

INTERNATIONAL NEWS

Press Service of the International Union for Land Taxation and Free Trade

IRELAND

AT THE Annual Conference of the Association of Municipal Authorities of Ireland, to be held in Galway on 13th and 14th September, the following resolution will be proposed on behalf of the Executive Committee of the Association :—

“That we, the Association of Municipal Authorities, have learned that there is a new Valuation Bill proposed to be submitted in next Session of the Dail and we desire to bring before the Ministers for Local Government and Finance that the basis of taxation should be on the capital land value and not on annual value, and that Ground Rents also should be included ; that all Acts in connection with the raising and levying of rates be repealed ; that all rates be made on the same valuation basis, and be made on the owner of the premises ; and that in the event of the Rate Collectors being unable to obtain payment, for any cause, the local authority should have power to enter on the premises and collect the rents, and in the case of vacant premises to let them to tenants and collect the rent until the rates and costs be paid in full.”

The reference in the resolution is to a statement by the Minister of Finance in his Budget speech (12th May) that the Government contemplated a revision of the basis of valuation for rating. He said : “Moreover, as I have indicated, the rateable valuation of the country, particularly in the urban areas, stands on an extremely conservative basis, and on the whole no longer fairly represents the commercial values of the hereditaments which constitute the basis of local government finance. This is a situation for which an early remedy must be sought, for it operates to cripple the finances of the local authorities and to impair their credit.”

It will be recalled that at the Conference of the Association last year a paper on the rating of land values was given by Mr F. C. R. Douglas, L.C.C., and it was decided to instruct the Executive Committee to take up the matter with the Minister of Local Government. It appears from the annual report of the Hon. Secretary (Mr Sean MacCathmhaoil) that the Minister was of opinion that “a clearer understanding by the public in general of the principles involved would be desirable before any change in the present law could be brought about.”

By way of preliminary explanation of the resolution the Executive Committee has supplied to all the members of the Conference copies of *Cities Held to Ransom, Land Value Taxation in Practice* and *Memorandum on Methods of Local Taxation* published by the United Committee for the Taxation of Land Values.

GERMANY

Recent issues of *Bodenreform* contain the text of Memoranda addressed by the Land Reform League (Bund Deutscher Bodenreformer) to the Minister of Finance and to the Minister of Justice on the question of Land and Taxation Reform.

The Memorandum to the Minister of Justice refers to the item in the Programme of the National-Socialist Party which calls for “the abolition of land rent (bodenzins) and the prevention of land speculation” (point 17). It goes on to explain the economic difference between land and other things in that land is not produced but is the gift of nature, it is available only

in limited quantity and cannot be increased. Its value is not occasioned by cost of production, but is a scarcity value—a monopoly value. Hence the taxation of this monopoly value is quite different to the taxation of the products and processes of labour. While the latter are increased in price by the imposition of taxation upon them, the taxation of the monopoly value of land makes it cheaper.

The Memorandum to the Finance Minister draws attention to the fact that the next valuation of real estate in Germany falls to be made as at 1st January, 1941, and urges that steps should be taken immediately to separate the value of the land from the value of improvements, and to ascertain the value of the site disregarding improvements. It points out the ill-effects of taxing buildings and improvements, and asks in the interests of promoting the economic life of Germany that in the future the taxation levied upon immovable property should fall only on the value of land and that all buildings and improvements should be tax-free.

That this matter has been under the consideration of the German Government is evidenced by an extract from an official publication (*Reichssteuerblatt* 1937 No. 42) given in the *Jahrbuch der Bodenreform* (1938, page 59). “According to the provisions of the Reich Valuation Law, in the case of improved land no separation is made between the land itself and the buildings on it, and only the combined value of the whole is ascertained. In the consideration of this matter by the Ministry the question has arisen whether this method of valuation is advantageous, or whether it is advisable to value the land and the buildings separately. In particular, attention has been directed to the fact that a separate valuation would make it possible to impose a higher rate of taxation on the land than on the buildings.” The statement goes on to say that this raises important questions, especially as the valuation of ten million subjects would be a large undertaking, and that it requires careful consideration before a decision is arrived at.

CANADA

The Thirteenth Annual Henry George Congress, under auspices of the Henry George Foundation of America uniting on this occasion with the newly organized Tax Relief Association, Inc., is being held 7th to 9th September in the Royal York Hotel, Toronto. Hosts are the Single Tax Association of Canada.

The group of speakers to be present include : John Anderson, Montreal ; Miss Margaret Bateman, Montreal ; Harold S. Buttenheim, New York ; A. C. Campbell, Ottawa ; Frank Chodorov, New York ; R. J. Deachman, M.P., North Huron ; Mrs Anna George DeMille, New York ; Hon George E. Evans, Pittsburgh ; Clayton J. Ewing, Chicago ; Ernest J. Farmer, Toronto ; David Gibson, Cleveland ; W. C. Good, Brantford ; Chas. H. Ingersoll, New York ; Dr Mark Millikin, Hamilton, Ohio ; John Lawrence Monroe, New York ; J. H. L. Patterson, Toronto ; Hon Arthur W. Roebuck, K.C., Toronto ; Lt.-Col. Victor A. Rule, D.D., Chicago ; Carl D. Smith, Pittsburgh ; A. Laurence Smith, Detroit ; Gilbert M. Tucker, Albany ; Mrs Antoinette Wambough, New York ; Hon Peter Witt, Cleveland ; Percy R. Williams, Pittsburgh.

The programme is comprehensive and well-balanced, with as many as ten sessions in the three days. The