

heavy: what matters is how the tax varies when the taxpayer acts enterprising." The author proposes a heavy tax which does not rise when buildings rise or fall but is fixed according to the capabilities of a site. "A site-capacity tax will move up or down as environment improves or worsens, but remains frozen as individual landowners respond to the environmental challenge. It does not tax a landowner as he improves, but as his neighbors and his government improve his opportunities."

Such a tax will "hit the center of town much harder than the outlands, because that is where the land values

are, and where the ratio of land value to building value is highest." It is not only permissive of site-improvement, but is downright mandatory. This effect is seen in outlying areas where farmers complain that rising property taxes force them to intensify and convert land to urban use. "Apply this potent positive leverage of taxation where it belongs," urges Professor Gaffney, "in the core of the central city, to the end of accelerating its renewal and overall revival. Let central buildings match the mountain majesty of central land values, and leave the agricultural zones in their Arcadian tranquility."

Land Broker Talks Back

Gaston Haxo, a serious Georgist living quietly in St. Petersburg, Florida, sent a letter to the local newspaper editor, as Georgists are wont to do. It was published, and later he personally received a long detailed letter from a land broker, consultant and appraiser who took issue with his views. It seems well at times to face squarely the objections of the opposition, so Mr. Haxo sent the letter to us.

This expert opponent states first that the total of all land taxes paid for county, school and city government, would barely support the schools alone, and that every political unit in Pinellas County would be bankrupt in 6 months if the sole support was land taxes. In 1962 the tax from land was 25.2 per cent of the total income of the people in that county, and taking the state as a whole it was only 17.1 per cent.

When an improved property pays out more than 20 per cent of its gross income for local taxes, we are told, it is in danger, and some shopping centers pay as much as 28 per cent of their gross. He maintains that single family areas and downtown

business properties grossly underpay for services — shopping centers' overpay, as do high rise apartments, vacant land, and parents of children. Furthermore he estimates that not over 5 per cent of the county land is in the hands of speculators, and that 95 per cent of it has been in the same families for 10 to 100 years.

He characterizes the ad valorem tax — as in fact two taxes. On the improvement it is a use or income tax — on wild and vacant land a capital levy. On idle land the owner must pay the tax from other income or lose his land, and this he believes unsound, since "government renders less service and benefit to wild land than to any other type of property." He holds it as a truism that taxation should be in proportion to ability to pay and to benefits received.

Comments from readers would be welcome.

Mr. Haxo has recently participated, along with Mr. and Mrs. William Newcomb of Melbourne, Florida, in the forming of a Florida Homeowners Association, patterned after the one in California.