

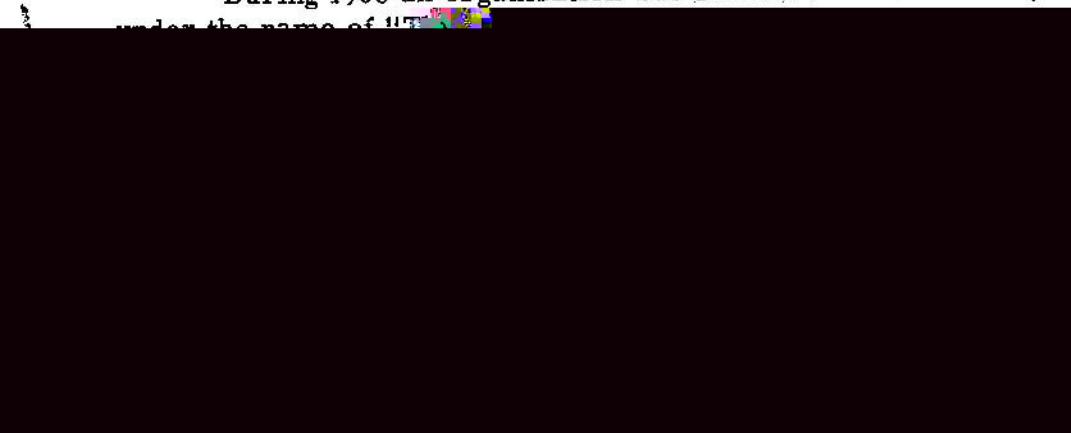
UNITED STATES OF AMERICA*

As the Federal Government makes no contribution from the Customs and Excise Revenue to the expenditure of States and Municipalities, their revenue is derived from direct taxation. The system adopted is a property tax, i. e., a tax which falls on land, improvements and movable property of all kinds. There is only one opinion as to the injustice and inequality of this system of taxation. It has been condemned by every economist, tax-collector and statesman who has dealt with the question, yet the only attempts to displace it by a better system have been made by Single Taxers.

Mr. J. H. Ralston in 1892 induced the town of Hyattsville, Maryland, to raise its revenue from the unimproved value of land, exempting improvements and personal property. Unfortunately the experiment lasted one year only, being declared unconstitutional by the Court of Appeals of the State. During this short period, however, it fully demonstrated the tendency of such taxation to lessen the burden of the smaller house owners by increasing that of the land speculators, and to bring land into use. It was this success which stimulated the opponents of the measure in their legal attacks on it.

A campaign for a like change in the system of taxation was originated in Delaware in 1905. It proceeded with every hope of success, when a constitutional convention was held, and being captured by the opponents of land value taxation, so amended the constitution as to make further efforts hopeless for the time.

During 1908 an organisation was formed in Rhode Island, under the name of "T



Governor of the State; W. H. P. Faunce, President Brown University; William N. McVicar, Bishop of Rhode Island; B. A. Ballou, Edwin C. Pierce, and many other men of prominence.

FAIRHOPE SINGLE TAX SETTLEMENT

Consists at present (1907) of an area of nearly 4000 acres, situated on the Eastern Shore of Mobile Bay, Southern Alabama, and having a frontage to the Bay of about three-quarters of a mile. It was founded in 1895 as "The Fairhope Industrial Association," with only 140 acres of land, which title was changed in 1904 to that of "The Fairhope Single Tax Corporation." Its object, as stated in its Constitution, is: "To establish and conduct a model community or colony, free from all forms of private monopoly, and to secure to its members therein, equality of opportunity, the full reward of individual efforts, and the benefits of co-operation in matters of general concern."

The capital of the Corporation consists of 50,000 dol., divided into 500 shares of 100 dol. each. The Corporation is the governing power of the community, and membership is open to any one understanding and approving its principles, upon payment of a membership fee of 100 dol., which may be paid in instalments of not less than 5 dol. monthly. All membership fees are applied to the purchase of land. The wife--or husband--of a member is also allowed to vote upon signing the constitution.

The business of the Association is conducted by a President and Secretary, an Executive Council of five members, including the Treasurer, and three Trustees, all elected by the members; but upon petition of ten per cent of the members any act of the officers, or any measure proposed by the petitioners, must be submitted to vote of the members. Even the matter of the retention or dismissal of any officer may, at any time, be required to be submitted to vote by petition of 20 per cent of the members.

The title to all land is vested in the Association as trustee for those who reside thereon. Individual use and possession are guaranteed by means of leases running for ninety-nine years, subject to an annually appraised rent "based upon the value of

said land, exclusive of improvements."

Out of these rents the Corporation pays all taxes levied upon the land, the improvements and personal property of the lessees (moneys and credits excepted) by the State, the county of the township.

Rents are annually fixed by the Executive Council, which thereupon furnishes each lessee a copy showing the valuation of every holding. A date is fixed for the hearing of objections, and subsequently, the valuations are voted upon by the members, who thus are the ultimate court of revision.

Grants of private franchises of public utilities are prohibited, and the Council is bound to undertake such services as soon as required, and to pay all revenues therefrom into the treasury of the Corporation.

Provision is also made for parks and for the maintenance by the Corporation of free schools, halls, libraries and bath houses.

Fairhope has prospered. The permanent population in 1907 was 500, augmented during summer and winter by a large contingent of visitors. It has good hotels and stores, a good public school, a public library of several thousand volumes, a newspaper, several churches, and a steamer "Fairhope," property of the Corporation, plying between Fairhope and Mobile. Substantial improvements have been made by the settlers far in advance of townships of similar size and age in the Southern States.

Similar settlements have been established at "Arden," in Delaware, and at "Nucla," Colorado.