*Once get our tax system on a proper basis and many problems, now seemingly insoluble, will disappear!*

# THE BULLETIN

OF THE MANUFACTURERS AND MERCHANTS FEDERAL TAX LEAGUE

VOL. II. CHICAGO, OCTOBER, 1923. No. 11.

## PRESIDENT TO DISCUSS TAX QUESTION

Washington, D. C., Oct. 2.—President Coolidge contemplates holding a series of conferences soon with treasury officials and members of the house ways and means committee to give consideration to the question whether tax revision should be taken up at the forthcoming session of congress. The president, it is said at the white house, has not made up his mind and has had no hint officially as to the views of the treasury or the house leaders.

## PUBLIC SERVICE COSTS FOUR BILLIONS YEARLY

One person out of every dozen over 16 years of age gainfully employed in the United States, based on 1920 census figures, is on the public payroll, and as a result the American people are footing a huge salary bill of nearly $4,000,000,000 a year. These figures were made public recently by the National Industrial Conference Board, discussing the rising tide of taxation and its relation to the public welfare. The Board reports that a staff of economists and investigators has worked several months on the taxation problem. The figures showing the magnitude of the Nation's public pay roll are to be a part of their report.

## RUNNING A CITY WITHOUT TAXES

The New York Times of 3 September prints an interview with a Californian who says that the city of Long Beach is the only city in the country without taxes. The city has a natural resource of 200 gushing oil-wells that takes care of all municipal expense and leaves the citizens tax-free. This fact, if such it be, is worth mention for the sake of remarking that every community in the country has a communal asset that would take care of its taxes in an analogous way, namely: the site-value of land. Let people freely hold and keep, buy, sell and bequeath, all the land they like; but let them pay to the community the full annual rent of that land, instead of putting it in their own pockets. One must speak with due deference in calling attention to the errors of the Physiocrats, even in matters of terminology, but it was a mistake for them to call this plan l'impôt unique, or the single tax. The essence of this plan is that under it a community does not live on taxes at all, not even on one single tax. It lives exclusively on rent, the rent of its natural resources; and the rent would be determined under that plan, just as it now is, by a landlord's valuation based on what amounts to free competitive bidding.

## PROPOSED PROGRAM

of the

## TAX RELIEF CONVENTION

to be held by the

### Manufacturers and Merchants Federal Tax League CHICAGO

at the

### Congress Hotel

### Friday and Saturday, November 9 and 10

(N. B.—The following is our "Proposed Program." It has been arranged with a view of covering state and local taxation as well as federal and to deal with the tax problems of the farmer as well as the business man. The subjects and speakers are the ones we are endeavoring to secure. Those who have definitely agreed to attend are indicated by a (*). While there will naturally be some changes in the following when the "final" program is printed, it is believed that it will remain approximately as it is now.)

FRIDAY—10:00 A. M.

Otto Cullman, Pres., Cullman Wheel Company, (*) Chairman.

Hon. William E. Dever, Mayor of Chicago—
Address of Welcome.

Warren S. Blauvelt, Pres., Ind. Coke & Gas Co., (*) Terre Haute—
Subject, "Shall Business Be Taxed to Death?"

Edward Nordman, Wisconsin Commissioner of Markets (*)—
Subject, "Taxation and the Farmer."

J. H. Kauffman, Sec'y, Tax Commission of Ohio (*)—
Subject, "Our Disclaimed Assets and Liabilities."

Five 6-minute speakers from the floor.
(Names to be given in final program.)

FRIDAY—2:00 P. M.

James A. Bell, Pres., J. A. Bell Company, Elkhart, (*) Chairman—

James R. Brown, Tax Lecturer, Manhattan S. T. Club, New York (*)—
Subject, "A Plain Talk On Taxation."

Edward Polak, Register, Bronx County, New York City—
Subject, "Result of the Tax-exemption Law in New York on the Building of New Homes."

Five 6-minute speakers from the floor.
(Names to be given in final program.)

Questions.

FRIDAY EVENING—6:00 P. M.

Dinner, Congress Hotel.

Francis Neilson, Editor and Lecturer, Toastmaster.

