

NEW LEGISLATION ADOPTED

DENMARK : New Buildings Tax Free

Old Buildings Further Relieved

TWO Acts, one dealing with national and the other with local taxation, were passed on February 15, 1957, the effect of which is to prevent any increased taxation falling on buildings and improvements.

One of these Acts limits the amount of the buildings tax, payable to the State, to the amount chargeable on any property in the fiscal year 1956-57. In consequence, all new buildings and improvements become tax free, as also every increase in the value of buildings and improvements as may be shown to have arisen in the general re-valuation that has been recently completed.

The other Act makes similar provisions with regard to local taxation in Copenhagen, Frederiksberg and the provincial boroughs, though not in the counties and rural parishes.

On the other hand, in the counties and parishes, the amount of building value that is deducted before any rate can fall on buildings or improvements has been considerably augmented.

The tax-free deduction, for each dwelling a building may contain in excess of one, is now 3,000 crowns instead of 2,000 crowns as formerly.

In parishes where there is urban development with more than 3,000 inhabitants the amount of building value that is exempted ranges from 20,000 crowns minimum to 35,000 crowns maximum per property, whereas formerly the range was 12,000 to 21,000 crowns.

In other parishes the building-value exemption ranges from 14,000 crowns minimum to 20,000 crowns maximum, as compared with the former exemption of 9,000 minimum and 11,000 maximum.

For county taxation (where the building-value assessment is arrived at after deducting *twice* the land value from the composite value) no rates may be levied on buildings and improvements until at least 15,000 crowns or at most 25,000 crowns have been deducted from the assessed improvement value. Formerly this tax-free deduction ranged from 9,000 crowns minimum to 12,000 crowns maximum.

With these now increased allowances and exemptions county taxation rests almost entirely on the value of land alone.

JAMAICA : Valuation Bill Passed

THE Land Valuation Bill which, as we reported in our February issue, was approved by the House of Representatives on November 29, has since been passed by the Upper House (the Legislative Council) and is now law. The *Daily Gleaner*, Kingston, in its issue of December 17, re-

ported extensively the Third Reading debate in the Council.

The HON. EGERTON RICHARDSON, the Financial Secretary, in charge of the measure, explained that its object was to effect a complete valuation of the land on a new basis, the latest valuation of the Island having taken place in 1937. Two values would be ascertained: the unimproved value, *i.e.*, the value of land apart from buildings and improvements, and the capital value of the land including buildings and improvements. The Bill was not a taxation measure; it would merely vary or make possible of variation, the basis on which the taxes may be levied in the future. It was the first of a series of measures by which the Government intended to implement a policy of varying the incidence of taxation on land and it would be followed at a respectable distance by other measures which might or might not make substantial amendments in the Property Tax Law and the Parish Rating Law. There would be for some considerable time throughout the Island two bases of valuation on which land taxation might be levied, and it was only when the new valuation had been completed for a particular district that it would be possible to supersede the old valuation and therefore introduce the new taxation. There would be ample opportunity for discussing the various questions which arose when the next Bill in the series reached the Council, that was the Bill that dealt with either property tax or the parish rates. He added that it was the policy of the Government, with a view to encouraging the development and full utilisation of land, that all land taxes should be based on unimproved value. As a disciple of Henry George he unhesitatingly commended the Bill.

In the course of the debate, wholehearted support was given by the HON. ROBERT KIRKWOOD, definite opposition was shown by the HON. DOUGLAS JUDAH, some questions were put by the HON. DOUGLAS FLETCHER and the HON. BRIAN CHARLES O'BRIEN NATION, and after reply was made by the Financial Secretary, the Bill received its third reading and was passed.

WESTERN AUSTRALIA

State Land Tax Increased

THE State Land Tax in Western Australia has been increased by the Land Tax Act Amendment Act 1956, assented to on January 18, 1957 and taking effect retrospectively as from June 1, 1956.

Whereas the yield of the Land Tax in 1955-56 was £529,412, in the next year it is estimated to produce £1,000,000. Under this law, the taxpayer is charged upon an aggregate sum, namely the total "unimproved value" of all the land he holds wherever it be in the State, and the rate of tax that applies to him depends on the totality

Land & Liberty