



## Georgism in Denmark

**A**LTHOUGH the Justice (Georgist) party of Denmark has lost its seats in Parliament, other parties have shown interest in the program of land value taxation. According to *Vejen Frem*, the party's publication, the People's party has now put forth this proposal.

Parliament is to establish a selected group of seventeen members to consider a reform of property taxation along the following lines:

1. All property taxes to be replaced by a Grundskyld (land value tax) to be applied at uniform rates all over the nation.

2. The rates to be raised gradually, according to a previously laid plan, until they call for the full collection

of the (annual) ground value by the public.

3. Until property changes owners, there shall not be required of any property more in Grundskyld than the largest amount required in property taxes in any tax year 1964-5 to 1966-7.

4. Increases of the property taxes above the amount for 1966-7 must not be passed on to tenants.

5. The funds yielded by the Grundskyld go to the communities (i.e. governmental units). For matters which involve both district and local units, the funds are to be divided according to rules which insure that the equalization of personal income tax in the individual district unit is held within reasonable limits.

### HIGHER TAX—BETTER USE OF LAND

The *Taxpayers Digest of Portland Oregon*, reported briefly as follows on a major address by Dr. Richard W. Lindholm, Dean of the School of Business Administration, University of Oregon, before the 41st annual convention of the Western Economics Association at Berkeley's University of California, where he stressed the need for a complete restructuring of the property tax.

Calling for the separation of the real estate tax into two parts, Professor Lindholm said each belongs to a different level of government where it should be assessed and collected with its special assignment for use.

One part of the property tax, namely that which is levied on improvements, belongs rightfully to the local level for protection and better utilization (police, fire protection, roads, etc.), while the other part, levied on land, should be collected by the state. Land values are created by society and can justifiably be collected by it. The levies from this source would allow for allocation of funds needed for primary and secondary schools. Local school districts wishing to expand education beyond state norms could apply additional millage rates to land values developed by the state.

"All that is required," he said, "is that a uniform tax rate be applied to the market value of land as determined by a combination of recent sale prices and the application of competent valuation procedures to develop what is called constructive market value . . . The closer the tax comes to collecting the full surplus arising from the best economic use of land, the closer the tax forces the highest use of the land."