

Re: From the rich. To the rich?

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- *From:* "Dan in Philly" <[djrr8@xxxxxxx](mailto:djr8@xxxxxxx)>
 - *Date:* Tue, 03 Jul 2007 02:53:32 GMT
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"Dan in Philly" wrote in message ...

<snip>

I think I've got it now.

We tax away the land rents. That means that center city landowners pay more \$\$ than do landowners at the city edges; that makes sense since the center area has the best access to the surrounding productive capital and people. It's also "fair" since land ownership often arises through questionable means (e.g. first-come, first-served).

You can use the monies for some government services, but I'd rather have no city government at all, so all the LVT goes back to the people. So: who 'deserves' a greater share of the \$\$?

On land where the rent/tax is (say) 1000k\$, some firms will barely be able to pay the tax: so output = input and economic profit=0. But there will be some more productive firms that can pay the rent and have extra \$\$ left over (positive economic profits). THESE are the people and capital who are more productive, and in turn they make adjacent land more productive. So they should receive the rebate.

Bottom line: pay out the monies to people & firms in proportion to the economic profit they generate.

Dan in Philly

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