breaking ground

Danes mark down land tax ...

Denmark has reduced its tax on the value of agricultural land from 5.7 percentile to 4.3.

In December, the Danish Parliament voted in favour of a motion put forward by the Minister of the Interior, Lars Løkke Rasmussen of the Liberal Party.


Mr. Løkke Rasmussen

It was the Liberal Party that gave the Danes income tax in 1903, replacing tax on the potential yield of farm land.

This reduction in the land tax is being introduced to compensate for the closing of a government consultancy service.

Two years ago, the government introduced a ceiling on the permitted increase in land value tax claimed by counties and councils, as part of its "tax stop".

... Aussies don't

South Australian Treasurer Kevin Foley says he has no intention of overhauling the state's land tax system, despite growing anger from the community.

In response, the Liberal opposition has established a hotline for tenants struggling with rising rents.

"If people are concerned about land tax this year, wait until the 30th of June when the new valuations by the Valuer-General hit the deck", said Liberal Leader Rob Kerin.

But Mr. Foley insisted he would not be pushed into any "knee-jerk reaction" over land tax, despite the hotline, the formation of a land-tax reform association, and an upcoming public meeting expected to attract hundreds of people.

Indian land tax to be set by owners

Calcutta's *Telegraph* reports that the government of the province of Trinamul is ready to collect a levy on land in the city and urban areas.

For a speedy collection of tax, the land and land reforms department has introduced a self-assessment system. By the scheme, citizens will enjoy the freedom to assess their own land and pay tax accordingly. No government official will knock on the doors to verify the amount of land held.

Department officials said the system will continue until a full-fledged infrastructure for tax collection was built up.

Tax experiment in Oxfordshire

A study is being carried out in Oxfordshire to see what would happen if the present Council Tax and Business Rates were replaced by a tax on land values.

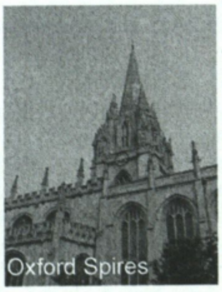
An area just outside the boundary of Oxford has been chosen for the study and valuation work is planned to start shortly.

It was Cllr Brian Hodgson who first suggested that the County Council should do this study. "We know that it encourages landholders to get any empty sites into use. It also means that when councils put in improvements like better roads or schools, there is an immediate return to them in higher rates charged as a result of these new amenities."

The study aims to find out how taxing land values would affect tax-payers. The work will be done by professional valuers and there is growing interest from academics working in the field. The valuation map produced will be publicly available for further research.

"Central Government knows there is a crisis facing local taxation", said Cllr Paul Bizzell, Leader of co-sponsors Vale of White Horse District Council. "We hope this study will contribute to finding a possible solution."

The site valuations for the study will be carried out under the supervision of Robert Ashton-Kane FRICS IRRV. This work is made possible through a grant of $15,000 from the American Lincoln Institute of Land Policy, awarded to West Berkshire Councillor and Lincoln Fellow Tony Vickers, former chief executive of the Henry George Foundation. Vickers is now pursuing a PhD at Kingston University School of Surveying, looking at the potential uses of 'value maps' in the UK. He will produce a demonstration value map of the trial area in Oxfordshire.


Oxford Spires

Vickers and Ashton-Kane are seeking lay volunteers to help with the valuation between February and April. Mr. Ashton-Kane can be contacted at CSH Property Consultants, 60 Barton Arcade Chambers, Deansgate, Manchester, M3 2BJ; by telephone: 0161 833 4278; or via email: Rob.Ashton-Kane@csh.co.uk

letter from the editor

The Henry George Foundation is in the business of selling ideas. It is working in its chosen market in competition with others.

Some of those others are selling more or less the same goods as we are. We all trade now on the worldwide web. There is a limited number of choice sites for these sellers who wish to set up stalls selling Henry George. Search engines return lists, which by their nature are prioritised: human eyes scan lists and alight on domains and descriptions which fit. There will only ever be one HenryGeorge.com, one HenryGeorge.org, and one HenryGeorge.net. All other domains which would seek to represent that man or draw on his ideas must settle out as secondary in aspect to those primary domains - those high street virtual locations.

All of us administering web resources are well aware that such internet presence comes at a (albeit relatively small) price. Domain name ownership costs an annual fee. The value of any web location is unlocked for us by the private domain registration companies. But that value arises solely as a result of the presence and activity of the wider on-line community.

To most readers of **Land&Liberty** it will be no surprise to know that the price paid for a virtual domain does not go to that community - nor to any interest or institution which might be said to represent the commons that is the internet. The private domain registration companies, as monopolist gatekeepers - albeit only so as a group - pocket the fees they charge for the title they bestow for internet'land'.

How might George's single tax proposal capture the monopolist advantage received by some over others by their occupation of some virtual domain? In practical terms, that is, how might the cost of providing the public cybernetics of the internet be paid for? - without tapping the taxpayer or doffing caps to private patronage?

The answer, in the negative, is that it cannot be brought about by a land tax - not as such a thing has to be defined to deal with the earth beneath our feet.

The difficulty is not simply in having to deal with a parallel geography. The computer servers which host sites and manifest domains are momentary. Sites with their domains can relocate at an instant (almost). These characteristics blow apart any parallelism. The virtual world morphs, without much more than a semblance of geopolitical regard for the physical earth or physical human communities.

It has to be recognised that virtual geography is independant and *different* from physical geography. This means that the way to paying for, or being compensated for the loss of, advantage bestowed through this new-forming common space, necessarily will be different in the two cases.

In this is the proof that *the single tax* is not enough. The realisation opens the door to resource rents, congestion charging, air traffic landing slots and all sorts of other ways in which we can try to deal with situations where advantage is received but not tied necessarily to specific physical geography, more or less permanently located.

And, still, none of that is to address the dynamic correction of error which is provided by *jubilee*. So what more do we need than George's single tax?

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