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PUBLICPOINTS

Problems with 'yes' & 'no'

EDITOR, REVIEW;

In submitting a questionnaire to voters, Congressman James V. Hansen anticipates that some may have a problem with "yes" or "no" answers, and invites letters. Because I feel that the alternatives I have written about need greater consideration, discussion and debate, my letter is submitted for your column as an open letter: Congressman James V. Hansen;

Federal revenues, except for land leases, are disincentives for production. I would favor a tax shift from the oppressive income tax, individual and corporate, to a federal ad valorem land tax. Agricultural land, used in agriculture, might be exempted from the federal tax in trade for the end of farm subsidies. Congress is to be commended for rejecting a value-added tax that was getting feelers a couple years ago. I hope that you will also put a fast end to the nonsense of a federal lottery.

Indeed, the Cuban/Soviet presence in Central America poses a threat to the security of the United States. But, if the Contras would postpone land reform and then only consider land redistribution, they will be doing too little about poverty. Land purchase and redistribution is too costly for any country and the State does not have the wisdom to work out the distribu-

tion. Under land value taxation the market place will bring the right land redistribution without any government expense.

At Granada we had the opportunity to follow up, under the emergency, with an end to all disincentive taxes, and the collection of a land value tax for public revenue. If the island would become one with no involuntary unemployment, would this not advance the free market philosophy over the stifling one of the Marxists?

The idea of free trade is always right, but it would certainly work best with land value taxation and removal of the disincentive taxes which increase our cost of production. All economists know that a land value tax does not increase the price of a product, but they do not seem to realize how badly our legislators and congressmen need the information.

If our ways are not mended, a constitutional amendment to balance the budget will only add to frustrations. Instead of wasting time on such an amendment, why not start right now to work towards a healthier economy so that a balanced budget can easily be a reality.

Earl A. Hanson

**Executive Secretary
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