

It's Just A Theory But . . . 11176

Advocates Of Single Levy Offer Pleasant Dream To Citizens Faced With Multiple Tax Payments

By David Deas

Relax a moment, you perspiring property owners, from the toils of income tax forms and consider the fascinating thought of a society in which there is only one tax to worry about.

Single tax on land is the enchanting central theme of a course in basic economic principles which a small group of adult students from various walks of life are studying at night in the El Camino High School.

It is not a new idea. The fundamentals are expressed in a classic in economic literature, *Progress And Poverty*, written by Henry George in 1879. But the possibilities of this theory become extremely appealing to homeowners and businessmen who have to grapple with taxes due many sources each year.

Lone Objective

The El Camino class is a branch of the Henry George School of Social Science in San Francisco and is taught by Leonard Nitz, president of the Sacramento chapter of the school, who has been a disciple of the theory since 1937.

"The school's one and only objective is education," Nitz explains. "We must have an answer to these tax problems or someone like Fidel Castro will have an answer for us."

"We want to train our students to look at these economic problems, try to understand them and be ready to solve them themselves."

"Here is something (the single tax theory) I should share with the people. We have to learn to solve our tax problems in a rational way, not an emotional manner."

The single taxers believe their sole source of income, the tax on the land, would provide the revenues necessary to carry on city, county, state and even federal government.

They do not advocate transforming the national or local taxing procedures overnight. They believe the change could be put on a local option basis which might take years to spread throughout the nation.

Ample Revenue

"In the normal course of government our single tax on the land would generate ample revenue for city, county and state activities," says Nitz, "and the system would provide normal revenues for running the national government."

"However, we might have some unusual national expenditures, such as extra expenses for financing the exploration of space or the development of nuclear power, which would necessitate the use of other sources of revenue."

Nitz points out the school has no political affiliation and no legislative program. He says its principal objective is to make available to everyone a free education in fundamental economics and social philosophy. The school asks no one to do anything but study and help others study problems in these fields.

Legislation recently introduced by Assemblyman James R. Mills of San Diego County, Nitz says, would permit California cities and counties to start their own single tax programs.

This bill would allow cities and counties to exempt improvements and personal property from taxation and increase the tax on land to offset the loss. The sponsors believe the system, sometimes referred to as "incentive taxation," would stimulate the economy and lead to the construction of new buildings.

"ACA 20 is optional legislation that has to be voted upon by the people of this state and even when passed by the people, it would only be used if local communities see fit to do so," Mills said in introducing the bill.

"Those communities that are satisfied with their present taxing system can continue to use it."

Nature's Gift

Nitz' Thursday evening sessions are devoted to summaries of available material on the single tax theory and informal discussion.

Nitz teaches, as did Henry George, that land is the free gift of nature and belongs to all men in common and rightfully can be subjected to private ownership only with due regard for the rights of others.

The wealth produced by labor, Nitz says, rightfully belongs to the producer. To implement this philosophy the advocates of this theory propose that rent be paid by the owners of land to the community for social purposes and that all products of labor, all trade and commerce be freed of taxes and other burdens.

Is this Socialism? Not at all, the single taxers say. Socialism is a political and economic theory of social organization based on collective or governmental ownership and democratic management of the essential means for the production and distribution of goods.

Socialism favors great extensions of governmental action, they point out, and Communism is a system of social organization in which all goods are held in common.

Here is the way Henry George expressed it:

"We differ from the Socialists in our diagnosis of the evil and we differ from them in remedies. We have no fear of capital, regarding it as the natural handmaiden of labor; we look on interest in itself as natural and just; we would set no limit to accumulation, nor impose on the rich any burden that is not equally placed on the poor."

"We see no evil in competition, but deem unrestricted

competition to be as necessary to the health of the industrial and social organism as the free circulation of the blood is to the health of the bodily organism—to be the agency whereby the fullest cooperation is to be secured.

"We would simply take for the community what belongs to the community, the value that attaches to land by the growth of the community; leave sacredly to the individual all that belongs to the individual; and treating necessary monopolies as functions of the state, abolish all restrictions and prohibitions save those required for public health, safety, morals and convenience."

Rental Plan

Economist George proposed that individuals retain title to their land and be assured of undisturbed possession but that they pay to the community, the people whose presence in the area enhanced the value of the property, a rent or tax which would satisfy the equal rights of all the other members of the community. This payment would be all that is required to "make land common property."

The idea that land is common property, like air and water, of all mankind, the school teaches, has been expressed by some of the great thinkers down through the ages from the time of Moses.

English and American law, the followers of George explain, generally recognize absolute ownership of goods, but not of land. The law regards the land "owner" as a land "holder" who holds his land under the sovereignty of the state.

(Henry George was associated with The Sacramento Bee in the 1870's.)