Archibald Harris, Tax Counsellor for Illinois and Indiana Bankers' Association, Chicago (*)—
Subject, "The Sales Tax As I Found It in Canada."

H. G. Brown, Professor of Economics, Missouri University (*)—
Subject, "What Should We Tax—Earned or Unearned Incomes?"

John Z. White, Tax Lecturer, H. G. Lecture Ass'n, Chicago (*)—
Subject, "Sane Taxation—With Special Reference to the Keller Land Value Tax Bill."

Five 6-minute speakers from the floor.
(Names to be given in final program.)

Questions.

SATURDAY—10:00 A. M.

George M. Duncan, Merchant and Member N. H. Legislature, Chairman (*)—

S. A. Stockwell, Minnesota Legislature, St. Paul—
Subject, "The Minnesota Iron Ore Tax—It's Relief to Industry."

Carl Buell, Sec'y, Minnesota Tax Reform Association, St. Paul (*)—
Subject, "Tax the Royalty, Not the Product."

Five 6-minute speakers from the floor.
(Names to be given in final program.)

Questions.

SATURDAY—2:00 P. M.

David Gibson, Pres., The Gibson Company, Cleveland, Chairman—

Thomas C. McMahon, Chief Assessor, Pittsburgh, Pa.
Subject, "The Pittsburgh Graded Tax Law."

Harry H. Willock, V.-P., Waverly Oil Works, Pittsburgh (*)—
Subject, "Why Business Men Like the Pittsburgh Plan of Taxation."

Five 6-minute speakers from the floor.
(Names to be given in final program.)

Questions.

## CORPORATE TAXATION EASY TO AVOID—GREEN

Speaking recently before the National Tax Association at its Convention in White Sulphur Springs, Congressman Green of Iowa, who is slated for the chairmanship of the new Ways and Means Committee, declared that the present system of corporate taxation presents an easy way of avoiding taxation.

In this connection, Mr. Green said Henry Ford was popularly supposed to have the largest income of any citizen of the country, and that while not one knew what income tax he pays, "it is certain that it can not be at all in proportion with his income." He continued:

"The Ford Company is continually adding to its investments by buying coal mines, iron mines, and railroads, erecting new factories and constructing more and more of the parts of the automobile that has made Mr. Ford famous. While technically no income has passed thereby to the stockholders, as a matter of fact their riches have been increased to the amount of these investments and yet they pay no income tax thereon.

Besides this it is perfectly easy for any corporation to issue stock dividends and thereby, for all practical purposes, put the surplus under the control of the stockholders in such a manner that they use it as they see fit. In this way an enormous amount of dividends has, in effect, been distributed to stockholders without the payment of any income tax."

## SCRANTON, PA., LIKES TAX-EXEMPTION LAW

Scranton is operating under the same law as Pittsburgh. The chairman of the board of assessors, John H. Jordan, said the graded tax law was working first rate. They now have a tax on land values of 19.43 per thousand and on improvement values 11.65 per thousand. Everybody seemed to be convinced that the proper thing to do was to encourage buildings and get rid of old shacks that still remained on valuable ground, and they seemed heartily to approve of the graded tax law.—The "Square Deal."

## EXPERTS GLOOMY OVER WHEAT FARMING

"Wheat growers of the United States," writes Charles Michaels in the Chicago Daily News, "will either have to lower cost of production or the country go out of business an an exporter. This is the view of experts who have closely studied conditions.

They point out that the wheat farmers' overhead is too high. They contend his lands are figured on too high a basis, and labor costs are so high that he cannot compete with lower priced lands and labor of Canada, Australia, India and Argentina."

# THE BULLETIN

**of the Manufacturers and Merchants Federal Tax League**

Published Monthly, except August, In the Interest of Lower Taxes on Industry by the Manufacturers and Merchants Federal Tax League

Telephone Buckingham 7134
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## MAKE YOUR ARRANGEMENTS NOW TO BE WITH US

Next month we hold our Biennial Tax Relief Convention.

This Convention will meet just before Congress assembles, and when the tax problem lies heavy on the people's chests.

We have arranged for what some of our friends say is an unusually excellent program—a program that will cover state and local, as well as national tax matters, and which will in each case point out the only rational solution.

