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## Review

Author(s): Stanley H. Turner

Review by: Stanley H. Turner

Source: *The Economic Journal*, Vol. 19, No. 74 (Jun., 1909), pp. 247-248

Published by: [Wiley](#) on behalf of the [Royal Economic Society](#)

Stable URL: <http://www.jstor.org/stable/2221439>

Accessed: 17-03-2015 06:30 UTC

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It must appear very weak to one who desires to modify the existing distribution of income to prohibit the use of the powerful weapon of taxation for this end, because we have started with a principle of taxation which excludes it. He may truly reply that the adoption of such a starting-point reduces the study of the economist to a search for an ideally equitable system which no State will ever apply, because it ignores political and social relations which lie at the very root of practical finance. The only effective answer is to show that from the point of view of national welfare such proposals would be injurious; and, curiously enough, in the very inadequate attempt to do this, Professor Seligman makes use of the very objections which he afterwards rebuts when aimed at his own theory of progression, although it is by no means obvious that they are either more or less valid in the one case than in the other. To impose progressively higher taxes on large accumulations of property might tend to weaken the motive to accumulation (p. 133). This is already urged against the progressive taxes in the United Kingdom, and since it attaches to progression, irrespective of the theory by which it is defended, it appears as effective against Professor Seligman's view as it is against Professor Wagner's. The fear that it would lead to extreme measures (p. 131) is not an objection peculiar to the socialistic argument for progression, and as Professor Seligman cannot deduce from his principles any "definite scale of progression whatever," it is difficult to see that the danger is overcome by the rejection of the socialistic standpoint. The author's faith in democratic government is invoked (p. 298) as an assurance that progression will not be carried too far: the Socialist might use the same argument. In either case the point to which progression is carried will depend much less on principles of equity than on considerations of economy.

STANLEY H. TURNER

*The King's Revenue.* By W. M. J. WILLIAMS. (London: P. S. King and Son. 1908. Pp. 221. Price 6s. net.)

*The Income Tax Incubus and the Budget.* By T. HALLET FRY. (London: Horace Cox. 1909. Pp. 102. Price 1s. net.)

THE former treatise will prove very useful as a compendium of information regarding the national taxes, each of which is introduced by a clear outline of its historical development, followed by a statement of the present rate of the tax and some of the most important statistics of its yield during recent years. Throughout there are marginal references to the Acts of Parliament, and Mr.

Williams has spared neither time nor skill in furnishing an accurate account. Some sixteen pages at the end are devoted to the non-tax revenue, which he rightly recognises as difficult to separate rigidly from taxation, though in this department the treatment is very slight, and there is little historical reference. The author has not concerned himself with expressions of personal opinion, nor with the controversies which centre round the taxes, but has studiously confined himself to analysis of statistical and legal facts. In consequence, the book does not pretend to be "readable," though as a work of reference it is excellent. The very useful table relating to the Land Tax gives figures of its yield in the burghs of Scotland which convey a false impression. It is one of the many curiosities of the Exchequer subventions to local authorities that, although the national accounts always show this sum as paid by the burghs for Land Tax, there is now no such tax in any burgh. During the continuance of the Agricultural Rates Act the Local Taxation Account pays it.

The title of Mr. Fry's small book rather suggests a plea for reduction of the Income Tax, but, in fact, it is mainly a collection of opportune articles on special features of the tax which he has recently contributed to various newspapers. The author displays a wide knowledge of income tax law and practice, and pleads for the eradication of many anomalies which would, he thinks, be possible without much, if any, loss of revenue. In particular, the "average system" should be abolished, the general commissioners should be superseded by itinerant revising barristers, married women should be treated separately from their husbands for taxation purposes, the abatement scale should be reorganised by raising the limit to £1,000, the exemption limit should be lowered to £150, the incomes received from colonies which themselves exact income tax should be more reasonably treated, while the foreigner should not be favoured, as now, by taking account only of his British sources of income for exemption and abatement purposes. The removal of other anomalies which Mr. Fry advocates would entail some cost upon the Exchequer. For instance, that differentiation should apply to all earned incomes and the present maximum limit be abolished; that depreciation should be allowed for in such cases as mines, which are now taxed partly on their capital as well as on their income. On the other hand, proposals to tax co-operative societies, to apply systematic graduation, or to introduce super-taxation of large incomes, do not commend themselves to the author.

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