

NAIVE AND DANGEROUS

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The optimal rate of tax on labour and capital income is zero. A shift by OECD countries to land value taxation would facilitate such a shift. Tax havens can help force such a beneficial shift. No country is under the slightest legal or moral duty to collect revenue for another. What is proposed is massive breach of the quid pro quo for allegiance. Why should taxpayers be happy with a sovereign who is willing to betray their private financial information to other states where it may fall into the hands of criminals? If Western countries taxed their land values as well as the OPEC states collect oil rents, then they would be tax competitive and have no need to betray their citizens' basic privacy rights.

The proposal is also legally naïve in that it assumes "ownership" always exists. Such proposals will only lead to greater demand for the services of skilled lawyers and as both an economist and a lawyer I see no reason why taxpayers should not be assisted in finding new and lawful ways to escape the "vexatious inquisition" - to quote Adam Smith - proposed by people such as this writer.

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