

# Noah D. Alper's Brief Cases

## INCIDENTS OF THE AMERICAN TAX STRUCTURE

The IRS has ruled that paper towels saturated with skin cleaners, lotions and similar substance are toilet articles subject to the Federal retailers' excise tax, on the grounds that advertising and promotional claims for the towels are beamed at the same market as those for other toilet preparations, which are already taxable.

## CITY BORDER WARFARE

The city of Akron will levy a 1 per cent municipal income tax on individuals living and working within its borders. Two-thirds of the Goodyear Aircraft Corporation plant is located outside the city boundaries: "No tax will be imposed on non-resident employees who work in departments physically outside the city or at jobs that take them all over the plant, such as janitors. All of the company's top officials, on the other hand, come under the tax because the executives' offices are entirely inside the city."

## LAND AND TAX RELIEF (FOR) REAL ESTATE RACKET

"Typically, a mail-order promoter will buy a big tract of cheap, undeveloped land and chip it into lots of an acre or so. Then an elaborate advertising campaign is launched in an attempt to sell the lots sight unseen. According to a study made by the University of California at Los Angeles, promoters in one Western state paid less than \$20 an acre for several thousand acres of parched grazing land; without making any improvements, they offered the land for sale at prices up to \$400 an acre."

From "Land Hucksters."

## IF YOU CAN'T LICK THEM, JOIN THEM

"At a Santa Monica Mountain site overlooking Hollywood Boulevard, work is being rushed to divide 234 acres into 597 lots that will go on sale next year at \$25,000 or more apiece.

"It's not the high price or its breathtaking view that makes the project noteworthy, however. Owner and developer of the land is Financial Federation, Incorporated, a big saving and loan company. Financial Federation hopes to make a profit on the sale of the land, but it has another important objective: To produce choice mortgages and construction loans for its savings and loan subsidiaries."

This item and the two foregoing ones were noted in The Wall Street Journal.

The idea seems to be, if you can't lick them, join them. This is a way to have benefits of land speculation and to profit on making loans, too. And all because of a prescribed tax system which makes land for use scarce and high priced, and places abnormal tax-penalties on the cost of materials and construction and on the owning of a house annually. There is no end of ways to grease the skids under capitalism.

## DAVID LAWRENCE ON TAXES

"What is a fair tax law? Books galore have been written on the subject and many legislators have conscientiously struggled with the dilemma for decades. Yet the present system of taxation—Federal, state and city—is inequitable and unfair to many people. If by chance all exemptions were removed and taxes were levied not on incomes but as an assessment measuring the benefits received by the citizen and his family from the Federal government, everybody would have to pay something for himself and family."

What a pity Mr. Lawrence, editor of U.S. News and World Report, a man of great influence in our country, does not see that the master plan for paying for "benefits received" is the public collection of the publicly earned rental value of land for public use; and that it applies to all levels of government since it and the people generally make Rent-of-land; and, furthermore, it is NOT a TAX.