While all indications point to a good attendance, we urge everyone of our readers who possibly can to be with us. Advances in legislation have occured in various places, the full knowledge of which is of the utmost interest and importance to us all.

But this is only half of it. The record of successful movements show that men do better work when they meet frequently, or if not frequently, at least occasionally. A closer personal contact, a more intimate acquaintance, a fuller and better understanding between one and another in the struggle for a common cause produces an effect that counts for bayonets.

It will be two more years before our next Convention meets. So don't miss this one. Lay your plans now to be with us.

## TAX PROGRESS IN ARGENTINE REPUBLIC

It does look as if our foreign neighbors are going to beat us to it. There's Toronto in Canada, for instance, voting next January on the proposition to gradually quit taxing improvements, industry, and business in general and raising the revenue solely from the site value of the land upon which the city rests.

If the expression that the citizens of that municipality have given before on this matter is any criterion, they expect the proposition to carry too—and with a very substantial majority at that.

But our neighbors down in South America have already got ahead of Toronto. Definite word has just been received from Argentine Republic that the municipality of Mendoza there has now levied a tax of 4/5 of one per cent on the selling value of land—the same to raise 80% of all revenues annually required by the city. What is still more important and interesting is that Buenos Aires—one of the largest cities in the world—has also passed a law repealing a variety of injurious taxes on business and placing a tax of one per cent on the selling value of land—this tax to raise half of the total revenue needed by that municipality!

Yes, the world do make progress, but there ought to be more of it in our own fair country. Where's all this Yankee smartness we talk so much about?

## SENATOR REED ON TAXATION

Among the numerous opponents of the Smoot plan for taxing "expenditures" is Senator Reed of Pennsylvania. "He holds," says the Rochester Herald, "that the time has come when the heavy taxes entailed by the war should be decreased, not increased. There should be, he declares, a distinction made between the man who earns his income by work and the man who gains it from investments. The Smoot plan would make no such distinction. It would put a tax on every man who had money to invest, no matter how he came by it. Senator Smoot's plan will not do, nor will any other scheme that will add to the heavy tax burdens the people now have to bear."

Well, Senator Reed is hitting out into a "righter" direction anyhow.

## Our Tax Relief Program

**The following tax program to raise revenue and to relieve business, industry and agriculture of about $1,250,000,000 of the intolerable burden it now carries, will be introduced into the House of Representatives in December by the Hon. Oscar E. Keller of Minnesota:**

### Congressional Bill No. ——

**This bill repeals all existing sales, commodity and excise taxes except those on tobacco, distilled spirits, oleomargarine, habit forming drugs and products of child labor. The bill also repeals the present tax on the incomes of corporations.**

### Congressional Bill No. ——

**This bill amends the income tax law so as to distinguish between "earned" and "unearned" income. The tax on "unearned" incomes together with the super-taxes is retained, but the tax on "earned" incomes is cut in two. All salaries, wages, etc., together with all profits derived from businesses personally conducted or in partnership are classed as "earned" incomes.**

### Congressional Bill No. ——

**This bill amends the inheritance tax. Beginning with estates of $20,000 to $35,000 there is a tax of one per cent; $35,000 to $50,000 two per cent; $50,000 to $150,000 four per cent; $150,000 to $250,000 six per cent, and so on until the point of $100,000,000 is reached after which the tax is 50% of the excess to that amount or about 38% of the entire estate.**

### Congressional Bill No. ——

**This bill provides for a federal tax of one per cent on the privilege of holding lands and natural resources worth over $10,000, after deducting the value of all buildings, personal property and improvements. In the case of farms, cost of clearing, draining, plowing and cultivation, together with soil fertility are classed as improvement values. This bill will exempt over 98% of all actual farmers. It also exempts standing timber from taxation whether naturally or artificially grown.**

**This bill aims to relieve business, industry and agriculture by taxing monopoly holders of vacant natural resources, valuable "sites" in cities and the holding of land in general out of use. The revenue raised under this bill will be about one billion dollars annually.**

**The above revenue program will relieve producing business of about $1,250,000,000 annually, and the people of from three to five times this amount in inflated living costs.**

# TAX INCREASE SHOWS NO SIGN OF ABATEMENT

**By Tomaz F. Deuther.**
(In "The Northwest Town Bulletin.")

A report by the National Industrial Conference Board presents some illuminating figures with respect to the increase in taxation in the United States and other nations. This report, unlike many others, essays to present local as well as national taxation.

