

arms and ammunition from New York for the Constitutionalists, discharged its cargo at Tampico on the 11th. General Natera attacked the Federals at Zacatecas, but was repulsed with heavy losses. General Villa will go to Zacatecas as soon as possible with his army. As he will have 32,000 men in his command, he will endeavor to take the city and cut off the retreat of the Federal army. Mazatlan, on the west coast, though hard pressed from a long siege and repeated assaults and bombardments, continues to hold out against the Constitutionalists. The military governor of the city, in response to a large delegation of starving women, has issued an order permitting non-combatants to leave the city.



Ring Challenges Opponents.

The following challenge to debate the merits of the Houston plan of taxation has been issued by H. F. Ring of Houston under date of June 11:

Under the Houston, Texas, plan of taxation which has been in force here for three years land is assessed at 70 per cent of its value and building improvements and merchants' stocks at 25 per cent. Nothing else except the franchise value of public service corporations appears on the assessment rolls. Personal property of every other description, including so-called "credits," is ignored. Nine-tenths or more of the taxpayers favor the plan. A few large owners of vacant lots have organized the so-called Harris County Taxpayers' Association and are threatening to apply to the courts.

I hereby challenge the Harris County Taxpayers' Association, individually and collectively, to a newspaper debate, articles to be limited to 500 words each. I lay down and stand ready to prove the following propositions regarding the Houston plan of taxation, most of which are self evident.

It lessens taxes on a majority of homes in Houston, for as to the majority, the improvement values exceed the land values. It will also ultimately lessen office rent and the rent of stores and dwellings, if it is not already doing it.

In the long run, the exemption in whole or in part of building improvements from taxation will neither benefit nor injure the owners of office buildings, apartment houses and dwellings for rent. The saving to them in taxes will be offset by the reduction in rents caused by increased competition among landlords resulting from an increased number of buildings to rent, for the Houston plan greatly stimulates the construction of such buildings. Ultimately it benefits renters only, and not landlords.

It makes Houston famous all over the country. It advertises the city favorably as a place where capital may be used in the employment of labor in factories and stores without being fined by onerous and annoying taxation. It acts as a perpetual bonus, attractive to all enterprises which tend to make a city great and prosperous.

While the Singletax idea carried to its logical conclusion would, of course, ultimately impair land values, its partial and moderate application as now applied by Pastoriza will greatly enhance land values in Houston, because it accelerates the growth of the

city. It will be time enough for owners of unimproved and but partially improved land to appeal to the courts when Pastoriza attempts to so raise the tax on land values as really to depress the price of land.

To tax property according to the constitution and laws of Texas is utterly impossible. A tax on personal property catches the poor man all right. He has so little he can only hide a small percentage of it. Not so, however, as to the rich man. The most drastic laws ever framed have failed to put 5 per cent of a millionaire's personalty on the assessment rolls. The man unwilling to pay a far greater tax in proportion to his wealth than his neighbor is compelled in self-defense to commit perjury every time he lists for taxation his personal property and credits and swears to his assessment rolls. A serious and determined effort to tax credits and personalty with anything like uniform impartiality, including bank deposits and money loaned by banks and individuals as the constitution and laws require, would greatly increase interest rates, result in the withdrawal of bank deposits, bring ruin and destruction upon any community attempting it, and cause three-fourths of its taxpayers to be sent to the penitentiary for false swearing.

To kick up a row in the courts in connection with the matter as it now stands would be suicidal. To cast doubt upon the validity of the Houston tax rolls by an effort of that kind would lead to chaos and confusion highly detrimental to the growth of the city. It would kill the goose which under the present plan will continue to lay golden eggs for Houston real estate owners if let alone.

Taxes on things produced by human labor are passed on to the user or consumer and increase living expenses; taxes levied on land values, which are the gifts of nature, cannot be shifted, and tend to reduce the cost of living.

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Tax Reform News.

The Cleveland Singletax Club has addressed a communication to the Municipal Finance Committee of the Chamber of Commerce, which is considering the constitutional amendments proposed by the Ohio Tax League and by the State Board of Commerce. The letter, signed by Henry P. Boynton, president, speaks concerning the propositions as follows:

The Ohio Tax League Proposal: This proposal, while apparently not drawn or initiated with due care, has the merit of giving the legislature broad powers to exempt from taxation such classes of property as it sees fit. This would break down the uniform rule which is the chief obstacle to tax progress in Ohio.

The Ohio State Board of Commerce Proposal: Two emphatic criticisms are registered against this proposal. 1. The proposed ordinary limit of the tax rate, one per cent, is so low that it precludes the untaxing of industry and will probably necessitate an even greater burden upon intangible personalty than is now levied. Quite aside from the question of the moral right to tax industry, it seems