

progress of the Houston plan of taxation up to the time of the suit which was filed by five land speculators of the city of Houston. They succeeded in getting an order from the Court, instructing me to assess all forms of property according to the Constitution. This I have done, but the people, that is, the taxpayers, decided differently. (The great majority, while accepting our full valuation on lands, stubbornly resisted the assessment of buildings at their full value. So I have about decided, as chairman of the board of appraisement, to listen to the voice of the people rather than to the order of Court, and when the assessments for 1915 are completed, I rather suspect that land will be assessed at its full value and buildings at from forty to fifty per cent. of their value, and while we have made a great effort to assess all forms of personal property this year, I firmly believe that next year there will be no personal property assessed that was exempted under the Houston plan of taxation. This is the will of the people, and certainly coincides with my desire.) If the aforesaid five tax kickers don't like what the people have decreed why I will then give them another opportunity to file suit to destroy the "people's plan" of taxation for the City of Houston. The only difference between what I call the "people's plan of taxation" and the Houston plan of taxation is that under the people's plan of taxation, the buildings will be assessed at 10 or 15 per cent. higher than they were under the Houston plan of taxation, while the personal property exempted by the Houston plan will still be exempted by the people's plan. An amusing thing about it all is, that the very fellows who filed the suit against the Houston plan, when they found out that they could not get their land assessed at less than full value, took an oath that their buildings were not worth more than 25 to 50 per cent. of their real value. Some of them assessing at 25%; some at 40%, some at 50%. Not one of them assessed their buildings at over \$.50 on the dollar.

PITTSBURGH PROMOTES PROGRESS IN TAXATION.

WAYNE PAULIN.

In 1910 Pittsburgh had one of the most inequitable systems of taxation in the country. There were three classifications of real estate, urban, rural and agricultural. Urban embraced the closely built up district and was assessed at full value. Rural embraced the suburban districts and was assessed at about two-thirds of its value. Agricultural embraced large tracts of vacant land which was assessed at half its value. Aside from this each ward of the city was a government unto itself regarding the conduct of the schools. The school directors of each ward had absolute control of the collection and expenditure of school funds. As a result each ward in the city had a different school tax rate, and as the number of children in each ward was not proportionate to the assessed valuation, the school taxes were

inequitable. An analysis of the above system showed that as usual the burden fell heavily upon the small home owner, whereas the owners of vacant tracts escaped lightly. Further, an Act of the Legislature exempted from taxation the real estate of the Public Utilities within the city.

The awakening came in 1909 when the Pittsburgh Board of Trade launched a movement to abolish the three classifications. Other civic organizations joined in the demand for tax reform so that in 1911 the Pittsburgh Civic Commission, the Allied Boards of Trade, the Chamber of Commerce, the Pittsburgh Teachers Association and the Federation of Women's Clubs massed their forces before the State Legislature and secured from it abolition of the classifications and a new school code which provided a uniform school tax rate throughout the city. A bill was also put through exempting machinery from taxation in second class cities. This latter enactment was the beginning of the policy of exempting industry from taxation, which was closely followed up in 1913 by what is known as the Graded Tax Law for second class cities.

Shortly after the Legislature of 1911 adjourned, the Pittsburgh Civic Commission began a thorough analysis of the taxation system of the city with the end in view of lifting the burden of taxation from industry and placing more of it upon the great land holders of the city, who were impeding the city's progress by holding the land at prices prohibitive to industries and residents. To bring about this result the committee which made the investigation, recommended that all buildings in the city be taxed at a rate 10% less than land values the first year, 20% the second year, 30% the third year and so on until the tax rate on buildings would be one-half that on land values, at which time it was expected that the plan would have so far justified itself, that at one more step buildings would be entirely exempted from taxation. The report of the committee, together with its recommendation, was printed and widely circulated. The attention of Mayor Magee was enlisted and his support to a bill embodying the recommendation of the committee was secured, so that in 1913 the bill was introduced into the Legislature as an administration measure. However, before passage it was found necessary to modify it so that instead of reducing the rate on buildings 10% each year it was reduced 10% each triennial assessment or every three years. In this shape the bill was passed, and became a law. Effects of the law were almost immediately apparent, many properties which would not have paid a sufficient return under the old system were built upon and improved profitably under the new, so that in 1913 and 1914, while other industries of the city lagged, the building business flourished. However, the effect was also felt by the large land owners who set about to secure the repeal of the law. The support of our stupid Mayor, Mr. Armstrong, and his majority in the City Council was secured for the repealer and as a city administration measure it was passed by the Legislature of 1915, against the determined and stubborn opposition of the Pittsburgh Civic Commission, the Allied Boards of Trade,

the Pittsburgh Realty Owners Association, the North Side Chamber of Commerce, the Pittsburgh Single Tax Club and other organizations. Fortunately, however, for the City of Pittsburgh, Pennsylvania for the first time in many years, has a real Governor, who vetoed the repealer. In vetoing the bill Governor Brumbaugh said: "This bill is a repealer. It applies only to cities of the second class. It repeals the Graded Tax Law in these cities. The present tax law, passed in 1913, makes a separation of land and of buildings for taxable purposes, and reduces triennially ten per cent. the tax on buildings until the minimum of 50% is reached.

"The act of 1913 was urged by all parties in interest. This repealer is opposed by the largest group of protestants that have been heard on any bill. It is advocated by those now in charge of the fiscal policy of one of the two cities concerned.

"Inasmuch as there is such a conflict of opinion, and inasmuch as the law has scarcely yet been tried, it is well to allow it to operate until a commanding judgment decrees its fate. Let the people concerned study freely and fairly the operations of the present law and, if found after two years to be inadequate to the needs of the cities or unfair in its provisions, it can then be repealed. To disturb it now when a preponderance of opinion favors it is unwise. For these reasons the bill is not approved."

Whether or not the bill will have to be defended before each successive Legislature until 1926 is a matter of conjecture; however, it seems reasonable to suppose that with each additional 10% exemption the large land owners will feel the pinch more seriously and will make redoubled efforts to secure the repeal of the measure. But this activity should be more than offset by the support enlisted throughout the city by the beneficial results accruing to the actual operation of the law. To this also should be added the support of two or three friendly newspapers and an active body of favorable opinion among the civic organizations.

THE MOVEMENT IN DENMARK.

SIGNE BJORNER

Since we are not to have the privilege of a personal representation at this gathering of fellow workers, to whom the Henry George disciples in Denmark send their very best wishes, let this report carry some evidence of our modest efforts.

Since 1887, when Henry George ideas were first brought before the Danish people, by Jakob E. Lange, in a series of weekly articles in *Hojsholebladet*, a periodical which has later given much space to this subject, thousands of articles, speeches and discussions have kept the name of Henry George and the principles he stood for before the public.

After the first common interest in the subject had waned and the first passionate opposition had subsided, there was a period of quiet growth. A