

there would be every incentive to improve.

The resistance of a few real estate owners to a change like the one suggested has brought upon them a greater loss than would otherwise have been the case. From a \$28 rate in 1928 to a rate of \$101.20 in 1959 has caused them a greater loss in their income than if they had taken advantage of the Pittsburgh Plan.

The real objective should be the total elimination of taxes on buildings. If this were to be done in Boston, the tax rate would have to be \$278 a thousand on land values to get the same revenue being obtained today. This rate is abnormally high because the situation in Boston is abnormal. Just imagine what a difference this would make to the construction industry. No matter what was on the land, the tax

would be just the same, so owners of vacant land and poor buildings would have to build. And they would find it profitable to maintain their buildings, whereas today it is more profitable to retain a slum building.

Let me add that an increased tax on land does not lower its desirability but does lower its selling price, because the tax on land cannot be shifted to the user. But a tax on buildings is always shifted to the user. The fact that Pittsburgh's land values are still about 35 per cent of total real estate values shows that only a small part of the market rental of land is being collected by the community—otherwise land values would be very much less. Carried to its proper point, land would be available at a song to anybody who would pay the market rental for it, which he does now to a private individual instead of to the city.

Annual Report

The 1959 Annual Report of activities of the Henry George School and its branches has been issued. Copies have been sent to all member-contributors, and are available to others on request. Besides reports on extensions in the USA and Canada, there is helpful information on schools in other countries and the Internal Conference for Land Value Taxation and Free Trade held last summer in Hanover, West Germany. The Annual Report is enlivened with eleven interesting photographs.

Through an error the following material from the New Zealand and Formosa schools was omitted from page 26 of this report:

"There were no classes in New Zealand (Robert D. Keall, Secretary) but correspondence courses were kept going, and assistance was given to Dr. Rolland O'Regan and the New Zealand League for the Taxation of Land Values in publicizing information.

"In Formosa (Dr. Hengtse Tu, Director) no classes were held due to lack of funds, but 50 students completed a one-year correspondence course which includes a study of *Progress and Poverty*. Although nearly all students live in Formosa, many inquiries were received from other countries in eastern Asia. Dr. Tu is also editor-publisher of the Chinese magazine and director of the Chinese Language Institute."

From Rolland O'Regan of Wellington, N.Z. comes a gratifying report on recent polls in nine towns and countries, eight of which formerly had capital value rating. The ratios for and against land value taxation, are as follows: 770:456 — 920:643 — 1,817:695 — 289:66 — 260:91 — 162:43 — 328:52 — 165:126. One county adopted land value rating in 1956 and there was a proposal to reject it. However the vote was 726:567 in favor of continuing land value taxation.