

We had thought that the Liberal Democrats' proposal for a "mansion tax" had died but seemingly it has not. Vince Cable, the Liberal Democrat Business Secretary, is pushing for a mansion tax to be introduced on properties worth more than £2million in this year's Budget. This would apparently be on top of the Council Tax. Critics claim that poor widows would be driven from their homes and that the tax is unfair - the usual nonsense. Our objection is that it is ill-conceived, arbitrary at the margin, an unnecessary complication and only addresses - and then poorly - one of the problems that arises from the absence of a proper direct tax on the rental value of land. It is everything a tax should not be.

Vince Cable is supposed to know all about Land Value Taxation and hosted a meeting himself on the subject at the House of Commons a couple of years ago. Given the go-ahead, LVT would take a couple of years to put in place and it would then replace all other existing property taxes. For the time being, or if proper LVT is off-limits, the Council Tax could be adjusted so that the present ratio of payments between the bottom and top band properties was increased from the present 1: 3 to something that more closely reflected the ratio of the property values.

What is wrong with Britain's politicians that they cannot see the simple and obvious?

[Daily Telegraph article and video](#)