

decides to send up a satellite pays for the satellite itself, and a small fee to NASA, (National Aeronautics and Space Administration), or whoever is chosen to send the actual satellite into orbit. The suggested system would include a bidding for all available transmission frequencies. Bidding would be per frequency, and the lease charge of 10% would go to the federal government, just as with television and radio stations. In this fashion, anyone who has a satellite in orbit pays an annual lease charge for their own frequency of transmission for as long as the satellite is in orbit.

I feel that this system is most equitable, and can insure freedom of competition, without the worries of license fees, or unfair government practices which can drive one out of business. The changes cannot occur by osmosis, however; positive action will be necessary, and just how we proceed with that action makes all the difference in the world.

In this abundant and bountiful earth that we live in, there is more than enough for men to achieve their desires and live comfortably and peacefully. This system may not so perfect, since man is imperfect, but to this humble writer, it seems the most fair and truly democratic and liberated way for an economy to function.

CHAPTER 7

*Requirements to Bring About L. O. V. E.*

Lease Our Valuable Earth, (L.O.V.E), and its methods of remedying land speculation, land hoarding, income taxing, and other economic maladies might sound very promising on paper, but the truth is that this entire book is based on the principle of change. This change must be peaceful, since the history of the use of violence as a vehicle for change has shown itself to be useless. This peaceful change must be brought about by the use of logic and reasoning, then people would become aware of what I believe are some of the unfair economic conditions that are now in effect. Once this awareness is present, people must understand and make efforts towards the implementation of Lease Our Valuable Earth. It is much like the pebbles in our shoes that were described in the preface of this text. People are so accustomed to walking around with these pebbles in their shoes, that the masses have accepted these pebbles as normal. Total Tax Relief simply attempts to educate people so they will want to remove the pebbles from their shoes, and walk with ease and without pain.

*The Economy Equation*

Economics in general can be narrowed down to an equation, which we will call the economic equation. This

equation is the basis for any economy, in terms of production and distribution of wealth.

The three parts of the equation are the avenues of production, the product (wealth) and the avenues of distribution. There are three existing avenues of production: land, labor, and capital. Land, as described in Chapter V, is the entire universe outside of man and his products. Labor is the culmination of all human

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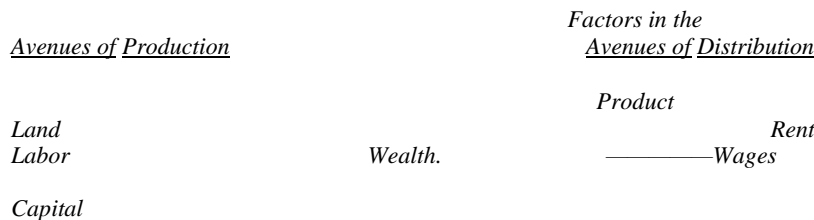
exertion in the production of wealth, and capital is that part of wealth used in the production or more wealth. The combination of these three avenues of production creates Wealth. Wealth is defined as something that has all four of these qualities:

- 1) Wealth must be material.
- 2) Wealth must be produced by human labor.
- 3) Wealth must satisfy human desires.
- 4) Wealth must have exchange value.

This wealth, that is created through the use of land, labor, and capital, is then distributed in the forms of rent, wages and interest. Rent is that part of wealth used to pay for the use of land. Wages are the portion of wealth that is paid to labor for their exertion in the production of wealth. Interest is the portion of wealth that is paid for the use of capital. All of these factors combined form what is known as the economic equation, the basic structure of the economy. Since the economic equation is real and actual, then it can be looked at as a science. Like any equation, the economic equation must have a solution, or a completion, and that is when the product (wealth), reaches the intended consumer. The ultimate consumer is the last stop in the production of wealth. The simplicity of the economic equation has not helped its role, however, for not many understand it.

FIGURE 1

The economic equation in the production and distribution of wealth as explained in all educational textbooks.



