

stand and should be obliged to sit with a dictionary beside them while reading, though if they could get "Progress and Poverty" translated into their own language they surely would read it.

Later on I have made further investigations along the same lines, and arrived at substantially the same conclusions as those stated above.

The conclusions reached are these: that if we desire the Henry George movement to have a hearing and to gain constructive strength among our vast foreign population, then we must interest their own newspapers; address them in their own language, in their own localities. The literature disseminated must also be in their own languages, until the times comes when they are fully informed and aroused to the importance of the knowledge of the Single Tax, when it will be easy for most of them to catch up with and understand our lectures and literature in English.

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## OPPORTUNITIES IN NEW JERSEY.

*(For the Review.)*

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BY GEORGE WHITE.

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At the last session of the legislature in this state, a bill providing for local option in levying local taxes was introduced by Assemblyman Blauvelt, but the taxation problem here is so involved, and there has been so little public discussion of the proposal, that there was no prospect of its success, nor even the furnishing of occasion for advertising extensively the principle on which the proposed law was based.

One peculiar condition in New Jersey is that a great deal of railroad and canal property, the value of all the main stem, franchise and tangible personal property, is assessed by the state at the average tax rate of the state, computed by adding the tax rates of all tax districts and dividing by the number of districts. Over three and three-quarter million dollars will be raised in this way for 1909. This arrangement has caused the corporations affected to take an active interest in attempting to reduce the average tax rate, and they are accused of influencing legislation, installing county boards of taxation, prescribing maximum rates of taxation, and otherwise putting pressure upon assessors to increase valuations. The average rate for 1909, however, is \$1.808 per \$100 of valuation, which is somewhat higher than when the law took effect in 1906. This is an illustration of how well laid plans may go astray, and is probably accounted for by the proneness of citizens or their administrative representatives to vote appropriations pretty much in accordance with the probable size of the assessment roll. An increase of valuations is undoubtedly a temptation to liberal expenditures.

The fact that powerful interests can profit by keeping tax rates down

must have a bearing upon any real reform tax legislation, such as would be the partial or total exemption of personal property or real estate improvements, and consequent raising of the tax rate. Mr. Blauvelt's bill provided that the tax rate of any district which increased its rate by exempting any property should be considered for the purpose of computing railroad taxation, as it would have been if no property were exempted.

Great stress is laid, especially in Hudson county, on a demand for "equal taxation," which apparently means that the assessed valuations of railroad property shall be made on the same percentage of value as are the assessments on lands and buildings owned by private citizens. In his recent unsuccessful canvass for election as Assemblyman, George L. Record, perhaps the foremost and most brilliant advocate of equal taxation, promised that if elected he would do his best to abolish the county tax boards, repeal the maximum tax rate law, and put through a law which would allow assessors to reduce assessed valuations to a point where they would not compare unfavorably with the valuations of railroad property made by state assessors.

Some ingenuity will have to be exercised by those who come to propose specific changes in the laws. Perhaps some genius will invent a plan by which the railroads and canal owners can save a lot of money annually by allowing exemptions on railroad real estate improvements as well as on those in private hands. If this could be figured out the sailing might be much easier than it now appears to be.

In spite of the supervision of the county boards there is still some dissatisfaction with the work of assessors so far as it affects the apportionment of county expenses. If in one district property is assessed at its value and in another the assessed values are ninety per cent., injustice is done. It has been suggested that county expenses be apportioned according to amounts raised for local expenses, and not according to assessed valuations. The fact probably is that this change would amount to very little, and it would of course do away altogether with any pressure now brought on assessors to make full valuations. There is a natural relation between total assessed valuations and total local expenditures. But I have gone over all the figures for one county, and found nothing that points to its being worth while to favor the suggested change. In the districts where the largest amounts of property are, valuations will be made on the same basis. The smaller districts do not affect the result much. In the township of Haworth, with a total assessed value of \$662,470, the difference between one plan and the other would have changed the apportionment of county expenses only \$1.65.

The constitution of the state, as construed by the courts so far, seems to allow any class of property, under a general law, to be taxed in a manner different from other classes. If public sentiment demanded it, we thus could probably arrange to partly exempt real estate improvements and personal property from taxation throughout the state, and possibly a local option provision would stand the test of constitutionality. The main thing is to arouse and formulate public sentiment to create a discontent with the results of our present tax methods.

