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mr. robert clancey editor

georgist journal

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dear Bob

enclosed is a statement on the commonwealth fund all of which was contained in the final copy of my presentation which George and I, put together at the close of the conference to send to a selected list of Georgists including you. We did not get satisfactory response except a short note from you in which you said that the "commonwealth fund was an interesting idea." I had expected more from you on that. This is bigger than a Proposition 13 and should have national-wide attention. You may note that I have referred to my brochure on Land Value Taxation and Schalkenbach Foundation. I anticipated that they will get requests for more copies of L.V.T. but it is about running out of print. Before copies are printed it would be good to have it revised. It is small but important. It goes back to the International on the Isle of Mann a few years ago. I have written you about this before but to bring the subject up to date will repeat here:

to determine what part of rent is taken in land value taxation.

let a = initial tax rate

b = prevailing rate of interest for land investments

c = surtax on initial tax rate

$(a+c)$ = effective tax rate

L = initial land value (price)

x = resultant land value due to taxation = $a = bL / a = bc$ See L.V.T.

let t = tax revenue = $(a+c) X$

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let $R = \text{rent} = (a + b)X$

$$T/R = (a+c)X / (a+b+c)X$$

therefore $t/R + (a+c)X = (a+b+c)X \quad (a+c)/(a+b+c)$

rule to determine percentage of rent taken in land value taxation,

divide effective tax rate in percent age points by itself plus the rate for interest in land investments

expect that gorges will be contacting schalkenbach ^{and} but if they

accept my offer will need your help in setting up a revision

many thanks for your christmas message

with best christmas wishes and a happy new year to you

sincerely

Julian

P.S. Have been having trouble with typewriter so please excuse blotches

Jr