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*Examples of wealth are: Food, clothing, shelters, cars, televisions, and even computers and telephones. The production of wealth is completed when it is in the possession of the ultimate consumer, the people.*

Figure 1 shows the economic equation in the production and distribution of wealth, as explained in all textbooks. The combination of land, labor and capital are used in the production of wealth by individuals and companies who pool their resources to produce wealth, which can be distributed as rent, interest and wages. It is possible, nowadays, for one person or company to control most of the three factors of production, and distribution of wealth. One such person could be a farmer. Farmer Brown, in this case, has control of the three avenues of production and distribution. Farmer Brown puts up all the funds for the operation himself. He bought all of the equipment, livestock, seed, fertilizer, and all related materials needed to commence operation. This qualifies him as the capitalist, who supplies the capital portion of the operation. The farm land that was purchased is now owned and controlled by Farmer Brown, and thus the land portion of the equation is covered also. Farmer Brown gets up every morning at dawn and works on the farm himself, along with his workers. Therefore also fulfilling the labor portion of the equation. As stated earlier, land, labor, and capital many times comes from separate areas of control, but in Farmer Brown's case, he has three avenues of production under control.

Farmer Brown grows corn. At the end of the harvest, he has 80,000 bushels of corn. This corn material, was produced through human labor. It can satisfy a human desire and has exchange value. All of these qualities classify

Farmer Brown's corn as wealth. The equation is correct up to this point. This wealth has to be distributed in order to fulfill the equation. This distribution of wealth is accomplished today through the use of money as a medium of exchange. Farmer Brown's corn is traded for its value in money, which is then distributed as Rent, (which Farmer Brown keeps as the landlord; with a small portion to the county for taxes), Wages (paid to Farmer Brown and his help) wages which are currently divided into 65% for the worker and 35% for the federal government in income taxes and miscellaneous taxes. In addition to the income tax paid, Farmer Brown has to spend time and energy in the withholding of federal taxes from

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the paychecks of his employees. Interest (up to 50% of the interest paid) can be re-routed to federal taxes concerning Farmer Brown's capital investment.

There is one new word used in the above explanation. That word is value. One may wonder how it fits in with the production process. When the corn that Farmer Brown grew was traded for its value in money, the concept of supply and demand was introduced. Supply and demand is the balancing variable in the economic equation. The value of products, and even wealth are determined by supply and demand. Thus great demand for a product with a low supply will command a higher value. As supply rises with demand, value stabilizes. Increased supply and low demand creates a lower value. Equal supply and demand create stable value. There are times when at the end of the production line of wealth, there is a negative return and no interest is realized on the original capital investment. Examples of a no-return investment could be the production of a huge radio that no one wishes to purchase, or the manufacturing of shoes with pebbles in them, as described earlier in this text, that no one wants to buy.

To understand supply and demand, let us take a car factory as an example. This factory goes through all the same process to produce their form of wealth, which is an automobile that is sold nationally. Remember, the production of wealth is not complete until it is sold, and in the hands of the ultimate consumer. If the demand for the XY model, (which is what the particular model produced by our factory is called), is high, then the prices go up. When there are sufficient XY models to go around, the high prices will stabilize and will not rise so steeply. Towards the end of the year, when demand falls, the remaining XY's suffer a price drop since demand is low, and there are lots of new model XY's around.

The matter of supply and demand can best be summed up using the example of a newspaper. Today's paper costs a quarter because it is current news and everyone wants to read it. Tomorrow, however, few want to read an old newspaper. Thus the value of that paper goes down to practically zero. This is the law of supply and demand.

It is very nice to discuss the economy as it could be with Lease Our Valuable Earth, but unfortunately, L.O.V.E. is not in effect,

