

gross rent one-third in the case of factories and one-fourth in the case of other buildings.

In Rome the percentage of the total rent liable to taxation is as follows:

Percentage due to the State, 16.25; percentage due to the Province, 4.6; percentage due to the Commune, 8.85; making a total of 29.70.

An additional communal tax on building sites (*aree fabbricabili*) can be raised by the commune in cases where additional house accommodation is shown to be required. As a rule the tax is one per cent. of the declared value. In Rome, however, the municipality is empowered to increase this tax to 3 per cent. The tax is only levied upon plots intended for building, and, in the case of Rome, on those included within the proposed plan for the improvement of the city. The tax does not affect gardens or open spaces. The value of the building site is declared by the owner, but the power vested in the municipality of purchasing the property at the declared value acts as a check on under valuation.

The object of assessing the tax in question was not to destroy existing gardens, but to promote the building of houses in the city and prevent excessive speculation on the part of those landowners who kept their plots vacant with a view to making larger profits in the future. Such plots of waste land were considered as spoiling the appearance of the city.

New buildings are free from taxation for a period of two years.

The tax on building sites has been levied since January 1, 1908.—A. F.

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## SWEDEN

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THE MOVEMENT IN THIS COUNTRY—TRAVELING IN THE DIRECTION OF THE LIGHT, BUT BLINDLY—A SINGLE TAX PAPER PUBLISHED BY JOHAN HANSSON—SOMETHING ABOUT SOPHUS BERTHELSEN—THE BRAVE HEARTED MAYOR OF STOCKHOLM, CARL LINDHAGEN.

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A committee was appointed by the Swedish government early in 1909 to prepare

an outline of a general plan for the local taxation of the "unearned increment." It should be distinctly understood that this scheme of taxation in Sweden, unfortunately, has not been brought forth by any clear realization on the part of the government of the essential justice of such taxation, but rather because it has become necessary to find new sources of taxation, and the taxation of the "unearned increment" seemed an appropriate object of taxation, as indeed it is. The idea has been imported to Sweden from Germany, where such taxation, for local purposes is quite common; but neither in Germany nor in Sweden does it seem that the principle of justice, which in England, at the present time, is clearly recognized, has had much to do with the adoption of these measures. The new taxes have been purely fiscal measures.

The Swedish committee mentioned has now completed its work, and proposes the following method of taxation of the increase in land values:

The amount of the tax in city or town is to be one-quarter of the total increase in land value. The community can, however, with two-thirds majority, establish a lower percentage, and, in special cases, decide not to collect the tax in the municipality. The tax is thus imperative in cities or town, except if a two-thirds majority decides otherwise.

In country townships, the voters may decide with a two-thirds majority to collect a tax on the increase in the value of land, to an amount not exceeding one-quarter of the total increase. Thus, it will be seen that in country communities, the tax is *not* imperative, except if the voters decide to collect it.

The tax is to be paid when the landed property is sold, or when changing owners for other reasons; it is paid by the seller. In case of exchange of property, both parties are liable to the tax. If in city or town no change in ownership has taken place in 20 years, the voters of the community decide if the tax shall be collected at the rate of 1-20 of the total tax during each year for 20 years. The basic value, according to which the increase in value of the land would be calculated, would,

according to the proposition of the committee, be the assessed value in 1908.

It will be seen from the previous abstract, that the proposed tax is a rather crudely conceived measure both as regards its determination and collection, but nevertheless, it seems a step in the right direction, although its framers are groping in the dark. One of the most interesting and sensible provisions in the proposition is that the revenue thus collected may only be used for permanent improvements, such as roads, railways, streets, buildings, etc. Where the revenue cannot immediately be used for such purposes, it must be reserved for future needs.

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Mr. Johan Hansson, the unselfishly devoted and untiring worker for the cause of taxation of land values in Sweden, has recently begun the publication of a little paper called *Budkavlen* (The Message), which is intended to be a journal of social ethics and economic reform. The journal is also the official organ of the Economic Liberty League, (Ekonomiska Frihetsförbundet), an organization which has come in existence largely through the efforts of Mr. Hansson. The first issues of this journal give promise of some valuable work. In the first number, Mr. Hansson publishes a signed editorial entitled "Does it pay?" in which he questions whether there are any commensurate results from the Single Tax propaganda, and concludes, that if it were a question of influencing lawmakers and governments merely, the efforts would be largely wasted, but that, as this propaganda is a propaganda among the people, it does pay.

*Budkavlen* contains a number of pointed and well selected quotations from the works of Henry George, and a series of articles will be published giving short biographical sketches of men who are at the present time the leading workers in our cause. The first of these biographical sketches is devoted to the energetic Danish pioneer in the land value taxation movement, Mr. Sophus Berthelsen, a lawyer, business man, and director in a private railway. Mr. Berthelsen was born in 1864, and is thus now in the prime of life. He is an expert on all matters relating to land laws,

land value taxation, and the educational work he has directed in these subjects deserves the highest recognition. During the years from 1900 to 1908, he has, besides attending to his own personal business delivered 300 lectures, written 500 newspaper articles, and about 50 small pamphlets along the lines of justice in social relations. He was one of the organizers of the Danish Henry George society, which is a very active organization, and in 1904, he began the publication of the journal *Ret* (Right), which under his editorship has been developed into the most valuable organ for social questions in the Scandinavian countries.

Mr. Hansson does not approve of the proposed Swedish law for taxation of the unearned increment. It does not seem, however, as in this respect his viewpoint is correct. In practical politics we must take a step at a time, advance with the advance of the whole world, and if government and legislatures do not see things as we see them, we must not belittle what they do see. Everything that tends to make the people realize, even in a small measure, that land values are social values, is a step in the right direction. We must not take the attitude that we want *all* or *nothing*. Such a stand would, in the long run, probably retard the movement. Of course, we must admit that Mr. Hansson gives a good—a very good—reason for his opposition to a tax on *land value increase*. He believes that, in Sweden, it would be almost as easy to pass a law for a small tax on *all* land values, which of course, would be very much better both from the financial as well as from the ethical point of view.

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Through the efforts of Mr. Hansson, the land value taxation movement in Sweden has been offered \$1,000 a year for five years by Mr. Joseph Fels, on conditions similar to those on which his funds for propaganda purposes in this and other countries are based. One of the reactionary Swedish dailies, *Goteborgs Aftonblad*, denounced Mr. Hansson as a traitor of his country because he had applied for foreign aid in a purely political propaganda, and stated that "Mr. Hansson does not understand