

John C. Lincoln Says

A writer in *The Commonwealth* — (journal of the Commonwealth Club of California) lists what he calls the "ill-advised" features of land-value taxation. Because his views, though wholly fallacious, are widely held, they are answered briefly below:

Land would be no more nationalized by land-value taxation than our homes are now nationalized by property taxes. Titles would remain in private names, owners in exclusive possession, so long as land-values taxes were paid, just as home owners now retain their homes only so long as they pay the taxes on them.

Since no man's land would be taken from him there would be no confiscation. In most cases landowners would gain more by relief from taxes on labor products and incomes than they would lose in ground rent.

Ground rent belongs to the community as a whole. Its public appropriation would mean equal contribution by all — the widest possible tax base (ample elasticity). If necessary, some of the taxes displaced by the land-value tax could be restored for the emergency.

Land value is the easiest of all to ascertain (no assessment difficulty), as has been demonstrated in New York, California, Pennsylvania and other states where land and improvements are assessed separately. Land is immovable and un concealable. Fraud and evasion, common to income and personal property taxes, would be virtually impossible.

Everybody without exception would pay taxes since ground rent belongs to all (*not* "A small class would pay the taxes—a large class would vote them"). The rent the landowner pays is the use of land to which special advantages have been given by government and society.

There is no "aggregate fund" of capital. Capital is invariably forthcoming in adequate amounts whenever it may be employed with profit and reasonable safety (*not* "less capital for other productive enterprises").

Government bonds, not loans on land, constitute by far the greatest single item in bank and insurance investments (no security would be jeopardized). Mortgage loans practically always include buildings and other improvements on the land. Such improvements often exceed the value of the land itself. Their value would be enhanced by relief from property taxes.

—From the *March Lincoln Letter*