

by 83 to 20 votes in the Lower House and by 40 votes to 9 in the Upper House.

We did not get legislation for local land value rating in this Session, but I think that the Bill, which has already been worked out, will be produced next Session.

The town councils and the township boards approve of the principles of the Bill, which in themselves are moderate, although the proposed rates of taxation are much higher than in the law just passed.

We hope that our reform with its small but good start will make headway. It maintains its place in politics. The Radical Party adopted a new programme last spring, in which our ideas take a prominent place, as in the programme of 1916. Mr. Jakob E. Lange is the good and steady worker in that party. This autumn, the small-holders adopted resolutions where our policy is the leading principle. The tenants in the metropolis and the towns recently held their annual convention, and demanded local land value rating to check speculation in building land.

In the Henry George League we are working all we can to influence the town councils and are issuing many booklets, among them Mr. Kristian Bjerring's admirable works. The practical legislation enables us to deal with new problems, especially in giving information and showing how the reform will affect each party concerned. I think it will be in that line that my work is to be in the future. Lots of people desire to do that too, who feel they can work more effectively in that way than in the agitation.

Our League is to have its Annual Convention in Copenhagen on the 24th September.

Yours sincerely, ABEL BRINK.

THE DANISH LAND VALUE TAX

A Summary of the New Law

The main outlines of the Act (No. 352—1922), passed on 7th August, 1922, are as follows:—

Section 1.—The general valuation for the fixed property tax is to be made as at 1st January, 1924, as at 1st January, 1927, and thereafter every five years. This valuation shall not include movable stock, goods, machinery or other trading capital. The basis of valuation is the selling value of the property in the open market.

Section 2.—Supplemental valuations are to be made once a year where new buildings have been erected or alterations have been made; where properties have been divided or united; where the owner wishes a revaluation, and in that case he must pay the cost, unless revaluation is called for by destruction by fire, storm or other disaster.

Sections 3 and 4.—All valuations must show separately the selling value of the land as if unimproved. Agricultural land is to be valued on the assumption that it belongs to a moderate-sized farm in average good condition; if any parts of the land may be regarded as economically suited for some other use, these parts are to be valued at their selling value for such use. Woodland is to be assessed at the value it may be considered to have if it were used for good forestry. All other land is to be valued at the price for which it would sell if unimproved and if about to be put to its best economic use; but regard shall be had to the shape and size of the land and the possibilities of sub-division or aggregation of lots.

Allowance is made for the value attributable to improvements that merge in the land, if private expenditure has been made or incurred thereon within 30 years preceding the date of valuation; but the obligation is on the owner of the land to demand that allowance and bring evidence to support it.

Section 5.—An annual tax of 0.15 per cent is levied on the selling value of land apart from improvements. On land valued as forest land the tax is at the rate of 0.11 per cent.

Section 6.—The fixed property to be levied (in future)

at the rate of 0.11 per cent on the difference between the composite value and the land value less 10,000 crowns.

[*Note by translator:* As an example of the incidence of these taxes: A property is valued at 50,000 crowns for land and improvements; the land value is 20,000 crowns. Difference 30,000 crowns. The land value tax is 0.15 per cent of 20,000, equals 30 crowns; the (new) fixed property tax is 0.11 per cent of 30,000 less 10,000 crowns, equals 22 crowns. Total tax, 52 crowns.]

Sections 7 and 8.—Foreign embassies; railways, harbours and canals (so far as used for transport of passengers and goods); public squares, streets, roads and parks; and churches and church-yards are exempt from valuation and taxation. Fixed property tax and land value tax are not imposed on Crown property or on properties belonging to local authorities, excepting where these are let for rent; nor on schools, hospitals, public libraries and museums; nor on halls used for gymnastics or as meeting places, etc., unless rented or used in other ways to bring an income to the owners. In the case of waste land in course of reclamation, an exemption is allowable at the discretion of the Finance Minister.

Section 9.—The taxes are levied on the property as a whole and are payable by the person who in virtue of deed of conveyance or other title is owner of the land. The taxes are collected and recovered according to the rules now obtaining for Crown taxes on fixed property and carry with them the same priority and right of seizure.

Section 10.—The country is divided into assessment districts, which are sub-divided into subordinate valuation districts. The local valuation committees are composed of three valuers, two elected by the local authority and one (the chairman and official valuer) must be a member of the district assessment court. Provision is made for meetings and consultation among these bodies in order to secure uniformity of practice under the general direction of the central assessment council or valuation department. The valuation lists when completed are open to public inspection and are settled after opportunity is given to appeal. Any owner may appeal against his own valuation or that of any other person in the district.

Section 11.—Owners are obliged to give information concerning the situation, area, assessment to old land tax (Hartkorn), equipment, insured value, fixed charges, mortgages, last purchase price if purchased within the last 20 years, rents obtained, etc. The owner may, if he likes, give particulars of the special nature of the land, his average receipts and expenditures, improvements that should give occasion for deduction before arriving at land value; and he may make his own estimate of the land value and the composite value of the property.

Section 12.—"Over-skyldraadet," the central assessment council or valuation department, consists of 15 members, seven appointed by the Crown and eight selected by Parliament. These officials (like the members of the subordinate courts and valuation committees) hold office for six years. The valuation department may engage outside help for special duties.

Section 15.—Owners who fail to claim deductions for improvements when the land value is being assessed are debarred from making claims for these improvements in future valuations.

Section 16.—If, on the date when this Act takes effect, any land has been made over to another for use, and the user is bound to pay the whole or any part of the (present) fixed property tax, he shall in future, unless the parties concerned agree otherwise, pay a corresponding part of the taxes levied under this Act.

Section 17.—When any land changes hands, the parties to the transference must supply to the valuation department all particulars (as specified) concerning the land.

Section 20.—This Act takes effect on 1st January, 1924, except that the provisions for valuation take effect on 1st January, 1923.

A. W. M.