

ARGENTINA

THE VICTORY IN BUENOS AIRES

Mr. J. B. Bellagamba, Editor of the *REVISTA DEL IMPUESTO UNICO*, and President of the Liga Argentina para el Impuesto Unico, who sent the cable to the Oxford International Conference announcing the adoption of Land Value Taxation in Buenos Aires and Mendoza, has now written to *LAND & LIBERTY* giving more detailed information. The latter was accompanied by a large-scale official "land value" map of Buenos Aires, showing the street plan and the land value established in each of the zones into which the city was divided for the purpose of land valuation.

"The population of the city is 1,750,000 and the area 186 square kilometres (35,940 acres). The assessed value of land apart from improvements is 3,426 million pesos, equivalent to £299,300,000.

"This value was ascertained and assessed after dividing the city into 67 zones, setting a level of value in each zone which varied from 1,200 pesos per square metre in the first zone to one peso per metre in the 67th zone.

"To make this clear to you we are sending you a map and plan of the city, with the values in each zone printed thereon. This valuation has been made provisionally and will be used until completion of the valuation now being undertaken, which will assess the land value of each separate property—a work that will take some time, because there are 160,000 properties in the city.

"We consider that the land value of Buenos Aires in the aggregate will not be less than £500,000,000, taking account of the fact that land is being sold at prices 40 to 100 per cent above the figures fixed in the provisional valuation by zones.

"The valuation will be made periodically, but it has not yet been decided how often revision will take place.

"*Taxes Abolished.*—The municipality has remitted the taxes on house rents and also the duties previously borne by commerce and industry to pay for lighting, cleaning and sweeping the streets.

"*The Revenue from Land Value Tax* is estimated to be 30 million pesos (£2,630,000) annually.

MENDOZA

"The population is 67,000, and the area 16 square kilometres (3,592 acres). The assessed value of land apart from improvements is 130 million pesos, equivalent to £11,350,000.

"This value is based on the first results of the valuation now being made and may vary from the total stated, but not to any great extent.

"*Taxes Abolished.*—This is a matter not yet decided, but as the yield of the new land value tax is likely to reach 80 per cent of the municipal requirements in the way of tax-revenue, there is no doubt the remissions will be considerable. In due course we will send you the further particulars.

"*The Revenue from Land Value Tax* will be 1,000,000 pesos (£87,500) annually.

"*Exemptions.*—In Mendoza, the land value tax will not be levied on lands situate beyond the central area, if these lands are devoted to athletic games, etc., by associations duly recognized by the Government. We do not approve of this provision and maintain that these lands should also pay the land value tax. It would be much better, if assistance must be given, that such associations should receive subventions from the State.

"In Mendoza the land value tax has been sanctioned and will take effect in 1924.

"In Buenos Aires the tax is now in operation and is being collected at this moment.

First Results in Buenos Aires

"It is early yet to speak of the effects of the tax on the value of land apart from improvements, but the following results may already be noted. Many proprietors who were holding land idle and were making no move to sell it are offering the land in the market, and the municipal authorities declare that in these days there is an extraordinary number of applications for building permits. When we get the official data regarding construction and other results, we shall be very glad to acquaint you further.

"The land speculators made a great deal of noise against the proposal. The three chief daily newspapers, *LA PRENSA*, *LA NACIÓN* and *LA RAZÓN*, came out against the tax on land values and attacked it furiously. But none of them disputed the Henry George doctrine, and all were careful to make that quite clear. They fought the tax, they said, because it was 'not legal' and because it was 'not constitutional.' They made war on us with the conspiracy of silence by withholding all reports of our conferences. But the people were convinced of the justice of our cause and of the benefits it will bring to those who labour, and the following in favour of Georgeism grows every day.

CORONEL PRINGLES

"This municipality in the Province of Buenos Aires, with a population of 16,000, and an area of 5,500 square kilometres, has not yet applied the Taxation of Land Values. The pamphlet you refer to is a draft of a bill by Señor Ambrosio Locati. As no survey (catastro) exists, and the making of a valuation would take much time, the proposition is to introduce the system by dividing the department into zones of different value and levying a tax on the area of each property according to the value which attaches to the land in each of the different zones. Of course, this is a provisional arrangement holding good until the valuation has been completed.

"For ourselves, we expect much from the initiative of Buenos Aires, the largest and most important city in South America and the second largest Latin City in the world. We believe its action will prove a healthy example and its voice will proclaim the benefits of the great reform we have inaugurated."

BRITISH COLUMBIA

The Report of the Inspector of Municipalities for the year ending 31st December, 1922, has been received. This shows that of the 63 city municipalities and district municipalities, 28 do not tax improvements at all, but obtain all tax-revenue from land value only. In five municipalities improvements are taxed only for school purposes or for debt. In 29 municipalities, the tax is levied on half the value of improvements, and in seven municipalities on less than half the value of improvements. In all cases the land (apart from improvements) is taxed at its full selling value.

In Vancouver, the largest city, with a population of 117,000 the tax levy is at the rate of 3.17 per cent and provides annual revenue of \$5,392,174. The taxation of improvements contributes one-quarter of that sum, and the rest is charged on land value.

In 1922 the assessed land value of Vancouver was \$126,590,560 and the aggregate value of improvements (taxable at one-half of that value) was \$80,404,355. In view of much that has been said about Vancouver by opponents of land value taxation it is well to note these facts: (1) that although the municipality has ceased to exempt improvements entirely from taxation, by far the greater part of the revenue continues to be derived from land value; (2) that, taking the period 1914 to 1922, the value of land has been reduced from \$150,456,000 to \$126,590,560, while the value of improvements has increased by four million dollars in the same period; (3) that, under the operation of the Tax Recovery Act which compelled Town Councils to take action against defaulters, who had