I have lived in Bergen county, in this state, for several years, and have by occasional communications to newspapers and by promoting discussion of local tax methods in our neighborhood improvement association, endeavored to ascertain what can be done to obtain recruits in the work of tax reform, or to set people thinking and talking. It is my conviction that, especially in the territory surrounding New York City, where commuters make their homes, very much can be done along certain lines, in which I do not include profound investigation of political economy, or mastery of the reasoning employed in proving the correlation of the laws of wages, interest and rent, or academic discussions of the land question. Many of us became Single Taxers by close study of political economy, but the majority of voters can not or will not follow a similar course. The appeal can be made to their self interest, and it will with many of the right stamp, make its own way on the ethical side, as demanding a discontinuance of serious unfairness and injustice.

In Bergen county assessors list in separate columns all land, buildings and personalty. We have a county tax board, which has important powers of supervising and instructing assessors and of revising assessed valuations. The county board annually issues a printed tabulation, giving the names of taxing districts, the number of acres assessed as acres, the number of lots assessed by the lot, total value of land, of buildings, of personal property, value of schools, of public buildings, value of church, charitable and cemetery property, state school tax, district court tax, local tax budget, tax rate, and name and address of assessor. Similar information, no doubt, is available in other counties. Our county tax board holds public meetings, does not discourage visits from citizens, and has at all times complete assessment rolls which can be examined by the public.

My idea is not to favor the abolition of the county boards, but to keep in touch with their members and to follow up the assessors, encouraging them to list lands as near full value as possible, and to "go light" on buildings. There are two or three arguments I have found most valuable.

First, that buildings wear out, and the assessment on them should be reduced somewhat each and every year. After a building is fifteen years old, one half of the cost of production would be a large enough assessment. After it is thirty years old it is probably out of style, without modern improvements, worth only about what it would bring if sold for removal and remodeling, and should be assessed for but one fourth the value of a new building.

Second, the tax on buildings is necessarily unfair, because no account can be taken of location. If one man builds a \$3000 house on the extreme outskirts of the district, and another a similar building near the center, each must by a tax on the building make the same contribution to local expenses, while the disparity in benefits received is manifestly great.

Another proposition I have advanced is that the tax on buildings is double and triple taxation, and should be kept down by every means possible, the assessor treating buildings very much as he does personal property. My

argument here runs something like this: Properly to examine the local tax problem involves some analysis and separation of elements involved. All families ought to pay for local government services and advantages. As an illustration, take an average commuter's family, with an income of \$2000 a year or less, and coming into town by renting a detached house for \$30 a month. This family selected as an example of many should pay for government at least once. When and where can it pay? Not when buying goods, food or shelter. No part of such payments is FOR government. Government services are human performances, and in common with other efforts have a value which must show somewhere. If this value does not appear in relation to personal property, goods or buildings, it must appear in connection with the location occupied. In other words, the only place where the family can pay FOR government is in that part of the home rent which is for the use of the land under and around the house. If the lot is worth \$600, then the \$30 per year paid for its use certainly must include all that government is worth at that place. If it be argued that the value of the lot is not wholly caused by the services of government, that only makes it more certain that the \$30 fully covers the worth and value of government there. Now if the building is taxed over \$60 and the family is assessed on \$200 of personal property we have a total of about \$95 annually paid in taxes for what is demonstrably worth less than a third of the sum. If this is not triple taxation, what is?

Another suggestion is that we should endeavor to obtain legislation which would allow local and county authorities to levy taxes for permanent improvements, such as trunk sewers, improved highways, bridges, and probably public and school buildings, upon land alone. Such improvements are commonly provided for by the sale of bonds, and it would be a simple matter once a year to fix a rate of taxation on land alone in any municipality or county, sufficient to meet any principal or interest coming due.

Our experience in Hackensack is that our one assessor listens to us with patience, and says privately that we are doing good work, but are too radical. Yet we probably have some influence with him, for he last year raised the total assessment on lands in the town by \$324,000, nearly a ten per cent. increase.

As a preparation for legislation let a number of us agree to be active in objecting to taxes on buildings. Is there any more practical way to bring about an increase in the taxation of land values?

How can we in New Jersey act in concert for the purposes specified?

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ITALY levies a graduated income tax as well as a direct tax on land and houses. Small incomes are exempt from taxation. The minister of finance estimates that the income tax for this year will amount to about \$49,600,000, while the land tax will bring in \$36,000,000.