

COMMUNICATIONS.

TAXING WHAT WONT BE THERE.

EDITOR SINGLE TAX REVIEW:

Mr. Bolton Hall's article in the Jan.-Feb. number again directs attention to the question of valuation. It was Henry George who first pointed out that a percentage of rent might be left to landowners. But that was clearly on the understanding that the land owner performed a useful function in exchange. The whole paragraph is as follows, from Chap. 2 Book 8, Progress and Poverty:

"Nor to take rent for public uses is it necessary that the State should bother with the letting of lands, and assume the chances of favoritism, collusion, and corruption that might involve. It is not necessary that any new machinery should be created. The machinery already exists. Instead of extending it all we have to do is to simplify and reduce it. By leaving to landowners a percentage of rent, which would probably be less than the cost and loss involved in attempting to rent lands through State agency, and by making use of this existing machinery, we may, without jar or shock, assert the common right to land by taking rent for public uses."

Whether the tax is on the rent or on the capital value of land is a detail. The same trouble about the apparent disappearance of the capital value when a tax is imposed, would arise about the disappearance of the rent, so far as the private land rent receiver was concerned, if part, or the whole of the rent were appropriated for public uses.

So far as I am concerned, and I think it is the view of Single Taxers generally, the great thing is to have revenue raised from land values. If the Government of a country prefers imposing a tax on land rent, well and good, or if it prefers the capital value by all means let it go ahead.

In Australia the imposition of the tax on the capital value is general. It has not been imposed on the rent in a single instance even in cases where land is leased from the Crown the rent is capitalized for assessment purposes. At the same time a number of Single Taxers think it will

eventually be a tax on the annual rent rather than on the capital value.

Shortly after rating on unimproved values was generally adopted in N. S. W. I drew attention to the question of valuation. I pointed out that steps would have to be taken to meet the difficulty mentioned by Mr. Hall. If the capital value of land is to be the basis of taxation then in addition to excluding the value of improvements in or on the land the effect of the tax must also be excluded.

The need of the taxing body is the true value upon which to levy the tax. If the fair average value of a piece of land is \$1,000 when there is no land value tax, and the owner is appropriating the rent, clearly it cannot be less when the State or municipality shares the rent with the landowner. The value is there just the same, but the owner could only capitalize and sell the proportion of value from which he draws rent.

If the tax is 3%, then the selling value so far as the owner is concerned is \$400, but the real taxable value is still \$1,000. Exclude the effect of the tax just as you would exclude the value of improvements in making the assessment and no trouble will arise over using the capital value.

Eventually, as the tax increases, it may be found more convenient to eliminate capital values and use the rental value basis. I don't think it would be wise to even attempt such a change at present. The rental value, which in this country has been assessed on land and improvements taken together, under the old system of rating has such a bad reputation that caution is necessary.

Returning to Mr. Hall's example. Suppose the \$1,000 block was taxed 3% and the selling value automatically fell to \$400, then the assessors to get their \$30 revenue might make the tax $7\frac{1}{2}\%$ on \$400, and yet that $7\frac{1}{2}\%$ would not further lessen the selling value of the land, that is the selling value of the proportion still owned by the landowner.

Or suppose 4% is imposed and the selling value of the remaining proportion of the landowner would be \$200. That would give \$40 revenue. In order to continue receiving \$40 the rate of the tax on the

\$200 valuation would be 20%. The simpler plan would be to keep the valuation at \$1,000 by capitalizing the rate of the tax at 5%.—A. G. HUIE, Sydney, New South Wales, Australia.

WHERE ARE THE NINE?

EDITOR SINGLE TAX REVIEW:

And Jesus answering said, "Were there not ten cleansed? but where are the nine?"—BIBLE.

The story of the ten lepers, relieved of a loathsome disease and the return of but one of them to give thanks to God for his deliverance, is a story that might be repeated many times in the history of world reform.

Human society has ever been afflicted with the leprosy of unjust conditions. From history's pages we can learn of the lives and preachments of various saviors and reformers, who have been successful in cleansing the minds of some of their hearers, but have they not also asked, where are the nine? when confronted by the very few who return to give thanks and service. Where the "one" has returned giving thanks and proffering service, have not the "nine" generally been forgetful of the benefits received, and gone back to the pest holes of selfish desire or easy beds of indifference? They cease to care for their uncleansed brothers and sisters, who sit in darkness and amid the dangers of infection.

For 30 years there has been preached a doctrine of salvation for society. A remedy has been offered which will absolutely cure the leprous growths from which society suffers.

This remedy is a simple easy one like the remedy given by the ancient prophet to the man of war, and, like it again, at first rejected because of its simplicity.

Our diseased society merely wants a bath in the waters of justice and equal opportunity, but how often has the appeal been answered by saying, are not the laws which repress vice and give unlimited chance for the display of almsgiving much better than your remedy, that would disturb the equanimity of our contented

privileged classes, and that would place on the pedestal of honor the true dignity of Labor.

Since this remedy has been given to the world hundreds of thousands of people have heard of its simplicity and practicability. Tens of thousands throughout the world have heard, understood, and believed in its efficacy, but how many of them have returned to give thanks and to glorify the cause of Justice by praying, striving, and doing, for the establishment of God's Kingdom on Earth?

Is it not evident that the "one" who did return to give thanks had, as it were, a vision of a Heaven on earth? Did he not reason that if this Great Physician could cure him of his uncleanness, He could also cure others, and he would devote his life to bringing others to the great Healer.

This is the spirit which should animate the Single Taxer. The knowledge of the Single Tax has relieved him from the blind diseased state in which he formerly stumbled, while deliriously calling on the false Gods of repression and expediency, then why should he not now, cleansed and pure, devote his life to bringing his brothers into the presence and understanding of the only plan that will heal and bless society?

Let us look over the world to-day. We can see the wage worker working hand in hand with the millionaire employer. We can see the Christian, the Jew, and the unbeliever, coming together in a close bond of friendship for the holy cause of freedom and opportunity. These are the few, who have returned after their deliverance to glorify God by preaching His Fatherhood, and the possibility of the brotherhood of man.

But where are the nine? If you tell me that these few are the only converts made by the earnest labor of consecrated souls who for 30 years have labored for the Single Tax, I cannot believe it. I feel sure that behind the scenes of the World's stage, sealed in the cozy corners of contented homes, in the pulpit, the political arena, the commercial bodies, in the Young Men's societies, there are many whose minds have been "cleansed" They have just as much reason for returning and for giving thanks