The report states that total taxation in the United States, including Federal, State and local levies, were:

| | | |
|---|---|---|
| $1,382,000,000 | in | .......1903 |
| 2,194,000,000 | in | .......1913 |
| 8,034,000,000 | in | .......1919 |
| 8,363,000,000 | in | .......1921 |

Of even more significance than the increase in total taxation is the ratio that it bears to the national inome. This ratio has risen in the United States from 6.7 per cent in 1903 to 12.1 per cent in 1919 and to 16.7 per cent in 1921. It is pointed out that while Federal taxes in 1921 represented a reduction of 11.2 per cent from the total of 1919, the 1921 dollar had, it is estimated, a purchasing power of 26.9 per cent more than the dollar in 1919, and the Federal tax burden in 1921 is, therefore, stated as being actually 15 per cent higher than in 1919.

Another significant part of the report deals with the increase in state and local taxes. Total taxes levied in 1919 in 41 states were 82 per cent higher than those of 1912. In 1920 the increase over the preceding year was 21 per cent and in 1921 a further increase of 12 per cent is shown in the total of taxes levied by states.

Conditions are not improving, for the reason that while no immediate increase and perhaps a decrease in Federal taxation is possible, local or state taxation is steadily increasing, and this movement shows no signs of abatement.

**Remember: Tax Convention, Congress Hotel, Chicago, November 9 and 10.**

## DIRECT TAX ON FARMS

The average tax rate on American farms in 1922 (including taxes on improvements) for state, county and local purpose, reports the Department of Agriculture, was 71 cents per acre. For all lands in farms this is a total of $678,000,000. A crushing burden, yet it is only one-twelfth of the total tax burden in the nation. In 1922 the total tax burden in the nation for all purposes was $8,363,000,000.

## UNEMPLOYMENT IN ENGLAND

England's jobless at this time number some 1,300,000 and they are costing the taxpayers in the neighborhood of $10,000,000 a week. Perhaps when the tax bill gets high enough the people will make some changes in the system, that has a very important bearing on the matter of unemployment too.

## IT'S TIME THAT A DISTINCTION BE MADE

A modest paragraph in the real estate columns of the New York newspapers recently recorded the lease by the Gerry estate of the lot at the north-east corner of Fifth Avenue and 58th Street to T. Coleman DuPont for a period of sixty-three years, at an annual ground rent of $125,000. At the prevailing rate of interest, this means a valuation of this small lot of about two million dollars, a tidy sum even in these days of inflation and high prices. As the lot is part of the site for a huge hotel, the total of nearly eight million dollars in ground rent that will be paid its owners under the lease, will of necessity come out of the pockets of New Yorkers and of visitors who patronize the hotel. Mr. DuPont is investing millions of dollars in the construction of an imposing building, on which he will have to pay heavy taxes to the city out of the earnings on his capital. Some day the wise men who make our tax laws may decide that the rate of taxation on unearned incomes should be considerably higher than on revenues derived from industry, commerce, or hotel management—say about 100 cents in the dollar.—The Freeman.

## WILMINGTON, DEL.—WHO OWNS IT

The other day eighty-five members of the Springer family, coming from all parts of the United States met in the Hotel Sherman in Chicago. Their object in meeting was to perfect plans by which they can get possession of all the land underlying the city of Wilmington, Delaware, now worth a total of over $500,000,000, which they claim belongs solely to them.

Suppose this effort on the part of the Springer family is successful. Suppose they do get full title to all the land that underlies the city—what then? Nothing, except that it furnishes a clearer illustration of the colossal injustice and immorality of the tax laws under which we live.

Who made the enormous value of Wilmington's land—the Springer family? Clearly not. The Springer family never lived there and evidently never expects to live there. Who then did make the value of this land? Why, the people of Wilmington, and the people alone. Before a single human being set foot upon the present site of Wilmington, this site wasn't worth a Russian ruble. As soon, however, as the people came upon it, the land began to rise in value, until today, containing as it does a hundred thousand people, it is worth over one-half billion dollars, exclusive of all improvements.

