

## General Remarks.

IN reviewing the general subject of taxation, the Commissioners express themselves at a loss to find any equitable principle for its adjustment. They say on page 17 :

Excluding the single tax on land value, the principles suggested appear to be two :

- (1.) Taxation in proportion to ability to pay.
- (2 ) Taxation in proportion to municipal benefits received.

Ability may be the right one for religious and charitable purposes, as also for national purposes ; and it is the one generally considered applicable in local taxation. It may be, however, that for the purposes of municipal taxation, the principle of payment for benefits received from the Municipality should have some application.

Probably neither principle can be applied with more than an approximation to accuracy. Possibly, indeed, it can be demonstrated that the two apparently different principles are really one and the same thing.

Being thus undecided as to which principle is right, it was only natural to expect that they would follow neither, but would adopt a compromise. Their perplexity is shown by the following admissions :

It seems impossible in all cases to follow the same or analogous methods (page 24). The practicability of assessing all corporations upon the same basis as private individuals seems to be doubtful (page 32). It does not seem practicable to formulate a system of taxation which shall be applicable to both companies and private persons. If the tax on personal property is abolished in the case of private persons, it ought in theory also to be abolished in the case of companies (page 21).