the Taxation and Rating of Land Values. We are convinced that neither Party will readily tolerate delay in giving effect to these pledges, as they regard the policy not merely as a financial reform but also as a reform vitally related to employment, housing and national prosperity.