

TAXING THOUGHTS

by Paul Gagnon, Franconia, VA
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As a former Libertarian Party candidate who ran on a tax reform platform twice, I can testify to the conclusion John Hood reached in "Tax Reform Schools" (November). Discrete, incremental, and simple tax policies are more likely to succeed with voters and officeholders. One strategy Mr. Hood did not mention was to support a site value tax (a tax on land only) as a substitute for the real estate tax (a tax

on both buildings and land), personal property tax, income tax, and sales tax. It has several advantages: It simplifies administration and reduces administration costs; it limits total government expenditures; it is comprehensible to the average voter; it reduces the average person's tax bill; and as Milton Friedman has pointed out, it is the least objectionable form of taxation because it does not strike at production, i.e., work, saving, and investing. I would recommend it to any tax reformer.