

Ever since 1904, when Lawson Purdy succeeded in his campaign to provide for the separate assessment of New York's land and improvements, such separate assessment has been a statutory requirement. However, in Mr. Miller's recent statement to the press, which is quite detailed, no distinction is made between these two radically different forms of property. Land and improvements are spoken of only under the collective name, "real estate," and the only distinction made is between the "three classes of property"—ordinary real estate, real estate of utility corporations, and special franchises. The figure given by Mr. Miller for the tentative assessed valuation of ordinary real estate, for 1941-42, was \$14,334,807,948, including the five boroughs of Greater New York.

Since no separate figures were given for land and improvements, Mr. Harry C. Maguire wrote to the Tax Commission, requesting a breakdown of the figures. In reply, he received the following figures on ordinary real estate:

(Tentative Valuation for 1941-42)

Land	\$6,787,086,103
Improvements	7,547,721,845
Total	14,334,807,948

It can be seen that improvements are assessed at over \$760 millions more than land. Manhattan is the only borough where land is assessed at a higher figure than improvements. The figures in that borough are: Land, \$3,718,190,485; Improvements \$3,128,811,365; giving a total of \$6,847,001,850.

For the past ten years, New York real estate has been declining in value; and during the same period, the assessors have been assessing land at a lower figure than improvements. The assessment of land had reached its peak in 1931, when the figures were:

(Valuation of Ordinary Real Estate for 1931)

Land	\$9,024,155,671
Improvements	8,737,356,696
Total	17,761,512,367

While landowners have succeeded in getting their holdings assessed lower and lower each year, and while they have succeeded in securing a tax limitation on real estate, the City's budget has been just as steadily increasing. The 1941 budget is \$677,892,134.

Until two or three years ago, a single tax on land values, in the amount of the present 2.9% on the assessed value plus 5% on the capitalized value, would have been more than ample to cover the budget. Today, such a tax on the land of ordinary real estate plus the land of utility corporations would fall about \$100 millions short of the present budget. This however, does not take into account the value of special franchises. The latest franchise figures have not been published, but it is reasonable to suppose that they would more than make up the difference.

However, as long as the proposals of Henry George are ignored, the budget will continue to rise, and landowners will continue to get lower assessments. Ironically enough, these are the very conditions that are used as arguments against a single tax on land values.

Taxes and Trucking

By ROLAND RICE

Assistant Counsel, American Trucking Associations

[An address delivered at the February meeting of the Women's Single Tax Club of Washington.]

MEMBERS of the Single Tax Club may be interested in knowing something about the trucking industry, particularly in view of the fact that motor carriage is a relatively new form of transportation. You will be interested to know that there are 3,500,000 employees in the industry throughout the United States. That is a large figure—more than three times as many as employed in any other form of transportation. Of the 4,500,000 trucks in the United States some 600,000 are for hire and subject to the Interstate Commerce Commission. Regulation, according to the Commission, is as complete as that under which the railroads operate, if not more so.

Not only does this industry serve all places that are reached by rail and water but, in addition, serves over 48,000 other towns which are not served at all by rail transportation. To all these points and places we give an expedited service carrying every type of commodity. You might be surprised to know the amount of fruit, milk, berries, fresh vegetables, etc., that are hauled to our cities by motor truck. Livestock of all descriptions moves in great quantity. Every item is included, from a thimble even to a railroad engine itself.

This group will be interested to learn that highway users paid \$1,850,000,000 in taxes in 1940. 38 per cent of all taxes in the United States are paid by highway users. In special taxes the trucks themselves, as distinguished from other types of vehicles, paid over \$430,000,000 in 1940.

One of our problems which is significant to you is the multiplicity of these taxes. If we could pay all our taxes as one; if we could pay them as ten taxes, or even as fifteen, we should be happy indeed but highway users actually pay as many as twenty-eight or thirty taxes, all types combined. We are glad to say to the single taxers, that we long for the time when taxation will be greatly simplified. What a Utopia if there were only one tax bill!