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and there are certain factors in existence today which distort the economic equation and make it work unnaturally. These factors, which contribute to the unnatural format of the economic equation are: Government intervention, land speculation and land hoarding. These factors disrupt the economic equation by complicating the avenues of production, diminishing the value of wealth, and diverting the distribution of wealth into unnatural channels. How is the done? Let us begin with the avenues of production. Land is costly and held out of use by the land speculator and hoarder, and thus made less available for production. The community in which land is located creates the value of the land. It is much like supply and demand, where there is great demand for land in an area, and since land is a limited resource, values rise. These lands, however are mostly controlled by hoarders and speculators, thus causing inferior lands to be used. The private individuals who own the land and do not produce on it take this value away from the community that created it in the first place. Labor and Capital are basically disrupted by government intervention. Labor is harassed by the multitude of complicated, time-consuming, costly tax forms to be filled out, and government regulations concerning how, and when to file. The fear instilled by the actions of the IRS causes human neurotic conditions to exist in everyday life. By the same token. Capital is penalized by government requirements, tax classifications, legal requirements, and the time and energy required to fulfill these complicated and difficult to understand forms. The production of wealth is affected by the distractions caused by government interference, land speculation and hoarding. As if this were not enough, part of the wealth that is allowed for distribution is unnaturally syphoned off. Wages are afflicted by income taxes, interest is diminished by profit and corporation taxes, and rent is diverted into the hands of private individuals who did nothing to earn the rent. These afflictions seriously wound the economic equation. (See Figure 2)

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Awareness of the problem implies not just sitting back and saying that things are unfair. We really have to be aware of the unemployment situation, and of all the events that occur daily that keep chipping away at the block of equality and overall prosperity. The awareness of our economic problems and specifically our problems in dealing properly with land, does not begin with this book. The concept of land taxation and its proper usage has been in the minds of many people for years. It is the aspiration and hope of Total Tax Relief to explode that thought into the minds of the millions who can make the changes in our present system possible.

Total Tax Relief treats economics as a science instead of a philosophy. (See Figure 3.) Most higher learning institutions teach economics as a philosophy, giving broad vague terms and methods to its simple nature. Philosophy deals with abstract ideas such as morality, truth, life, love and themes that cannot be isolated, examined and defined. Economics is not like that. Economics reacts to stimuli. It can be defined by categories, is tangible, real and observable—therefore, to my thinking, is a science.

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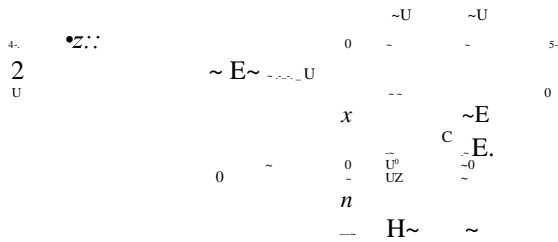
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An area in which the city and county governments can obtain additional revenues is with parking meters. Parking meters, which of course are in use today, are beneficial to city treasuries, and an equitable and evenly distributed system. By using the same principles as the parking meters, city and county governments can charge newspaper vendors a Lease Our Valuable Earth charge for the space on which newspaper vending machines stand. As with parking meters, the method which the various cities and counties use to charge utility companies for the land used to run cable wire and other equipment is inconformity with the principles of Total Tax Relief.

All of these areas in which there is now interference are very delicate and sensible; the intervention that exists has shifted the balance of our economy from the market place to the legislature. It is these facts that are the reason for change. Change at this point may be what is considered radical, but no more so that what our lives are today, and the benefits of Lease Our Valuable Earth are extensive. L.O.V.E. does not intend to create or propagate any kind of government rituals or to propose anarchy or any similar government condition, but it merely wants to ensure that labor gets to keep 100% of what they earn, that capital receives 100% of its interest, and that rent flows back to the community, which created the value of the rent in the first place. All of these things are a matter of acceptance, and logic dictates that if the masses can accept something that is destroying them, such as the income tax and land speculation, then they should be able to accept something beneficial and equitable. People are too quick to accept the word of the government as divine. Government is made of people like you and me. If government passes a law that requires all first born males to be killed at birth, does that make the murder right or merely legal? Is it right for all humans on this earth to relinquish their rights so that governments can prepare for and wage war on each other? There are those who might say that the government would never pass laws to order the killing of all first born males, or that wars must be fought to preserve ideologies, or that killing is different than the income tax and other government policies. The truth is that it is not so different. We, today, are killing and starving our children, and grand-children, in an economic sense, because we are making them pay for our economic mistakes that occur today on

our planet Earth. Whatever few privileges we have today may not be known to our new-born children, and just look at the huge national debt we are leaving them. Just as young people today hardly know what it is like to receive a paycheck without having income tax withheld, their children may have to answer to government economic policies for everything they do now.

