

Tax is an abstract word.

There is no such "thing" as a tax.

You cannot see, hear, touch, feel, or smell a "tax".

Therefore, of course, no one can pay, nor can anyone collect a "tax".

A government is not supported by taxes, it does not collect and spend taxes.

Silly? No, just precise thinking.

Governments, Federal, State, County and Local are financed by means of public revenue. They collect and spend "money" (another abstract term) "Money like taxes is not a concrete thing, you cannot see, hear, feel, or touch or smell "money".

Actually there are paper bills or notes, metal coins, checks which are considered and spoken of as "money".

It is these things - bills, coins, checks, which individuals receive and turn over to governments which we think of and mean when we speak of as paying taxes.

Might it not be clearer thinking to consider taxes and taxation as means of transferring public revenue from source to user? From individuals to governmental bodies?

If we think about it in this manner we can grasp the all important consideration - the source of the money income of the individual which is used to pay the government public revenue.

It is not difficult to comprehend the manner in which the individual by exerting his energy physical or mental produces material things or renders services. For these exertions he receives as remuneration money, a part

of which he - we say - he uses to pay his taxes. Thus the source of this payment to government of what is commonly known as payment of taxes is human exerted energy.

Likewise if a person from his labor saves and invests either by depositing his money in a savings institution or purchasing stocks or commercial bonds and then uses part of the interest which he receives to pay his taxes - the source remains the same - human energy exerted.

There is another source of public revenue - a source entirely different from human energy exerted by the individual. This might be termed the natural source of public revenue. It is the rental value of land. This rental value of land is the differential in fertility or location which

an area of land has over another area, the value of which is given to land by the presence of population. This natural increment may be termed rental value and when the holder of the title deed to the land having such value pays this "excess" into the public revenue fund he is merely reimbursing all other persons for surrendering their equal right to the better land, and thus transferring the public revenue from this natural source.

It is the natural source of public revenue which should first be used for government. It may not then be necessary to draw upon the other source at all. But should conditions be such that it be desirable to increase public expenditures beyond the limit of what is provided by natural revenue then, and then only, is there justification for taking a portion of what human energy expended produces.

The source of public revenue is the basic fundamental principle of taxation. This is what should be taught in our schools and colleges - why is it not taught?

JOHN T. TETLEY