

EFFECTIVE CITIZEN CO-OPERATION

WHAT IS EVERYBODY'S BUSINESS SHOULD
BE EACH BODY'S BUSINESS

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The Unpaid Taxes for 1911, 1912 and 1913 Aggregated on May 1st, 1914 \$1,744,559.12

If tax rolls for any year could be closed within twelve months after the close of the year, interest losses and cost of tax collection would be cut in two.

notwithstanding that the Treasurer's Department has made strenuous efforts to catch up on the arrears of taxes which in the past have been allowed to go unpaid in some cases as long as five years.

The calculations which follow are based on the assumption that the whole amount of arrears is collectible. In reality about \$150,000 is not collectible, part of this sum representing allowances.

\$700,000 (estimated) of the total represents back taxes on vacant lands on which the collector has been unable to distrain. This property will, of course, be eventually sold for taxes, if arrears are not paid.

This Means

that under present conditions taxpayers are borrowing from the city \$84,758.49 at an average rate of 1 $\frac{7}{8}$ % per annum or less

\$334,489.31 at an average rate of 3 $\frac{1}{4}$ % per annum or less

and a large part of

\$1,325,311.32 at an average rate of 5% or less, depending on how much of it remains unpaid for a year and how much for more than one year.

In addition to this the work of the tax collecting department is increased by at least one-third by the fact that the maximum penalty for the non-payment of taxes is only a flat increase of 5% and not an interest charge of 5% per annum.

After tax rolls are closed compound interest at 5% is charged; but tax rolls have rarely been closed under three years and have remained open four or more.

The 1910 tax roll has been closed within the last few weeks and the 1911 tax roll will probably be closed within a month.

Even if the whole amount of taxes in arrears were collected at once the account would stand about as follows:

Loss of interest.....	\$75,000
Loss in added expense of collection for three years (estimated).....	52,000
Total loss.....	\$127,000
Received in penalties (estimated).....	87,000
Net loss.....	\$40,000