

John C. Lincoln Says —

MOST of the readers of these letters will agree that government is taking more in taxation from a substantial number of citizens than it has the moral right to take. No one questions the power of government to enforce the tax laws now on the statute books, but the moral aspect of such action is another matter. To many it will be clear that when the laws make legally right what is morally wrong, the country is in danger.

The legalizing of enslavement of whites by the later Roman Empire was one of the major contributing causes to the fall of Rome. In America the legalized enslavement of colored people prior to the Civil War did more harm to the slaveholders, it is now generally agreed, than to the slaves themselves.

It is proposed to make taxation more reasonable by limiting government exaction to 25 per cent of individual incomes. Such a move would be a step in the right direction, but it would be merely a palliative; it would not correct the moral wrong inherent in the taxation of the products of labor and capital.

There is a fund from which revenue for the public expense may be drawn, a fund which should be adequate for the purpose and which could be taken without depriving any man of what he produces. That fund is ground rent. Ground rent is a value which comes into being and grows automatically with the presence and activity of population. Since land value is not the product of individual effort but is clearly and distinctly the creation of the community as a whole, it should be taken in the form of annual rent by the government as agent for the community and used to defray the expenses of the community as a whole.

Such public collection of ground rent would make possible an immediate cut of billions in taxes now falling on labor and capital, and in time those taxes could probably be dispensed with entirely. That, of course, would be an achievement of the utmost desirability since the government has no right to wealth produced by individuals.

In his great book *Progress and Poverty*, Henry George set forth certain canons of taxation which are clear and comprehensive. He held that the best tax by which public funds could be raised was one which would conform closely to the following conditions:

1. That it bear as lightly as possible upon production—so as least to check the increase of the general fund from which taxes must be paid and the community maintained.

2. That it be easily and cheaply collected and fall as directly as may be upon the ultimate payers—so as to take from the people as little as possible in addition to what it yields to the government.

3. That it be certain—so as to give the least opportunity for tyranny or corruption on the part of officials, and the least temptation to law-breaking and evasion on the part of the taxpayers.

4. That it bear equally—so as to give no citizen an advantage or put any at a disadvantage, as compared with others.

Land-value taxation alone meets the above requirements in the maximum degree. We live in a moral world, yet the initiative and self-reliance of the people is dangerously threatened by taxes which curb incentive and take much of what individuals produce.

—From the October *Lincoln Letter*