

# THE TAXATION OF LAND VALUES

## CHAPTER I.

### INTRODUCTORY.

To most people taxation is a great mystery. To a few it is the most fascinating of subjects. There seems no middle course. Either a man has thought so much about it that his utterances are unintelligible to the people, or he cannot discuss it intelligently because he does not know its alphabet.

In this lies a great danger. We pay to the State, in its two branches of imperial and local government, considerably more than one-tenth of our entire annual income. It is a huge proportion; in spite of the enormous increase of wealth, it is an increasing proportion. The danger I refer to is that the people, feeling the increased burden, and conscious of their ignorance about the principles of taxation, may leave the matter to experts, and mistake for experts those who tell them that there is "a simpler, easier, and quieter way" of raising the necessary millions than by taxation.

Of late years we have heard much of a proposal called the taxation of land values. It is a matter on which both municipal and parliamentary elections have been fought and won. I hope it is not impertinent to say that these elections have not settled the question. What "land values" are; why taxes should be levied on them; how they are to be levied on them—well, I do not think that all the election literature has left us much wiser.

Is the taxation of land values a mere election cry of the baser sort—an appeal to the cupidity of poor men as against the arrogance and the unearned gain of a powerful class? Or is it the case that there has been accumulating a fund of wealth which has not been contributing its due proportion to the funds required to carry on the great necessary organisation we call the government? Or is it that the economic resources of taxation have been exhausted, so that we must now find some particularly helpless class to tax? Or is it that certain landed classes have been benefiting in the past from taxation laid on others, and that in the future they are likely to benefit more? Or, finally, is it a proposal to change the whole time-honoured system of taxation, and place the burden of supporting the government on one set of shoulders, to the relief of all the others?

It is proposed to seek for the answer by examining two definite proposals for such taxation—the one emanating from the London County Council, the other from the no less famous Corporation of Glasgow.