

A Word With You

THE tax muddle is still with us, and from the looks of things will be with us for quite a while.

The inequities and iniquities of the income tax are well known. Periodically, Senate committees hold hearings to reform the darned thing—but it's a case of "the more it changes the more it stays the same." The only serious argument put forth in favor of this abomination is, "Well, what else can we do?"

There is something else to do, my friends. Stop the robbery of taxation, stop taking the fruits of our toil, and let the government subsist on its proper revenue, the rent of land.

Local governments, too, need this basic tax reform. Most municipalities today are hard put to find revenue for needed social services. All sorts of special levies and indirect taxes are imposed, and even city income taxes.

Would it not be vastly better, from every point of view, if the rent of land was the basic revenue for cities? Still, we are confronted with a maze of legal hurdles, vacuous arguments, lethargy, vested interests, the bouncing of responsibility back and forth, and the sheer momentum of a complicated system.

An informed citizenry will eventually overcome these obstacles to land value taxation. Meanwhile, can something practical be done? Yes. The tax system of the United States has one great advantage over the tax system of

many other countries, as pointed out by the Spanish economist, Rogelio Casas Cadilla—and that is, that we do tax land according to its value. It is unfortunate that most of our cities are also required to tax buildings at the same rate (with the notable exception of Pennsylvania), but the land value tax is there.

It is true that there are state constitutional limitations to the degree that land can be taxed. But even if land were fully taxed according to constitutional requirements, it would, in most cases, be more than today.

In nearly all cities, real estate—and especially land—is carelessly assessed. In New York City, for example, real property is supposed to be assessed at 100 per cent of true value, but it seldom is. If land were properly assessed, according to the way the law says it should be, much more land rent would be collected by city governments than is the case today.

Here is something the awakened citizen can do in his own community. Look up land assessments and find out how far the assessed values fall short of what the law requires. In nearly all cases, I am sure they *will* be found to fall short.

Then the citizen can simply propose that the law be observed. No "upsetting of the system," no "utopian dream," just a demand that the current system be made to work.

—Robert Clancy

The Henry George News, published monthly by the Henry George School of Social Science, 50 E. 69th Street, New York 21, N.Y., supports the following principle:

The community, by its presence and activity, gives value to land, therefore the income from land values (rent of land) belongs to the community and not to the landowners. Labor and capital, by their combined efforts, produce the goods of the community—known as wealth. This wealth belongs to the producers. Justice requires that the government, representing the community, collect the rent of land for community purposes and abolish the taxation of wealth.

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