

LANDLORD RELIEF

By "de-rating" is meant the remission in whole or in part of taxation levied by local authorities. It means that you take rates off something or other, but as revenue is still needed to pay the cost of public services, this rate-relief must be offset by higher rates or taxes levied on something else.

A wise measure of de-rating would be to take rates off houses and other buildings and improvements, the local revenues being obtained instead by rates levied on the value of the land alone. This would be to put no tax on any person's industry while it would devote to public uses a public value which to-day is going wrongly into private pockets. Besides, the economic effect would be to encourage the better use of land, since the land value rate would be payable whether the land was used or not, and houses and other improvements would be cheapened by being rate-free.

An iniquitous measure of de-rating would be the remission of rates on land and the imposition of heavier taxation on trade or industry to make good the missing revenue. That would enable landowners to get higher rents and prices, and consumers generally would be subject to new exactions in two ways—more rent and higher taxes adding to the cost of living.

The Conservative Government in 1929 chose to inflict on the community the latter kind of "de-rating," with which they combined a first-class racket in favour of the owners of agricultural land and of land occupied by buildings used for industrial (factory) purposes. Rates on agricultural land in England and Wales were abolished and in Scotland are now payable on only one-eighth of the annual value, while industrial properties in both countries were relieved by being rated on a quarter of the annual value. The revenue thus lost to the local authorities was made good by a petrol tax. In effect the Government "shifted" £35,000,000 a year from real estate and placed it upon transport. It was like making a capital gift of £700,000,000 to the land owners of the country and certainly to an incalculable degree it has hardened Pharaoh's heart whenever land is wanted for industrial, farming or housing purposes.

It is one of the reasons why we are living in the "difficult times" of which Mr Baldwin spoke the other day. No equal infamy has been perpetrated in British history since Charles II was obliged to surrender Crown rights to the military tenures in exchange for customs and excise. But when things like that are the achievements of the Parliamentary system of which Mr Baldwin boasted, the torch he would have us hold high is as likely as not to produce another Reichstag fire and burn to ashes not only the Parliamentary system but also the civilization it is supposed to safeguard.

A. W. M.

FORM OF BEQUEST

I bequeath (free of duty) to the United Committee for the Taxation of Land Values, Limited, the sum of £.....