The awareness of the evils of land speculation and unequal opportunities and practices arising from the mis-uses of land has been a topic of thought and action for centuries. Even as far back as 1400 B.C. the great mind of Moses, who was a great religious leader, put forth the following thought: "The land shall not be sold forever, for the land is Mine; for ye are strangers and sojourners with Me." (Leviticus XXV) The fact that this point has been in the minds of so many men for so many years lends credibility to the cause of land taxation. Many of these men who favored the simple principle of a fair and just treatment of land were great thinkers and leaders throughout history. Many people may be unaware that someone they read about in history books also believed in the principles we are setting

forth here. For the sake of credibility, we shall list some quotes from great men, both economically and politically oriented, who spoke from the heart for themselves and mankind.

*John Locke (1632-1704)* “God gave the earth in common to all mankind. Whenever in any country the proprietor ceases to be the improver, political economy has nothing to say in defense of landed property. When the sacredness of property is talked of, it should be remembered that such sacredness does not belong in the same degree to landed property.

*Adam Smith (1723-1790)* “Ground rents are a species of revenue which the owner, in many cases, enjoys without any care or attention of his own. Ground rents are, therefore, perhaps a species of revenue which can best bear to have a peculiar tax imposed on them.”

*Thomas Paine (1737-1809)* “Men did not make the earth.. It is the value of the improvement only, and not the earth itself, that is individual property... Every proprietor owes to the community a ground rent for the land which he holds.”

*Thomas Jefferson (1743-1825)* “The earth is given as a common stock for men to labor and live on.”

*John Stuart Mill (1806-1873)* “Landlords grow richer in their

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sleep without working, risking, or economizing. The increase in value of land, arising as it does from the efforts of an entire community and not the individual who might hold title.”

*Abraham Lincoln (1809-1865)* “The land, the earth God gave to man for his home, sustenance, and support, should never be the possession of any man, corporation, society or unfriendly government any more than the air or water, if as much. An individual, or company, or enterprise requiring land should hold no more than is required for their home and sustenance, and never more than they have in actual use in the prudent management of their legitimate business, and this much should not be permitted when it created an exclusive monopoly. All that is not so used should be held for the free use of every family to make homesteads, and to hold them as long as they are so occupied.”

*Leo Tolstoy (1828-1910)* “Solving the land question means the solving of all social questions... Possession of land by people who do not use it is immoral just like the possession of slaves.”

*Henry George (1839-1897)* “Our primary social adjustment is a denial of justice. In allowing one man to own the land on which and from which other men must live, we have made them his bonds men in a degree which increases as material progress goes

on. It is this that turns the blessings of material progress into a curse.

*Dr. Sun Yat-sen (1866-1925)* “The (land tax) as the only means of supporting the government is an infinitely just, reasonable, and equitably distributed tax, and on it we will found our new system. The centuries of heavy and irregular taxation for the benefit of the Manchus have shown China the injustice of any other system of taxation.”

*Winston Churchill (1874-1965)* “Land monopoly is not the only monopoly, but is by far the greatest of monopolies—it is perpetual monopoly, it is the mother of all other forms of unearned increments in land are not the only form of unearned or underserved profit, but they are the principal form of unearned increment, and they are derived from processes which are not merely not beneficial, but positively detrimental to the general public. I have made speeches by the yard in this subject of Land Value Taxation, and you know what a supporter I am of that policy.”

All of these great men had some basic concepts in similar views: that land speculation and land hoarding is an evil, and

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that the community revenues must come from the land. *Lease Our Valuable Earth* shows how the economic rent of land, whose value is created by the community, can be recycled back for government expenses without personal repercussions. Many may ask at this point: Is our present system the best, or can improvements be made by implementing the concept of Total Tax Relief?

