

practically is now, divided for private use in parcels among those who will pay the highest price for each parcel. This price is now paid by some persons annually, and it is called *rent*. By applying the rent of land, exclusive of all improvements, to the equal benefit of the whole community, absolute justice would be done to all. As rent is always more than sufficient to defray all necessary expenses of government, those expenses should be met by a tax on rent alone, to be brought about by the gradual abolition of all other taxes. Landlords should be left in undisturbed possession and nominal ownership of the land, with a sufficient margin over the tax to induce them to collect their rents and pay the tax. They would thus be transferred into mere land agents. Obviously this would involve absolute free trade, since all taxes on imports, manufactures, successions, documents, personal property, buildings or improvements would disappear. Nothing made by man would be taxed at all. The right of private property in all things made by man would thus be absolute, for the owner of such things could not be divested of his property without full compensation, even under the pretence of taxation.—F. C. R. D.

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## BI-MONTHLY NEWS LETTER.

By THE EDITOR.

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There is little to report this bi-month. The defeat of the Single Tax in Colorado Springs by a large majority is to be regretted, though few anticipated victory. Later in this month—May—the Single Tax will be voted on in Denver, where John Z. White has made an active campaign and the local workers have labored gloriously.

In Houston the decision of Judge Read has made it incumbent on the tax officials of that city to enforce "constitutional taxation," and Commissioner Pastoriza and his supporters will see to it that the friends of the system of taxing everything in sight get "all that is coming to them." This kind of enforcement will be new to most of them, and they may be expected to wince under the infliction. In the meantime the friends of tax exemption will work for such changes in the fundamental law as will make for the early return to the system under which Houston has grown so wonderfully. For an account of this growth, such has not yet appeared elsewhere, our readers are referred to the article by Mr. Waters in this issue.

In the Oklahoma State Senate a bill has been introduced by Senator Clarence Davis providing for a Single Tax amendment to the constitution. It passed by a vote of 22 to 17. Senator Davis will now lead a movement to submit it to referendum.

Hon. W. S. U'Ren has drafted a new plan for submission to the voters of Oregon. It provides for the taxation of rent, and says:

"Because all ground rents and all the selling values of land are created by the presence, industry and productive power of the whole people as a social organism, and not by those individuals only who own or hold title to land, it is right and necessary, in order to promote the general welfare, that all ground rents shall be collected by taxation for public use whether the land is actually rented or used or not.

It is therefore the public policy of Oregon to abolish all forms of land monopoly and leave no chance for any person to get a profit by owning land without using it; to begin the abolition of involuntary unemployment and poverty in this State by enacting such laws as shall insure opportunity to all citizens for the exclusive possession and use of enough land to employ themselves and make their homes, so long as there is idle land; to protect all persons in the absolute ownership of the value of their improvements and the rents or other payments for the use of such land improvements.

Taxes will be levied on ground rent and not on land, and the tax in any year may equal, but shall never exceed the ground rent for that year."

Improvements are exempted in the measure. It is more far reaching than any Single Tax proposal yet submitted to the people of Oregon where a large portion of the voters have shown themselves hospitable to our propaganda.

In New Jersey the Hennessy-Hammond home rule taxation bill is defeated in the Senate.

All the hosts of friends of Benjamin C. Marsh, who has led the Lower Rents Society in its campaign for the exemption of improvements, will rejoice in his recovery from a severe illness. The splendid fight he has carried on will be resumed with the old unconquerable spirit. The bill introduced by Senator Wm. J. Hefferman which provided for the practical untaxing of buildings will not see the light, and the fight must be taken up at the next session of the legislature.

In Pennsylvania a bill has been introduced in the legislature by Senator Tompkins providing for extending the exemption of tools and machinery to third class cities, and another bill for extending the provision which has heretofore applied to Pittsburg and Scranton only, for a gradual exemption of buildings up to a maximum of fifty per cent.

The Hon. Ira W. Stratton, mayor of Reading, in urging the passage of this measure thus points out its advantages:

"Moreover this Act of May 15, 1913, and the Supreme Court decision referred to, clearly show that land and improvements values should not only be separately determined but also differently treated. The reasons for this are clear enough. Neither individual or municipal wisdom and enterprise can increase the amount of land which nature provides and positively limits; but they can control the quantity and the character of buildings and other improvements. Site values inevitably come and constantly increase with population and general progress, while improvement values, which represent

human enterprise and labor, inevitably depreciate with age. Even a good second hand building is apt to sell something like a second-hand machine, while an unsuitable building, however costly, may be a mere encumbrance to a good site. These facts must be fairly recognized in order to fully secure a wise and equitable assessment of taxes. The provision for gradual exemption of fifty per cent. of building and improvement values which the State legislature included in this Act of May 15th, 1913, was a wise one which ought to be extended to all municipalities. The immediate essential to real progress however is that separate valuations of land and improvements be systematically made, for otherwise a fair equalization of assessments cannot be attained."

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### MAKING TENANTS.

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The *Nebraska Farmer* calls attention to the recent survey made by the Agricultural Department of three typical areas in the corn belt in Iowa, Illinois and Indiana, where it was found that landlords were receiving an average return of 3.5 per cent. on the value of their farms. Commenting upon this the *Farmer* says:

"If a piece of land valued at \$150. an acre yielded 3.5 per cent., the return would be \$5.25 an acre. But \$5.25 an acre is 6 per cent. on only \$87.50. The difference between \$87.50 and \$150., or \$62.50, represents unproductive value—something for which the land buyer must pay, but upon which he realizes no immediate returns."

This is a concrete illustration of the evils of the present land system. The State, by levying taxes upon labor products, and to that extent remitting the tax upon land values, enables the owners of lands to retain for their private use the value that comes to land through the growth of population. This growing increment serves as a speculative medium; and men buy land at the higher figure, despite the small interest return, in the hope and expectation that they will be able to recoup themselves through future increment. But men with little capital, wishing land for use, find it inadvisable to borrow money at six per cent. to buy land that they can rent on a basis of three and a half per cent. Consequently, the same law that makes speculators of capitalists turns farmers into tenants. It is merely a question of keeping on in the present course to make this a nation of small tenants and great landlords.—*The Public* (Chicago).

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THE World is God's bequest to mankind. All men are joint heirs to it; you among the number.—HERBERT SPENCER in 1850, *Social Statics*, Chap. IX.

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THE earth, therefore and all things therein are the general property of all mankind, exclusive of all other beings, from the immediate gift of the Creator.—BLACKSTONE (1765), *Commentaries*, II, Chap. I, page 3.