Since therefore the Springer family did not make the value of Wilmington's land and the people of Wilmington did make it, ought not the value go to the people of Wilmington instead of to the Springer family?

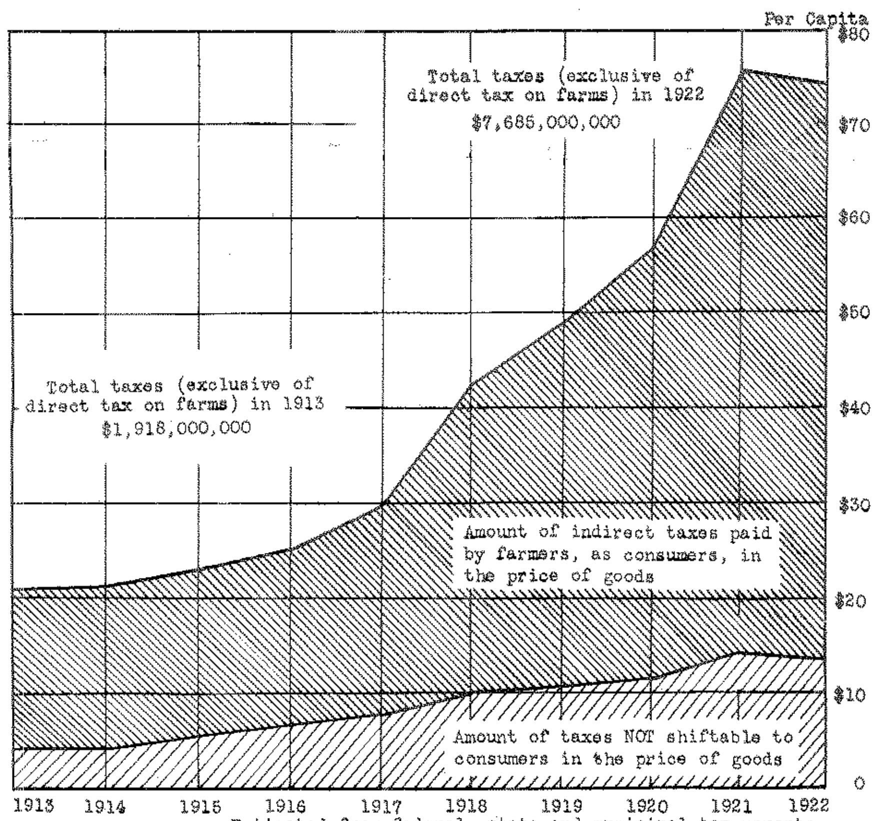
Some day, we predict, the over-taxed citizens not only of Wilmington, but of every other city are going to see this, and when they do they are going to proceed to assert their rights.

# The Farmer's Unseen Tax Burden

The local taxes on farms in the United States amounts to an average of $105 per farm.

When the farmer has made a check out for this amount and has turned it over to the collector, he thinks—at least most farmers seem to—that he has paid his full tax bill for the year.

But this is just a beginning. The taxes that the farmer pays and that is rolled up in the price of food, clothing, fuel, luxuries, etc., are just three times as much as his local taxes amount to. In a word the taxes that the farmer pays and doesn't see—but sorely feels—amounts to $60 per capita or $300 a year per family of five, which added to the $105 of direct local taxes, makes his total tax bill over $400 a year.




- Estimated from federal, state and municipal tax reports.

## DOUBLE TAXATION OF BUSINESS MEN

By Henry W. Allen.

Business men are patriotic; they know the war cost has to be paid for and are willing to pay their just share, but they have a right to object to excessive and unjust taxation and regulation when a fair method is available.

One illustration will show how Wichita merchants are already over-taxed through the medium of rent, and this will indicate the immense values now going to landlords that should go instead into the public treasury:

**A Wichita firm of long standing was recently forced off of the first block of East Douglas Ave. by the following rent demanded for a twenty-three foot frontage: $650 monthly ($7,800 annually), the tenant to pay in addition taxes ($1784.20), insurance and all upkeep. Many similar illustrations might be given.**

In reality the government has surrendered to landlords a power to tax. In the illustration referred to nearly 8% net on $100,000 is asked for rental of a $10,000 building and a location that belongs to the City of Wichita—to the community that alone created the site value.