The great variety of governments on our planet earth have thousands of ways of raising taxes. Who is to judge which is the best method for each country? I think that *Lease Our Valuable Earth* can be used universally; it is the most equitable method of revenue raising for any government. The intentions of this writer and this book will of course, be misunderstood by those who support all of the principles which are being described as detrimental in these pages. It will be criticized by those who live at the expense of others, and will be especially loathed by land speculators, as well as many accountants, lawyers and bankers. This writer's sincere wish is that the message of Total Tax Relief not be discarded, nor end up the subject of a government probe or inquest, much like the one conducted in 1983, where tax protestors were linked to the radical right, and associated with the likes of Nazis, the

Ku Klux Klan, and the violent farm protest movement. The above are all political groups, and the government, in order to absolve itself from any wrongdoing in the area of income taxes is quick to classify tax protestors in the same league with anti-semitic groups, communists, and warped religious cults. This is not to say that there may not have been one tax protestor who was a member of any of the aforementioned cliques, groups, associations or any other group not mentioned. This book is not concerned with the proliferation or institution of any political, social, racial, ethical, religious, sexual, or personal cause. Total Tax Relief merely wants to point out the illogical procedures of certain taxing measures and land management tactics, and present logical alternatives. This is clearly stated in these pages, especially to those who would call this writer any name that has anything to do with a cause other than the concern for all humanity.

Awareness, understanding, change—these three factors are what any major re-evaluation of a system is based on. We have understood what Lease Our Valuable Earth is, been made aware of what our present system is doing to our lives, and realized

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that change is essential, in order to ensure a more peaceful, productive, and equitable tomorrow. The catalyst for this change must not come from any radical political or social sweep or coup, nor any drastic measures at all. The originators of this change must be the people, many people. People who have seen the extreme of our present system. These extremes range from turning a 300% return on the sale of land within days of the original purchase, to clubs and organizations leasing public land valued at \$1 million or more for \$1.00 per year. Other extremes that occur in our present system concern the government expenditures that baffle reason. The federal government spends billions every year buying up lands for various reasons, and spends millions leasing foreign lands for military bases. Even state and local governments spend outrageous sums to buy land. The state of Florida attempted to go \$200 million into bond debt in order to buy beach property along the coast of Florida. These funds were originally to be used for other services that concern the welfare and security of citizens. These expenditures are usually classified under the “maintaining and preserving of precious lands.” This writer is all for preserving beautiful parks and beaches, but not at the prices being paid for them. This shows that even government participate in land speculation, and practice land hoarding.

Once an amendment to the constitution is passed it always can be repealed. I hereby propose the repeal of the 16th amendment that states, “The congress shall have power to lay and collect taxes on incomes, from whatever source derived without apportionment among the several states, and without regard to any census or enumeration.” To replace the 16th amendment I propose that leasing our land, air waves, and outer space be the main source of revenue for all Federal, state, countries (township) and cities revenues.

All of the factors discussed in this chapter are requirements that are needed to be fulfilled in order for Lease Our Valuable Earth to be carried out successfully. Awareness, understanding, and efforts towards change will all come in time to the majority of people, but for now there are a few who are taking steps in the right direction. Certain local and state governments are now shifting the burden of taxation from incomes, improvements and sales to increasing land revenues. They are leasing grounds instead

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of selling them, and using the revenues for needed services.

The distribution of taxes according to public use should be funded by those who will use them. This is especially true for certain rail and train systems that service mass transit systems like New York’s subways and trains, San Francisco’s BART system, and Miami Metrorail. The funds for the institution of these programs, other than coming from fares, should be paid through demographic increases of the lease charge. In other words, those who live in the vicinity of stations and access terminals and have the most potential of use should carry a Lease Our Valuable Earth charge to pay for its advantage. This can be reflected in a minimal increase in the annual lease charge for property users in the same area around the rail system. Those who will be inconvenienced by noise can also be given a slight reduction in the value of the land.

Many of the discrepancies that now occur between income tax supporters and opponents will of course be eliminated with the institution of Lease Our Valuable Earth. Take the case of the Quakers of the Northeastern U.S.A., who by their religious belief in pacifism, refuse to have any of their taxes distributed to any military concern. The government is currently pursuing litigation to force them to pay all of their taxes, no matter where they go. Joe Vok, a Quaker and the Secretary of Peace Education for the American Friends Service Committee spoke out against this, saying: “...I think there’s a point where civil disobedience is required if the government is compromising religious freedom and the conscience of the individual.” Of course, Total Tax Relief does



no icondone radical or violent disobedience, but just an awareness of the problem and the institution of peaceful change.

