

## INTRODUCTION.

The excuse for another book on the taxation of land values is the failure adequately to tax land values, and the increasing budgets of cities, counties, states and the Federal government, while simultaneously, these political units are piling up millions of bonded indebtedness. The discussion in the present book, is limited to the taxation of land values in cities for municipal purposes since here the necessity of heavy taxation of land values is of most immediate importance. That similar taxation of land values is necessary for rural and agricultural lands, and especially to reach the unearned gains and values of mineral and oil lands the writer thoroughly believes. The increase in value of agricultural land from 1900 to 1910 amounting to \$15,000,000,000 or 118 per cent was not wholly earned by the owners.

The heavy taxation of land values in cities so as to reduce the ground rent to a minimum is a complex question and has manifold bearings. For this reason, even at the risk of apparent repetitions, the subject is treated from several points of view, the relation to the housing problem,—of fundamental importance in every city,—fiscal advantages, economic advantages, and social advantages, while the evil results of present exemption of land values from adequate taxation are shown in a separate chapter. A brief statement of sources of municipal revenue in foreign cities is incorporated because land-owners in American cities are trying to discover or invent any kind of tax which can be shifted to those least able to bear it, to enable them to continue their ill-gotten, because unearned, gains through increases of land values. In the chapter on possible methods of taxing land values in American cities the most important methods are considered. The conclusion that a higher annual tax-rate on land values and a small land increment tax are the most feasible methods of reducing ground rents and securing an adequate revenue for municipal purposes,—including the cost of many current and recurring improvements now met by postponed payments with the large tribute of interest incident thereto,—will probably be generally accepted.

The small number of cities separating land and improvement values has made statistical demonstration of the adequacy of the taxation of land values for municipal purposes impossible for many

cities. A few important cities only have been selected, and the data from others not incorporated in the chapter on "Fiscal Reasons for Heavier Taxation of Land Values," and general information, will convince every one that this is an adequate source of revenue, nor is this contention denied by landowners. Their sole contention is that they don't wish to have their own profits reduced. The justice and necessity of reducing their profits is thoroughly demonstrated throughout this book.