Some say that the landlords are going too far in driving honest merchants out of business. But that is their privilege: they have the legal right to charge "all the traffic will bear," and any of us would do the same thing in their place. The present absurd tax system is to blame. An adequate land-value tax would eliminate the speculative value from the land and would, consequently, reduce rent. But it would also produce the needed revenue.

## TAX MUDDLE AROUSES OHIO BUSINESS MEN

By H. H. Holmes.

A year ago, assessments of land in Cuyahoga County, Ohio (including the city of Cleveland), were arbitrarily reduced $175,000,000, although there had been no increase in such assessments for years, and repeated sales proved that land values had been mounting skyward. The assessor is a member of the Cleveland Real Estate Board. A recent bank appraisal of one small lot proved that this land had doubled in value in seven years. It is probably not assessed for taxation at over one-third of its actual value. Threatened with an increased tax rate to provide money for government, the Cleveland Real Estate Board asks that the $175,000,000 reduction now be restored, but not that land assessments be brought up to date, as the constitution of Ohio requires. The Board constantly urges that more personal property be placed on the tax duplicate, but does not tell how to do it. In the meantime, the retail merchants' association of Ohio has hired a college professor to make a "tax survey," and the Association of Building Owners and Managers is agitated over the tax situation. The Cleveland Chamber of Commerce is also stirred up. Business men are beginning to think on taxation in more than a superficial way.

**If you miss our Biennial Tax Convention in Chicago, November 9 and 10, you will regret it.**

## HARD COAL ROYALTIES HELP KEEP PRICES UP

By Warren Phinney.

(In the Chicago Daily News.)

Coal royalties in the anthracite district are responsible for a big share of the present high price of hard coal. These royalties have risen to more than $2 on every ton of coal taken out of the ground leased by one big Pennsylvania operator.

Such a royalty is more than the total price that a ton of some of the cheaper grades of hard coal used for steam purposes sells for at the mine. As all leases are made in Pennsylvania, where anthracite under a state law must be sold only on the long ton basis, figures used in this article will apply exclusively to long tons of 2,240 pounds.

The biggest grabber of rich royalties on hard coal in this country is the estate left by the well-known Philadelphia philanthropist of a past generation, Stephen Girard. The Girard estate makes its leases for fifteen-year periods. The last official report shows that the Girard estate's royalty rates averaged $1.27 a ton on 2,983,700 tons mined in 1921. That meant payments by operators mining coal lands belonging to the Girard estate in a single year amounting to the huge sum of $3,788,000.

**Owner-Operators Pay Selves.**

What this payment of nearly $4,000,000 in royalties to that single estate meant to the hard coal using public is hard to estimate. Authorities agree that the public in its turn paid many times that amount. The federal coal commission recently explained the situation thus:

"As the Girard coal lands are in the Schuylkill region, where mining costs are relatively high and the percentage of domestic sizes relatively low, they are intrinsically less valuable than the lands in some other parts of the region. The high royalties of the Girard estate therefore suggest the profit that inures to the more fortunate operating companies simply in their capacity as land owners."

What the kind-hearted commission is trying to say in this way evidently is that some of the big hard coal companies which own the lands they mine are able to keep as extra profits the millions they would have to pay out in royalties if they had to lease their coal lands as do operators who mine the Girard coal lands.

**Levy High as 20 Per Cent.**

About a third of the output of hard coal is mined from land leased by the operators who pay royalties to the owners of this land. These royalties range as low as 12 cents a ton. They go as high as 26 per cent of the price at which the coal mined is sold by the operator f. o. b. at the mine.

## GETTING RESULTS BY SOUND—AND ODOR

Senator Smoot believes that he will reduce opposition to his sales tax plan by calling it an "expenditure tax." "He also believes," writes Mr. Bolton Hall of New York "that it would relieve the skunk from much of the odium if we called it the Odorable."

## THAT INELASTIC "ELASTIC" TARIFF

Once more the American Farm Bureau federation directs attention to an unexpected and unfortunate result of the so-called "All-American tariff" law, which embodies the ideas of a special group of advocates of excessive duties.

