

*Tax Reform in Japan*

WHEN PROF. CARL S. SHOUP was in Japan on a mission to survey the problem of tax reform, the Tokyo Chamber of Commerce and Industry presented its observations on the issue. It held that the present tax load was beyond taxpaying capacity and that the methods of assessment and collection were "unfair and not in keeping with actual conditions." Its proposals were a hodge-podge of confused thinking that shows a complete unawareness that taxation can be used as a prime instrument of social reform and as a prime mover for achieving a progressive type of capitalism that would benefit all producers and expropriate only the parasites, leeches and receivers of windfalls who now plague our society as well as theirs. Consider their proposals: Distinction between national and local taxes; elimination of duplicate taxation; reduction of income tax rates; simplification of the declaration system; abolition of the excess profits tax; approval of reappraisal of fixed assets; adjustment of inheritance tax rates; repeal of sales taxes, lowering of business tax rates, and limiting of residential taxes. Only in the case of one type of tax, the sales tax, does the chamber advocate the proper course to take toward taxes that penalize the worker and the employer: repeal. The Tokyo Chamber needs considerable education in public finance—and some iron injections, to give it a little gumption.

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