

## An Introduction to SITE REVENUE Key to Economic Sanity.

by David Spain

There is a simple yet sovereign remedy for most of the economic ills of our time. This includes big government, rich-poor gap, unemployment, inflation, currency fluctuations, unjust enrichment, high interest rates and deficit financing. For anyone prepared to meet upon the objective plain of Reason, the facts and arguments clearly indicate this assertion is correct. Here they are; judge for yourself, the ball is in your court.

The remedy is to collect the annual rental-value of all enclosed sites (ignoring their improvements) and to make this fund the *sole* source of government revenue (i.e. of public finance).

This planet was not made by humans, yet control over sites (on land and water, and in the air) is essential for the life, privacy and productivity of our species. Sites may be on land or water, or in the air, atmosphere or Space, and may be unused or used. Used sites are mainly residential, commercial, industrial, agricultural, administrative, extractive – or dumps.

When society grants private monopoly over sites then economic sanity can only be maintained by collecting the site revenue in return. This is the *only* natural and proper fund for public purposes.

The more site revenue that is collected for the nation, the more will land-prices drop towards zero and global pollution be minimized. Of course, under a Site Revenue system, a purchaser pays for improvements upon the land. Improvements would form the only source of collateral security when seeking mortgage-finance.

Site Revenue provides a severe disincentive to owning more land than one has to. It tends to force optimum development and usage of, and ends speculation in sites. Unjust enrichment from "exploiting the ecosphere", "locational advantage" and "capital gains" become impossible, since the rental-value is collected and land-price is destroyed. These sources of wealth are in no way due to the efforts of the land-owner as such. They are due to the natural attributes of the site; to its enrichment by public expenditure upon roads and facilities serving it; and to the sheer growth of the community and its

demands. Such unjust enrichment by private citizens constitutes theft, especially from unborn generations, of a publicly-created asset.

The annual rental-value of privatized sites in Australia is adequate to fund an appropriate, modern government. At present, due to heavy taxation, genuine producers in Australia are being crippled. Only welfare-dependency, government and bureaucracy are flourishing. Meanwhile, that 10% of population who own 90% of the wealth (in Australia and planet-wide) continue to skim off the cream, largely due to unrequited site monopoly.

The collection of Site Revenue, as the prime source of public finance, would replace all taxation (e.g. upon earnings) and all imposts upon productivity (e.g. payroll tax, sales tax and tariffs), thereby encouraging employment. Everyone willing to work with hand or brain would have easy access to a site, even if only for subsistence farming, or as a base for part-time work. Governments, like individuals and corporations, would be constrained to live within their budget. No longer could there be deficit financing and highly inflationary borrowings, selfishly creating more burdens for generations yet unborn.

There are no practical difficulties obstructing the implementation of a Site Revenue system. Those liable to contribute could not avoid it. The unimproved value of a site (due to its natural attributes, location-amidst-services, and its neighbourhood) can be accurately assessed by trained valuers. The machinery for this at present exists, for purposes of collecting local rates, throughout Australia. Maps kept displayed at local centres could show the variations in revenue payable by each site. Thus corruption could be avoided and the relevance of variables made clear. (Variables affecting site value are e.g. soil fertility, raw resources, block size, proximity of services and utilities, accessibility, vista and the quality of the neighbourhood).

Site Revenue does not involve the nationalization or enforced redistribution of land: it is not a communist plot! In fact, by minimizing government, and maximizing individual freedom, it is

just as often accused of being a capitalist plot! In fact, it is no more (and no less) than common sense. Full freehold title is left with the individual to sell or bequeath. The Site Revenue debt would attach to the site-title (in the same way as local government rates do at present), and payments could be postponed until death upon the security of the improvements.

There is no rational objection to the Site Revenue analysis. Politicians, entrenched academics and the wealthy usually dismiss it with angry emotion, but they will never debate it publicly.

### TAXES: HISTORICAL

The unpopular poll tax Margaret Thatcher has introduced into Britain is not a new tax. Over the centuries the various monarchs and governments have imposed some unusual and always unpopular taxes.

The original poll tax was imposed in the 1300s, then re-introduced in 1641, 1660, 1677, 1694 and 1698 and was a tax on all people over 16.

Another highly unpopular tax was the hearth tax imposed on fireplaces, in 1662. The last collection was made in 1689, after which it was abolished and within no time replaced by the window tax. The hearth tax was levied according to the number of fireplaces each house had.

Therefore you can judge the status of your ancestors by the number of fireplaces they owned. Because people objected to strangers coming into their houses to count the fireplaces, the window tax was introduced. That way people could stand outside and count the windows! You'll see many buildings in England and Scotland with windows bricked up.

The poll tax was imposed in the 1300s. Other unusual taxes imposed were: the hair powder tax levied in 1797 and 1798 for wigs; a gun tax, 1870-1882, and male servant tax, 1777-1852. Silver plate taxes, ship money taxes and dog taxes were others imposed upon our ancestors at various times.

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