There are many barriers today to interstate transportation by motor vehicle. Some of these are tax barriers resulting from a pyramiding of an accumulation of taxes. Frequently the special license plate taxes alone required in

moving within three states will cost well over a thousand dollars. There are many instances of individual vehicles which pay \$1,500, and as high as \$2,000 a year in special taxes. You will agree that it is exceedingly difficult to perform economical transportation with this tax burden. And much of this results from the failure of the states to recognize taxes paid in other states. In other words, reciprocity is not granted by all our sovereign governments within this country, and the result must be borne very largely by the people themselves.

There are size and weight restrictions, and equipment restrictions. No truck has been made which can travel in all forty-eight states and be within all the laws. One state permits 40,000 pounds as gross load, whereas its neighbor may permit only 35,000 pounds. Some trucks may be limited to 18,000 pounds. Texas has the distinction of permitting a pay-load of only 7,000 pounds if it goes beyond a railroad station. Not many guesses are necessary to discover who supported such a proposal in the legislature of that state. What is proper in one state is improper in another, although the state line is really imaginary, and the roads as good in one as in another.

And there are efforts to Balkanize our country by setting up ports of entry that correspond with customs officers such as are known in Europe. These ports of entry embarrass and delay interstate commerce and serve to increase the burden on the ultimate consumer. We oppose them as being unnecessary, uneconomic and un-American.

(Following Mr. Rice's talk, various members of the Club stressed the advantages that would accrue to the truckers by the substitution of a single land-value tax in place of the multiplicity of taxes now imposed.)

The Tax Institute

FOR all persons and groups interested in taxation and public finance, whatever their point of view, reliable information on this subject is essential. Needless to say, facts and figures in this field of ever-growing importance is of great value to those advocating the tax reforms of Henry George.

There is an organization devoted to the work of impartially compiling and making available information on tax matters. This is the Tax Institute. "Give the people the facts, and they will determine the policies," is one of the slogans of this Institute.

The Tax Institute was until recently known as the Tax Policy League. It was organized in New York in 1932 by Harold S. Buttenheim, editor of *The American City*, and a civic leader in many fields. Mr. Buttenheim (an advocate of land value taxation) saw the need for tax research, and

secured the cooperation of Dr. Mabel L. Walker, an able student of the subject, in the venture.

Recently the Tax Policy League received a grant from the Alfred P. Sloan Foundation, and thereupon became affiliated with the Wharton School of Finance and Commerce of the University of Pennsylvania. At the same time it moved its headquarters to Philadelphia and changed its name to Tax Institute. Dr. Walker is now Director of the Institute, and Mr. Buttenheim serves on the Administrative Board, which also includes such leaders in the educational and civic worlds as Frederick L. Bird of Dun & Bradstreet, Prof. Ernest Minor Patterson and others. On the Advisory Council appear many other prominent names, such advocates of land value taxation as William E. Clement (Secretary of the Benjamin Franklin Research Society), John A. Zangerle (Auditor of Cuyahoga County, Ohio), and others.

What do national, state and local budgets amount to? What are the total tax collections? What are the principal sources of revenue? What is the public debt? What can be done about interstate trade barriers? These are a few of the questions that the Tax Institute undertakes to answer in a form which can be readily understood by the layman. The program of work is as follows:

1. Preparation of an annual compilation of tax collection findings, based on data furnished by Federal, state and local officials.
2. Publication of a monthly information bulletin, each issue related to one particular tax topic and containing notes on new tax legislation and publications.
3. Publication of a semi-monthly information sheet.
4. Organization of a national symposium once a year on some tax problem of current importance.
5. Maintenance of an information service for the purpose of answering queries of both members and non-members.

The Tax Institute has of late been directing its attention to the matter of interstate trade barriers realizing the seriousness of the development. The December 1940 symposium was on "Tax Barriers to Trade," and a book on the subject is being published by the Institute. A recent issue of *Tax Policy* (the monthly bulletin) was devoted to the question, "What can be done about interstate trade barriers?" Since Kansas, in 1933, set up "ports of entry" on major highways entering the state, and levied "tariffs" on certain types of goods seeking entry, fourteen other states have adopted the system. The Federal government has become alarmed at the situation, and is trying to cope with it. *Tax Policy* has this to say:

"Trade barriers are an example of protectionism whereby the citizens of one governmental area seek to protect themselves from the products or services of citizens in another governmental area. Such protectionism interferes with the