

A TAX TO END ALL TAXES

By ENTERPRISE

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Income Tax, Poll Tax, Road Tax, Hospital Tax, Property Tax, Site Tax, and Personal Tax are just a few of the countless taxes, which we all must pay regularly in order to live in a civilized society. "There will always be death and taxes," somebody has remarked, commenting upon the two curses on mankind.

We cannot do anything about the first but we can always do something about the second. We pay taxes in return for the various benefits we get from the institution of the state. They are a payment for the protection, the dispensing of the justice, the medical facilities, the schools and colleges, the unemployment relief and the countless other benefits the modern state provides for its citizens.

And with the increase in these facilities, the taxes too, have risen. Now we have reached a stage where pay so many taxes that we do not even know the number of times when we pay them. There are Direct Taxes that we pay direct to the government and the Indirect Taxes that we pay in the form of Import Export Duties, increased prices of imported goods and services.

It was this problem of many taxes and untold misery amongst vastly increased wealth that led a thoughtful American, Henry George to propose a novel remedy to replace all

these different taxes with one, single tax.

In his masterpiece, **PROGRESS AND POVERTY**, Henry George writes: "It is true that wealth has been greatly increased, and the average of comfort, leisure, and refinement has been raised; but these gains are not general. In them the lowest class do not share. . . . But . . . wherever the forces are anything like fully utilized large classes are maintained by charity or live on the verge of recourse to it; amid the greatest accumulations of wealth, men die of starvation, and puny infants suckle dry breasts; while everywhere the greed of gain, the worship of wealth, shows the force of the fear of want. The promised land flies before us like the mirage."

To end this want amidst plenty, Henry George suggested that all land should just one tax on the land. All land is treated as common property and is used as soon as there was a need for it. This is not possible when land is held as private property because the owner is allowed to prevent others from what he cannot or will not use or improve himself.

Is it necessary to confiscate land to achieve this? No. Henry George outlines a more practical, peaceful and less shocking method. This entails the abolition of all taxes-except on land values. By this even the present land titles

would remain unaffected and the land would become common in reality.

In this Utopia, there is only one-tax the tax on land. This tax is the easiest to collect as nobody can hide or carry away land; its value and assessment can be easily made; and is the cheapest to collect as there is only one tax to collect. It also conforms more closely with justice the landlord does not add anything to the stock while the wage earner has created something and to tax his wages would be to take away what is rightfully his.

The wealth which is the return for the use of land belongs to the community as a whole since it is not produced by the individual. It is produced by the society as a whole, and therefore justly belongs to the society. Hence it should be taken away for the benefit of the society in the form of a tax.

If a tax is levied on any commodity, then the producer passes on that tax to the consumer in the form of higher prices. Will the same thing occur with a tax on land as proposed by Henry George. This answer is 'No' for a variety of reasons. Firstly, it does not increase the rent of land. Secondly, it does not reduce the supply of land. Thirdly, it does not reduce the supply the goods. Fourthly, the person who pays the tax on

rent cannot pass it on to somebody else.

Hence to all the present ills of the modern world, the enequal distribution of wealth, the appalling poverty and squalor which survives besides the luxurious life of the millionaires, we have but one solution—impose the single tax on land values.

Why is it not imposed? Simply because of a large and powerful class all over the world, the landlords, who are interested in keeping down taxes on land. And almost all other taxes are paid by the consumer, in a way in which he hardly notices that he is paying and in such small amounts that he does not notice them.

The removal of the ignorance of the masses in not realizing the benefits which will result by such a tax and the tenacity of the most powerful class - the landlords - in holding on to the present system have caused the present dilemma.

Let the people know the real, just and the single tax, and we will soon see the many hundreds of taxes being swept away. Let there be light and the masses - the voters - will enforce this system. Let the people know — and justice will prevail.

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The above article was written by a Nairobi correspondence course graduate of the Henry George School.