It is my hope that some day rational humans will see the importance of how the evils of unequal taxation, land speculation, land hoarding and unreasonable government policy affect our lives. There is no reason why the average American must work one hour and forty-four minutes each day of the eight hours of daily work in order to pay federal taxes, and fifty-six minutes a day to pay for state and local taxes, according to the Miami Herald in 1983. Under Lease Our Valuable Earth, workers will be able to keep this one hour and forty-four minutes as well as everything else they earn in addition to the time and energy they would have spent filling out tax forms and keeping detailed and

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complicated records. This will affect those who make millions as well as those who make only a few dollars. All will be able to keep everything they earn. The several levels of government will also absorb sufficient revenues by collecting rent for the land. The total value of all the land in the United States is in the many trillions of dollars. Ten percent of that figure can easily pay for all government expenses. The cost of government would also be greatly reduced by thousands of unproductive employees. Most of these problems can be resolved with Lease Our Valuable Earth, if everyone would just learn, understand, and do something to put it into effect. I have visions of a tremendous employment surge with the implementation of Lease Our Valuable Earth, with the result that crime would be reduced, and many more financial successes would be achieved. The threat of war will diminish, and peace can then reside on our bountiful earth.

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*Prostitution charges vary in our governments' issuing of occupational and operational licenses.*

## CHAPTER 8

### *THE RESTRICTIONS ON COMPETITION IN*

## *OUR LICENSING SYSTEM*

The economic growth of our country is supposedly based on freedom of competition, and the freedom to practice whatever career you desire. There are situations however, in our present system of licensing that prevent or restrict, in one way or another, the individual exercising of fairness in our freedom of competition. These situations concern the various methods of licensing that our different levels of government have in effect. The licenses that are issued by government are of two basic types: occupational and operational. An occupational license is issued by the city or county in which a business is located, and operational licenses are issued by either the state or federal governments, depending on what type of license is needed. The licenses that are required by government have some actual bearing on the capacity or qualifications of the bearer. The licenses are just pieces of paper that give approval to work. The revenues that are derived from these licenses are mostly unequal and unfair.

### *City Licenses*

City licenses are issued for many varieties of occupations. The actual license is in reality a permit to operate a specific business in a building or office whose physical structure is within the city limits of the issuing city. The city charges a fee for these licenses, and many times its an unreasonable amount. The nature of these fees is a serious restriction to free and open competition in our system. Just how do city licensing methods restrict fairness in competition?

For one to acquire a city occupational license, one must first

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wade through infinite sheets of classifications to find one's category. Many times the type of business that a person might want to open is listed under a completely different category, or one may go through a unpopular category listings, and not find a common one. For example one city's forty-four page occupational listing includes such listings as a phrenology license (a phrenologist is one who predicts an individual's personality based on the shape of his or her head), a brass knuckles license, and a license to operate a ball-rolling device establishment (could ths be a bowling alley?). These categories may show the overcomplexity and confusing nature of the classifications of city licenses.

An awkward and unjust system of licensing can be found in New York City's taxi licensing system. The taxicab permits are called medallions, and what happens with these medallions is most unfair.

In 1955, this writer's brother purchased a medallion to operate a taxicab for \$16,000. (Six thousand dollars was his and ten thousand was borrowed from the bank.) He died in 1973, while still having a valid operational medallion. His widow was able to sell that medallion for \$45,000, since she was his beneficiary. In 1985, that very same medallion was worth over \$52,000, because of the moratorium placed on that particular license. The City of New York limits medallions and creates a scarcity that permits owners to charge more for their services, and sell the medallions for unusually high prices. When freedom of competition is denied, unfair advantages are bestowed upon those who are fortunate enough to own such pieces of paper that allow medallions to be bought and sold.

