

# Special Taxation of Land Values: Lessons from America.

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Dr. A. R. WALLACE, the President of the Land Nationalisation Society, on his return from a visit to America, gave an address, on November 1st, 1887, in which, after pointing out that "every particle of land under private ownership" is "taxed on its full selling value" in America, he said:—

"The results are very curious. To begin with. **Land speculation**, which we think is bad enough with us, **is but a trifle here compared with what it is in America.** In America land speculation is everywhere excessive. It is the great mode of making money, and it exists more or less all over the country wherever land is for sale and is not monopolised by great capitalists. This **taxation on full values**, however, usually **causes very rapid changes of ownership.** Men buy land on speculation for the purpose of selling it again quickly. They will not hold it long, because if it is not used the taxes will eat it up. Then somebody else buys it and sells it again pretty quickly, and thus land is continually changing owners until it is used for occupation or cultivation or for building. But the result of this rapid change of ownership—of each person trying to make a profit, is that **land very rapidly acquires in America a price as high as in old settled countries like England, and very often even higher.** . . . Then again the result of these speculations is that in the cities—in the suburbs of the cities, in the places where working-men live, we find **the land cut up into still smaller strips than in England, and the houses are built still more closely together.**"

The same results would, no doubt, follow the taxation of capital values instead of annual values in Great Britain.