

Self Assessment—A Viennese Method

This is a portion of a letter from Philipp Knab to Carl Shaw of West Point following a visit in Vienna

GEORGISM is a world-wide movement, and success in one country means success in all countries. There are competent men in the U.S. but they are not convinced of self assessment, which I regard as the key to Georgism. We had it in Vienna in 1920 when I myself assessed my father's house. It was cheap and quick, it worked well and few reclamations were necessary on the part of the authorities. Then a crazy inflation came along blotting out the results, and the plan was abandoned. Our Austrian land tax includes houses and improvements however, and the land holder may, if he chooses, state publicly the value of his land. This is not compulsory and there is no obligation to accept that value in case a man's land is required by the municipality or the government. If self assessment were in effect a land holder who refused to state the price of his land, or did not state it within a fixed time, would have to accept the price fixed by the official assessor and would lose his right of reclamation.

In such circumstances the assessor becomes an arbiter instead of a dictator, for among the numerous values presented to him will be some dictated by fear of paying taxes that are too high, or the fear of being disowned, the desire for a high mortgage, or the wish to be an equitable impartial father. In another respect the assessor will also be an arbiter. Because he has a general opinion of what land is worth he can allow for differences between local conditions and circumstances such as the occupation of a neighboring site by a criminal whose neighbor nobody wants to be. In such rare cases the assessor will be able to invite the land holder to talk things over with him and agree on a compromise. In the case of an old couple who might hold a plot so valuable that the land tax would be exorbitant, it could be debited to the valuable land until the couple died and their successors would decide whether to pay it or sell. The owners meanwhile could stick to their land as long they lived. This procedure is followed in some Australian cities.

So let us tell the land holders, come and say what your land is worth in your opinion. The figure you state will be valid also in case your land is required by the government. It will be published so that if you want a mortgage the potential creditor will be able to have a look at the land register and find out what you yourself think about its value. Also in case of death the father and the children will find an adequate value stated in the land register—for if it be undervalued the

heirs who get the other parts of the fortune will be dissatisfied at their disadvantage. For these reasons every land holder will be more or less under pressure to state a fair value.

If land values are increased by the land holders themselves the assessor cannot be blamed. On the contrary he will be blessed when the surplus money flowing in will be used for reducing other taxes, particularly the cost of building. Land values are bound to rise when a developing community invests in roads, schools, etc. and still more when reduced costs of construction make it more lucrative to build, sell, or rent homes or factories. Once city governments experience this they should proceed along the road to Georgism.

In my own case I have a half-acre potato plot in the neighborhood of Vienna. It is valued as an agricultural property at 5 Austrian schillings per square meter and my annual tax is 30 schillings. I was offered 50 schillings per square meter two years ago but I don't want to sell because I shall never get another such worthwhile safe investment. Under self assessment, if I was asked what the land was worth I should say 50 schillings per square meter and would pay an increase of 300 schillings in taxes, but I would not sell the land. The state would collect a tenfold amount from me and from thousands of other owners. Of course if the land price were to rise to as much as, say 500 schillings per square meter. I could not afford to keep it and pay a tax of 3,000 schillings per annum. In that event many other plots would be offered for sale and I would buy another if necessary because the currency would then be stable.

Elsabeth Breese Bille

Bette Breese of Syracuse, New York was the best happiness feature any HGS conference could have in the 1950's and 60's. Her gayety and joyousness on those occasions are remembered by a diminishing coterie of oldtimers. But in 1965 there was a West Coast conference in Pacific Grove, and after that Bette was lost to the East. Without a backward glance she left the familiar Syracuse scene and became the wife of Frank F. Bille of California—the romance having begun at the conference. They lived in a house surrounded by flowers, and Bette was doing what she had always wanted to do—care for a lovely garden and enjoy a home, husband and family.

In Syracuse she and Emanuel Choper had worked as co-directors of Henry George classes. Bette did the administrative and clerical work and set up procedures for class secretaries, often working far into the night. Manny Choper now lives in Albany and continues HGS activity there.

Sadly Frank Bille wrote of Bette's sudden death on April 22nd in their home in Arcadia. We sympathize with him in this tragic loss and hope the home which was such a happy one will reverberate with her merriment as with a lingering presence of joy.