

Taxation – A Double Meaning

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TAXATION of Land Values can mean two quite distinct things. It would be delightful if it were taken to mean the arrangement of lands according to value in a cadastral survey, so as to determine the proper contribution each individual should make to the public purse. This was the original meaning of the word 'tax', which has its etymological roots in the noun *taxis* (Gk), meaning 'order' or 'arrangement'; and the verbs *tassein* (Gk.) and *taxare* (classical Latin), meaning 'to rank, arrange, or put in order' like soldiers drawn up for battle.

Thus in English the old meaning of Taxation was 'to rate, value, appraise or estimate'. Danegeld, the Anglo-Saxon war tax which lasted into the 13th century, was an assessment of the amount due from each family according to the number of hides they occupied. Since the extent of a hide varied with the fertility and other advantages of the ground, these had to be 'taxed' in this old sense. In the 13th century, 'to tax' still meant to determine the amount of something (a fine, a tallage, a penalty, damages etc.).

In mediaeval Latin, however, *taxare* took on a new meaning as an impost or levy, a compulsory contribution imposed by government. From at least the 14th century this new meaning has grown in use, until nowadays 'tax' almost always means an impost. Yet the older meaning survives to this day when law courts order 'Costs to be taxed'. The Taxing Master then has to decide what items are properly charged as costs, and what is the proper sum to allow for each item.

One would like to think that 'taxation of land values' also bore the old meaning, and that, as in taxing costs, it was to establish an order of land values determining how much should properly be paid to the exchequer. However, this is not possible. When, late in the 19th century, the Single Tax first saw the light in the English speaking world, the phrase was assumed to refer to a new impost or levy. That land would have to be 'taxed' in the old meaning of the word, hardly came into it.

TO TALK about taxing land in this way did not matter so much at that time, because the proportion of earnings taken in tax had not reached anywhere near the absurd level at which it stands today. Now, however, when all except the rich are taxed to the hilt, discussion of yet another 'tax' is anathema. Any attempt to interest

anyone in the question of a new tax, whether in conversation, or in a talk or lecture, is bound to fail. In the dining rooms of Westminster and Whitehall, and the Law Society in Chancery Lane, and in the Halls of the four Inns of Court, any mention of LVT under any of its guises evokes a comment such as 'Oh, the Henry George business', and an enforced change of subject. Well-read lawyers, or civil servants or even politicians may call to mind the Physiocrats and their *impôt unique*, but only to dismiss the subject as dated and uninteresting.

The Georgist case is not at-all for taxing in the present day sense of the word. Taxation is strangling enterprise, stifling lucrative labour, and allowing the accumulation of vast fortunes by the few, while the many find it difficult to make a living, and a very large number of people find it impossible to escape being kept on state welfare. Georgists know this, and say that taxation in the modern sense should be drastically reduced, or even entirely abolished. They advocate the taxation of lands only in the old sense, by listing their values, so that people pay for the benefits they get. Georgists do not want a 'land tax' in the modern sense of the words.

The gist of the matter is that justice requires people to pay for the benefits they receive from Nature, and from the community. From Nature, for the beautiful scenery, comfortable climate, fertile soil, clean air, access to sea, river and underground water, and the natural animal vegetable and mineral riches of the earth. From the community, for the capital assets left us by our ancestors in the form of hedges, woodland, plantations, roads, bridges, canals, railways, motorways airports etc.; and the current benefits available from the present day working of society. The degree of benefit received by each individual or family from all these things has to be taxed (i.e. assessed) rather as a Taxing Master assesses costs. Only so can the correct sum for value received be ascertained and paid to the community.

None of these concepts is covered by the phrase 'Taxation of Land Values'. Still less apt are the three nouns, when ungrammatically telescoped into the clumsy phrase 'Land Value Taxation', or changed into the acronym LVT. There must be scores of ways of expressing our case in terms fit for the beginning of the twenty first century, without any hint of a new tax.