The Canadian cattle trade has been transferred to Great Britain, thanks to the duties imposed on cattle for the supposed protection of American farmers and live-stock men. It was the practice of American farmers to buy in Canada high grade animals and fatten them for the American market. Now these animals are sent to Great Britain, which in recent months has removed the long-standing embargo on Canadian cattle. American farmers thus have lost what was a profitable business, and, in addition, have to face the competition of the products of Canadian cattle—dressed beef, chiefly—in British markets.

The tariff commission has been petitioned by several farm organizations to institute an inquiry into the effect of the duty on cattle and recommend a 50 per cent reduction in that duty under the elastic feature of the Fordney-McCumber tariff. Thus far, however, no relief has been granted. The commission is slow to move and so there is little vitality in the elastic provisions of the new law.

More and more the public is coming to believe—in view particularly of the developments in the sugar and the cattle situations—that the tariff is about as elastic as a stone wall. However, political platforms continue to point with much affected pride to the provision permitting the reduction of duties where evidence warrants such action.—Chicago Daily News.

## A TAXATION PROGRAM WORTH CONSIDERING

"The Manufacturers and Merchants Federal Tax League of Chicago offers a program designed to raise national revenues, which is worthy of serious consideration."—Pickens County Herald, Alabama.

### MISSISSIPPI TAX MAN ASKS FOR "BULLETINS"

The League is in receipt of the following letter from Mr. Robert Phifer, a member of the Mississippi State Tax Commission:

**Dear Sirs:**

**I am on the staff of the State Tax Commission of Mississippi, and I go all over the state and come into daily contact with tax problems and tax payers. If you will send me each month, fifty extra copies of The Bulletin, I will be glad to distribute them where they will do most good. I feel sure this will help the cause along. I am a lawyer and a tax expert; so what I say has some weight with those with whom I deal.**

**I shall be glad to cooperate in any way I can.**

Robert Phifer.

Of course, the League is always glad to assist men of this character whenever it is possible.

## A Fair Question and A Fair Answer

Wanting to know the fundamental principles and advantages of exempting improvements and industry from taxation, and raising the municipal revenue from the site-value of land only, the Building Owners and Managers Association of Cleveland addressed a letter of inquiry to Charlotte L. Smith, Secretary of the Singletax Club of Cuyahoga County. Her excellent answer in part follows:

"The presence of the people on the land makes the land valuable. Police protection, fire protection, paved, sewered and lighted streets, schools and all public improvements increase the value of the land.

Man-made property, the wealth that labor and capital produce, belongs to labor and capital. But what the community produces, namely ground rent, is what should be used for the community's expenses.

When industry is taxed you increase the selling price of commodities at least the amount of the tax, therefore production is restricted and labor and capital are driven out of employment.

When land values are taxed the cheaper the land. The cheaper the price of the land the easier it is to get possession of the land.

People live on the land and food, clothing, houses, furniture, automobiles come from the land. That is, nature supplies the materials and labor applied to land produces all wealth.

Here are some of the advantages to expect from the taxation of land values only. There are no disadvantages.

It is a tax nobody can dodge.

It is the easiest and cheapest tax to collect.

It would raise revenue according to services rendered instead of ability to pay.

It would take taxes off industry.

It would hit the H. C. L.

It would reduce the home owners' taxes.

It would encourage home owning by—

a) Taking taxes off building materials thereby cheapening material prices.

b) Taxing land values thereby cheapening prices of land. Rents (as the layman uses the term) would come down.

It would increase the purchasing power of labor and capital.

a) By taking taxes off industry so that commodities would sell cheaper.

b) By making land cheaper so that the producer may spend money for commodities instead of land.

c) By bringing rents down.

It would increase the market for the farmer, merchant, and manufacturer."

## ECONOMIC ASSETS AND LIABILITIES

"There are many croakers over the high wages prevailing who forget that these wages are keeping up the buying power of the public. They see not the inflated value of real estate which is to a great extent an increasing liability of the business world. The Chicago 'Economist' gleefully tells of a growing demand for vacant lands for subdivision, metropolitan builders are buying sites in New York and suburbs, and the Chicago 'Tribune' complains that low interest loans are again inflating the value of farm lands, which gains cannot be realized by farmers unless they sell."—Commerce and Finance.