This writer examined a large county's policies concerning taxicabs and their licensing, and found some very interesting facts. At one time, the twenty cities in this county controlled the issuing of taxi permits but now the county has taken over that responsibility. This county, with a total population of almost three million, and a taxicab population of only 1,624, has placed a moritorium on any further taxi permits. A moritorium is a legal injunction that prohibits the county government from issuing any more permits. In this case the restriction is on taxi permits. It is absolutely astonishing to me that such a procedure can occur in this country. What this moritorium boils down to is that the county government is telling all potential taxicab

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owners that they cannot go into business. That is only supposed to happen in communist countries. The most curious aspect of this moratorium is that when this writer called to ask several questions concerning the licensing of taxicabs, the county employee, when asked if there was a limit on the amount of taxicab permits that can be issued, stated that there was no limit to the number of permits that could be issued. It is just that right now (for the last year), there is a moratorium on permits. It is a very common case of the "you can but you can't" syndrome. Another curious aspect of licensing is government insistence that the actual license does not cost anything. In many situations, like with the taxicabs, the county employee will strictly state that the permit does not cost a penny, but the application fee costs \$200. If there is anything that could be considered simultaneously funny and sad, this would be it. In addition to the cost of the permit, which is renewable every year for \$125, the potential taxicab driver has to

insure himself as a public carrier.

With all these facts in hand, one might ask: What does a person who still wants to drive a cab do to get around this restriction? The answer to this is that he can buy a permit from a present owner at the going rate of around \$30,000 or drive a cab under someone else's permit. That someone else usually owns a large cab company, which operates many cabs under one permit. I called one such company and asked what would be required for someone to drive a cab for that company. The answer was short and amazing. The owner, or manager that was on the phone stated that anyone could lease a meter for one's own car from them for \$240.00 per week! Can you imagine. That equals \$ 12,480 per year, payable whether or not the leasee has a bad or good week. The cost of getting into this type of situation with one's own car would be approximately \$690 plus insurance for just the prerequisites. The painting of the vehicle to conform to the taxi company colors can cost in the vicinity of \$480, the installation of the meter can run \$90, and all of the other miscellaneous paperwork and minor necessities can cost a potential taxicab driver another \$120 or more. It is not bad enough that this country's government is restricting competition, in many cities throughout the United States in the area of taxicabs, but private individual's are making unearned increments from this situation.

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The actual costs of licenses, or "application fees" as the government refers to the money paid for a license, is another way that current licensing policies restrict competition. There are certain cities that do not want one particular type of business or another in their cities so they charge an exorbitant fee. This is not only unconstitutional, but unethical towards business people who want to get started.

There is one instance of a city which did not like fortune tellers, or palms readers. In order to avoid having these "undesirables" in their city, they covered every conceivable type of licensing category that the person in that profession might try to obtain a license. These are the categories that they listed: astrologist, clairvoyant, fortune teller, gypsy, hypnotist, phrenologist and spittualist. Each one of the aforementioned licenses had an annual "fee" of \$7,500 attached to it. Now, when this \$7,500 figure is compare to the average cost of \$90 per license, one can tell there is an intentional motive at work. This does not include the fact that it does not cost the city \$7,500 to issue a license, and there are no related costs that can justify that amount.

There is a situation of a businessman who wished to become an auctioneer. This businessman had already filed for his county License, paid the fee, complied with all of the county requirements, and received his auctioneer's license. In addition to this, he had a city license as a business broker from the city where he lived, and now he wanted his city auctioneering license. The city, for some reason, billed him for \$10,950 per year, or \$30 per day, and placed a restriction of "No Auctioneering" on his city business broker's license. What is the logic behind this action? What does it cost the city to process a license or permit of this caliber? Is it fair to have two licenses for the same occupation? Another problem is the inefficiency of the assessing teams with the city licensing systems. An example of this can be seen in a situation where a hotel in one particular city wanted to expand and renovate. This required a building permit or license from the city where the hotel was located. The hotel had already allocated funds for the work to begin, and had workers ready. A building license was requested, and following this request a building inspector was supposed to come to the site and give his authorization for the project. In this situation, it took three months for the building inspector to come to the building site.

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