

A Comment by Lawson Purdy

IN *NATURAL TAXATION*, by Thomas G. Sherman, it is stated that, in 1890, ground rent was \$22 per capita in the United States and all taxes—federal, state, and local—were \$12.74, of which the federal tax was \$5.27. Ground rent would have been ample then to pay all taxes. About 1888 William T. Crossdale, then editor of Henry George's paper, *The Standard*, called the tax proposed by George "The Single Tax," and George's followers "Single Taxers."

John A. Zangerle now proves, in the foregoing article, that ground rent would not suffice to pay the expenses of local government, to say nothing of the Federal Government. *Tax Policy* of December 1950, gives per capita state and local taxes in 1949 as \$133, and federal as twice as much.

Mr. Zangerle advises the followers of Henry George to drop their nickname of Single Taxers. When men earned their own living and paid their own bills and government minded its own business and meddled less with the business of others, it was comparatively inexpensive. No one can foresee the coming of such a time again.

While Mr. Zangerle proves his case, I think there are good reasons to believe that the value of land today is even less than he concedes. He bases an estimate of the per capita for the United States as a whole on the value of land in the cities of Cleveland and New York. We do not have reliable figures to show the value of land throughout the United States, but we have evidence to show that it is less than in the City or State of New York. Sales prices compared with assessments in the City of New York show that from 1932 to 1945 sales prices were much less. In 1950 they were about equal. The per capita assessed value of land in New York City that year was \$892; that included the land of utility corporations. In 1947, the per capita assessed value of land in the whole state, after making allowance for population increase over 1940, and under-assessment as estimated by the State Tax Commission, was \$730.

In 1942, the Census shows per

capita payments of state and local taxes in the United States to be \$71.86, and in New York State \$116.68. The United States per capita was 61.6% of New York's. The Department of Commerce reports for 1949 payments from all sources of income to individuals per capita in the United States \$1,330, and in New York State \$1,758. This indicates a per capita income for the United States about 76% of that of New York; and 76% of \$730 is \$554. It seems probable, therefore, that, as taxed, the land value of the United States does not exceed \$554 per capita. Assuming a tax rate of 3%, the untaxed value would be \$886.40.

Henry George taught that all men

have an equal right to the use of the earth and an equal right to have the price paid for the use of the earth accrue to the public treasury, be it much or little.

With this philosophy I am in agreement—and I am also in accord with Mr. Zangerle's belief that our municipal and county governments ought to be empowered to raise a much larger percentage of their revenues than at present from ground rents and community-created land values. The fact that such revenues would not be adequate to run the Federal Government does not invalidate the desirability and justice of their use for local-government.

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