

BRAZIL

The May issue of REVISTA DO IMPOSTO UNICO (José do Patrocínio, 29, Pto. Alegre) is full of good and novel matter.

LAND VALUE TAX IN SANTA CATHARINA

The place of honour is given to a portrait and biography of Dr. Hercilio Pedro Da Luz, who, as Vice (and Acting) Governor of the State of Sta. Catharina, initiated by law 1231 of 29th October, 1918, a tax on site values of 1 per cent, replacing the old tax on capital so far as concerns rural "real estate," and has most interesting provisions of detail. Not only are improvements and machinery exempt from the capital tax, but also vehicles of all sorts. Provision is made for increased returns from the site value tax being devoted to reduction in the detestable "exportation" octroi taxes on food; already the octroi on flour, rice, sugar and maniocca has been so reduced by a half.

Dr. da Luz died worn out by his ceaseless labours for his State, in 1924. Brazil "thus lost a great and illustrious son, and the Georgeist doctrine one of its most worthy experts," says Aureleo Porto. He left a State with rural taxation on the way to full reform, one eighth of all State revenues directly from site value, continually decreasing taxes on food, and peace and prosperity in place of literal civil war and revolution when he took up public duty twenty years ago. Happily, his executive colleague as State Secretary of Finance, Dr. Adolfo Konder, is still at work, and there are good hopes for the Catharinian City taxation reform agitation.

VALUATIONS IN EACH STATE

A comparative table gives the site value in each state and territory of Brazil separately, with return of a suggested tax at 5 per cent, which is from twice (in developed areas) to six times (on the frontiers) the amount of the respective Budgets. There is no country so large and diversified where such helpful figures can be studied, and the effect is highly encouraging.

Brazilian States: area; av. site value; total do.; yield of 5% tax; Budget balance; State debt.

State.	Area: millions of hectares.	Site value milreis per hectare.	Total site value thousands of contos.	Tax at 5% thousand contos.	State income (12-year average) thousand contos.	State Debt thousand contos.
Alagoas	2.8	71	202	10	5.4	9.7
Amazones	182.5	9	1,643	82	8.5	102.2
Bahia	52.9	48	2,541	127	35.6	186.8
Ceará	14.8	18	267	13	6.9	28.6
Esp. Santo	4.4	72	321	16	8.6	34.6
Goyaz	66	8	514	25	2.5	Nil
Maranhao	34.6	12	415	20	6.7	13.9
Matto Grosso	147.7	10	1,477	73	4.7	1.1
Min. Geraes	59.3	60	3,562	178	64.5	141.9
Pará	136.2	14	1,908	95	10.6	109.8
Parahyba	5.5	32	176	8	5.8	no data
Paraná	19.9	46	918	45	12.2	85.9
Pernambuco	9.9	59	585	29	28.2	82.4
Pianhy	24.5	13	319	15	2	.2
Rio de Janeiro	4.2	106	449	22	20.1	118.6
Rio Grande do Norte	5.2	24	125	6	4.5	6
Rio Grande do Sul	28.5	92	2,624	131	80.2	137.8
Sta. Catharina	9.4	42	399	19	9.7	48.2
Sao Paulo	24.7	161	3,980	199	189.1	675.1
Sergipe	2.1	96	206	10	4.9	4.7
Territory of Acre	14.8	6	88	4	.6	Nil
BRAZIL	851.1	26	22,731	1,136	511	1,788
BRITAIN (say)	30	1,216	36,000	1,800	2,800	32,000

Milreis is taken for comparison at its internal par value of 5s. Gold exchange now, say, 6d.

MINAS GERAES AND PORTO ALEGRE

Two important Brazilian official statements are mentioned: (1) A Presidential Message to Congress, by Dr. Arthur Bernardes, urging the need of a balanced Budget, and with proof of the ruinous effects of internal inflation or of foreign loans for the purpose. President Bernardes has recently shown his mettle by enacting as

State Governor of Minas Geraes a land value tax for this very purpose of Budget balancing. (2) Col. José Penna de Moraes has reported to the administrator of the City of Porto Alegre, by whom he had been commissioned as expert adviser on financial reconstruction, that the existing methods of local finance are inadequate in return and unjust in incidence, and that he is convinced that the civic single tax on land values is the only possible solution.

A most eloquent protest is made against sales of land at the statutory capital site in the Central Plateau of Goyaz, for the honour of the nation and for the "unborn millions."

In its June issue the REVISTA DO IMPOSTO UNICO provides an excellent variety of interesting matter.

THE BRAZIL CONSTITUTION

Anxious hope is expressed as to the pending revision of the Brazilian Constitution, for which, with an avowed Georgeist as National President, there is no precedent. It seems the Reporter of the Budget will be able to provide in 1926 for resumption of payments of sinking fund on external debt without imposing any new tax, which proof of competence should raise Brazilian credit and simplify the problems which may arise by the spread of Georgeist experiments in the States and Cities.

The Governor of Matto Grosso, Dr. Estevão A. Corrêa, sends from Cuyabá cordial thanks for the REVISTA, and its object—"to spread throughout the whole nation the salutary teachings of the economic doctrine of the Single Tax, which propaganda merits the closest attention of my administration."

The usual Georgeist biography deals with Dr. Octavio de Souza Carneiro, who as Prefect of Nietheroy, the capital City of the State of Rio de Janeiro, proposed in 1915 the adoption of the substitutionary tax on land value, which after a most severe conflict was enacted by State Law No. 1439 on 17th November, 1917. Details of the law are not given, but it is described as a "gigantic step" towards the Georgeist ideal by "transference to Nietheroy of the rent of the urban lands of the City." The reform has stood against subsequent attacks though our colleague passed away early in 1920.

Among many Press notices is an account of a Bill for extension of the land value tax in Bahia by Dr. Vital Soares, State Senator. A TARDE of Bahia (23rd May, 1925) gives it a glowing report. The regulations (9th November, 1918) for the land value tax of 1 per cent in the State of Sta. Catharina are given in full: also the details of the Survey and Valuation for land value tax in the Cities of Uruguayana and Bom Jesus, and the compiled and revised law on the subject.

M. J. S.

URUGUAY

In a letter to the United Committee Prof. C. Villalobos Domínguez confirms with useful details the news above, and gives us the pleasant tidings that the head of the Colorado (Red or Liberal) Party in Uruguay, ex-President Sr. Batlle y Ordoñez is making a fight against his Whig followers; and is presiding over a Convention to incorporate Georgeism into the party programme. He is the greatest figure in national politics and there is but little doubt of the reality of his Georgeist professions.

M. J. S.

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