Leaflet No. 7.

LAND VALUES TAXATION.

HOW IT WILL HELP THE

COTTAGER AND SMALL HOLDER.

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CAREFULLY NOTE THIS.

THE present system of taxation means that for every improvement you make on your cottage, homestead, or small holding, the amount you pay in rates and taxes will rise.

It also means that a landowner has only to forbid the use of land and keep it idle, for pleasure or speculation, and he will practically escape rates altogether. Thus the present system means that the small holder and cottager not only have to pay their own share of rates, but also the share of the speculator or dog-in-the-manger who now is allowed to escape because he forbids the use of land. Increasing a man's rates when he improves his cottage or adds to his farm buildings, as we now do, means that he is fined for doing these things, and often prevented from undertaking them.

HOW PRESENT SYSTEM CAUSES UNEMPLOYMENT.

This checks work, and is one of the prime causes of unemployment. Allowing a man to escape rates if he leaves valuable land idle, without cottages or farm buildings, is to encourage the locking up of land for mere speculation or pleasure. As idle land means idle men, this is *the prime cause of unemployment*. Such a system of taxation appears too stupid and too mischievous for words, but it is our present system. One would think the whole thing were designed to punish the man who makes good use of land and to reward the mere land speculator. Still we pride ourselves on being a "practical" people.

COTTAGE FAMINE AND UNUSED LAND IN ENGLISH VILLAGE.

It is sometimes said that it does not matter to the small holder or cottager how the system is reformed, "as he will have to pay in any case." Let us see if this is so by taking the actual case of two small fields adjoining each other in an ordinary Bedfordshire village.

Both fields cover three acres, but while one has a nice cottage on it and is used for vegetable and fruit growing, the other is unbuilt on and quite unused except for the few cattle that are allowed to graze on it.

Now please look at these two properties closely and also at the village itself. Though the two fields adjoin each other, and are of the same size (three acres each), the land is by no means of equal value, because the meadow is on the main road, while the cottage field is behind.

As a matter of fact, the meadow which has no cottage or any other improvement on it has just sold for £450, while it is estimated that, apart from the cottage, the other field would not sell for more than £150.

Also notice that there is a cottage famine in the village, the supply of cottages being much short of the demand. Now, obviously, a fair system of rating and taxation would make the grazing field pay three times more than the cottage, since it is three times more valuable.

Does our present system do that? Not in the very least. You would scarcely believe it, but matters are actually reversed, and the cottage field is made to pay five times more than the other.

How can this be? Simply because a cottage has been built and fruit trees planted in one case, while in the other the owner forbids cottages being built (though they are sorely needed in this village), and will only use his field for cattle grazing.

HOW RATES MAKE COTTAGES SCARCE AND DEAR.

Examination of the rate book shows that £2 19*s.* 10*d.* in rates falls on the cottager, and only 11*s.* 6*d.* on the meadow. So the cottager is called on to bear not only his own burden, but also most of what, rightfully, should fall on the owner of the valuable idle land.

We maintain that this iniquitous system should be altered root and branch. We say that a man should not have to bear more rates and taxes because he has built a cottage on his land, or put it to any other good use, and that he should not be allowed to escape rates and taxes if he refuse to build cottages or use his land well in any other way. We say that all land should be valued apart from cottages, farm buildings, fruit trees, or other improvements on it, and that the rates and taxes payable should depend on the value of the land instead of on the value of the cottage, etc., as is now the case. That would be the Land Values system of Taxation.

In the case under notice one man forbids building of cottages, which are so badly wanted, and our present system allows him to escape with a paltry payment of 11*s.* 6*d.* in rates. The other builds a nice cottage, and our present system wrings from him £2 19*s.* 10*d.* in rates.

LAND VALUES TAXATION WOULD CHEAPEN COTTAGES AND ENFORCE PROPER USE OF LAND.

Under the Land Values system of taxation the former would pay three times more in rates than the cottager, because his land is three times more valuable (£450 to £150). Between them £3 11s. 4d. has to be collected, so the cottager would pay 17s. 10d., and the owner of the valuable unused land £2 13s. 6d. Thus the Land Values system would mean a saving to the cottager of £2 2s. (£2 19s. 10d. less 17s. 10d.) yearly.

But, more important still, the owner of the meadow having under the new system a substantial sum to pay in rates instead of a mere trifle as at present, could not longer afford to keep valuable land idle, and would be driven to build the cottages which are so much wanted, thus providing openings for work to thousands who ask nothing better than the chance of earning an honest living.

THE TAXATION OF LAND VALUES

means

MORE AND BETTER COTTAGES.

LOWER RATES,

MORE EMPLOYMENT.

Therefore

TAX LAND VALUES—NOT HOUSES.

TAX LAND VALUES—NOT FOOD.

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