

THE IMPACT ON INDIVIDUALS AND FAMILIES  
OF REPLACING THE FEDERAL INCOME TAX

HEARING  
before the  
COMMITTEE ON WAYS AND MEANS  
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The Federal Government should tax land values, exactly as it has already done in 1798, 1811 and 1861, instead of taxing income, sales, estates, gifts or value-added. Why?

- Income, sales, estates, gifts and value-added are all desirable, so they should not be penalized by taxes. If they are taxed, the government is creating poverty and much irksome tax-preparation for American individuals and families.
- If land values are taxed instead, land-sites will have to be efficiently used, thereby creating jobs and economic growth. If those sites are under-used, then the improvements on them will not generate enough income to pay the higher land tax as well as a reasonable profit for the improvements, so they are likely to be fully used. Here is a tax which actually creates not only revenue for the federal government but also jobs and economic growth.
- Most Americans will pay less with this land value tax, and so it could generate political support. It is more based on ability-to-pay than any current or suggested taxes.
- EVERY study that has been made of the 18 jurisdictions that have implemented a tax shift to land values has demonstrated that a spurt in new construction has followed the shift. No wonder that eight (8) recent American winners of the Nobel Prize in economics have endorsed land value taxation.

A land value tax should not be confused with taxes on workers and businesses. It differs completely from those burdens. It can provide revenue while promoting the economy. The more of it, the better.

But a federal land value tax must be properly implemented. This non-profit organization has studied LVT implementation for over 40 years and we have been intimately involved in the 18 jurisdictions mentioned above so that we

have hands-on experience. If the Committee is interested in learning more about this untapped revenue source, it should contact us for further information.

It is not worthwhile to replace a bad tax with a maybe not-so-bad tax. Be kind to American individuals and families.

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