

Method of Collecting Land Value Taxation.—Mr. Dundas White's article on the method of collecting a tax or a rate on land values, appearing in our issue of last month, has been republished in our Reprint Series of Leaflets. A limited number of copies are available for special circulation. Measures for the levy, the apportionment and the collection of land value taxation have been the subject of Mr. White's constant and diligent study, as his many valuable contributions to our columns bear witness. In the article now reprinted his proposals and suggestions are put together in concise form and embody a definite scheme of practical legislation. On the question of the liability for payment of the local rate on land values where the occupier is bound by the terms of his lease to pay the existing rates, Mr. White proposes that on the transference of rates from the present rateable value basis to the land value basis, the occupier should continue to be liable as occupier for the rates levied so long as the rates levied on the new system do not exceed the amount levied under the old. If there is any excess the occupier should have power to recover from his lessors so much of the excess as corresponds to the lessors' interest in the land value of the property. This plan for adjusting the payment of rates applies of course only to leases existing at the time the change is made. Where leases are made after the change the incidence of the rates on the land value basis will look after itself whoever undertakes to pay. The plan above outlined for determining payment, so far as existing leases is concerned, may be compared with two other plans that have been proposed (and defended) from two quite opposite points of view: (1) that the new land value rate should be paid by each person interested in the selling value of the land; the occupier having no interest in the *selling value* would contribute nothing to the land value rate and have the whole benefit of the abolition of the existing rates on rateable value, and (2) that the land value rate should be paid by the present ratepayer in all cases, without power to deduct, no matter what is the increase in the amount of rates payable, and no matter how small is the ratepayer's interest in the value of the land.

The arguments by which these mutually opposed plans have been supported make an interesting discussion. Meanwhile we offer Mr. White's plan for the consideration of our readers.

The poverty which in the midst of abundance pinches and embrates men, and all the manifold evils which flow from it, spring from a denial of justice. In permitting the monopolization of the natural opportunities which Nature freely offers to all, we have ignored the fundamental law of justice—for so far as we can see, when we view things upon a large scale, justice seems to be the supreme law of the universe. But by sweeping away this injustice and asserting the rights of all men to natural opportunities, we shall conform ourselves to the law—we shall remove the great cause of unnatural inequality in the distribution of wealth and power; we shall abolish poverty; tame the ruthless passions of greed; dry up the springs of vice and misery; light in dark places the lamp of knowledge; give new vigour to invention and a fresh impulse to discovery; substitute political strength for political weakness; and make tyranny and anarchy impossible.—*Henry George.*

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WHERE IT WORKS

In our January issue we commented on a passage in Professor Shield Nicholson's new book "The Revival of Marxism," in which he says that Henry George's theory was shattered as soon as it was analyzed and stripped of its rhetoric. This notice has called forth a reply to Professor Nicholson from one of our readers, Mr. H. W. Noren, of Pittsburg, Pa., U.S.A., who sends us copy of his letter. It is as follows:—

28th January, 1921.

Professor Shield Nicholson,
Edinburgh University,
Scotland.

DEAR SIR,

You are quoted as having said in THE SCOTSMAN that Henry George's "theory was shattered as soon as it was analysed and stripped of its rhetoric."

Would you please shatter it again and show us how to do it?

We are vitally interested, for here in Pittsburg the George men put one over on us.

We suffer under what is known as the Graded Tax Law, and under this law land values just simply refuse to advance.

Due to this law the tax rate on land values are increased ten per cent. every third year; and the tax rate on building values are reduced ten per cent. every third year. We don't know how to "shatter" it, and this law is playing havoc with things as they used to be.

We have what is known as the Schenley Estate, a hundred years old. This estate is all land. The tenants own the buildings and pay the taxes. It is estimated that the Schenleys, who live in London, draw in rents from their Pittsburg land about \$3,000.00 a day. Yet the Schenleys have started to sell their three thousand dollar a day gold mine. It is so, that this law of ours is not only making it unhealthy to hold vacant, by the additional taxes, but it brings the vacant into competition with what is already occupied. If this confounded thing isn't "shattered" we can see the day approaching when none of this money will go to London.

And the worst is yet to come. Note by the enclosed circular that the Allied Boards of Trade propose to take all the taxes off building values and put them all on land values. These are the tradesmen and the lower classes and the very men who put it over on us before. These people figure that by thus shifting the tax burden there will be twenty-five million dollars annually for the lower classes to spend, and the tradesmen will do holiday business the year around; the greedy fellows.

So for heaven's sake show us how to "shatter" the Henry George theory. The damned thing works here.

Yours very truly,
H. W. NOREN.

CORRESPONDENCE IN THE PRESS

The Press clippings that have reached us show continued activity in the correspondence columns of many newspapers. In the latter part of January Mr. James Busby, Mr. Alex. McKendrick and "Lucidus Ordo" contributed a series of letters to the GLASGOW TIMES. For several weeks, in its Saturday issue, the MANCHESTER CITY NEWS published an extensive correspondence on the Rating of Land Values, with special reference to the recent proposals made by the Manchester City Corporation, a Mr. R. B. Batty taking a leading part in opposing the reform. Letters in reply to Mr. Batty were published over the names of Messrs. A. H. Weller, D. J. J. Owen, A. W. Madsen and Dr. Greenwood. Correspondence in other papers includes that contributed to the CUMBERLAND AND NORTHUMBERLAND HERALD, 5th February, by Mr. T. H. Postlethwaite; and to the YORKSHIRE OBSERVER, 24th January, by Mr. F. Skirrow.