**Meet us in Chicago November 9 and 10 at the Congress Hotel.**

### TRUTH WILL OUT

"Taxes, when levied upon any form of business or productive property, are passed on—and magnified in the process—to the people at large.

Thus the tenant when he pays his rent pays also the landlord's taxes. The householder when he buys his family supplies pays the trademan's taxes. And when these ultimate payments are made it is certain that they exceed by a considerable margin the original tax."—Editorial, Chicago Daily News.

LIMP LOVE

The Cuff—Wilt thou?
The Collar—I wilt.—Judge.

## FARMER TELLS WHAT'S "EATING" AGRICULTURE

Mr. Edward Nordman is Commissioner of Markets in the State of Wisconsin. Most of his life has been spent on the farm. Perhaps more than any other man in the state he is in position to speak with authority on the farmer and his problems. It is his opinion that—

"No permanent improvement in conditions is possible until inflation in land prices is elimnated. Land prices can be controlled by a change in our system of taxation that will increase the burden of taxation on land held for speculation and correspondingly decreasing the tax on the products of labor and industry. As a consequence of such change the people who render services useful or essential to the welfare of society will pay less taxes while the recipients of unearned incomes will have to return to society in the form of taxes the wealth which they receive, but do not earn."

We wish there were more men in public life with the same clearness of vision and courage that Mr. Nordman has.

**Pass the Word—Our Tax Convention meets in Chicago, November 9 and 10.**

FOR PRESENT, NOT PAST

"Posterity will rear a monument to you."
"A monument," replied Senator Sorghum, "merely attracts picnic parties. What I want is something that will make me popular at a county fair, right now!"—Washington Star.

SO CONSIDERATE

"Does your wife open your letters?"
"Not my business letters; only those marked 'Private.'"—Boston Transcript.

## WHICH DESERVES TO BE ENCOURAGED?

Which should we encourage, the man who does his best to enrich us, or the man who does his utmost to impoverish us?

Should we encourage the man who does his best to make the land bud and blossom as the rose, or should we encourage the man who keeps the land as a desert, divorces the land from labor that he may gain a fortune thereby?

Should we encourage the man who floods the markets with the abundance of his products, or should we help the man who has produced nothing to gain a fortune by depleting the market and leaving scarcity to the man of industry who produced the abundance?

Should we encourage the religion of the Priest and the Levite, who passed by on the other side, or should we encourage the religion of the good Samaritan who had compassion, and who did the best he could under the circumstances?

Should we encourage the man who enriches us or the man who impoverishes us?

If we all speculated instead of raising crops, making clothing and so on, would we not soon perish from starvation?—From "The Square Deal."

**Don't forget: Tax Convention, Chicago, November 9 and 10. A big program is assured.**

## REACHING OUT FOR MORE LIBRARIES

In order to add to the number of library members on its mailing list, the League has sent the following letter to 2,000 of the larger school and public libraries in the country:

**To the Librarian:**

**Should we exempt business and industry from taxation and raise more revenue from land values and natural resources?**

**That question is now definitely before Congress and is destined to play a greater part in our politics and legislation of the future.**

**Your readers will want to be informed. In order that they may be FULLY informed when the time comes, we urge you to get on our regular library mailing list now. This organization has already prepared and distributed various pamphlets and books bearing upon the taxation of land values and will prepare and distribute still more of them in the months to come. A sample copy of our Monthly Bulletin is enclosed.**

**In November we will hold our second biennial tax convention, the report of which will contain an abundance of valuable information pertaining to the deflection of taxes from industry to the value of lands and natural resources. The Report alone, of this convention, your bookshelves should certainly not be without.**

**Our regular membership fee for libraries is only $5.00 a year. This membership fee entitles you to all the printed matter we put out. Fill out the enclosed blank and let us put you on our mailing list now, as back copies of our publications can frequently not be obtained.**

**Yours very truly,**
**Manufacturers and Merchants Federal Tax League.**

***Pass the Word: Our Tax Convention, Congress Hotel, Chicago, November 9 and 10.***