LAND—AN UNWELCOME SUBSTITUTE FOR TAXES

THE county forests of Wisconsin are the product of a law as old as civilization. It is land that passed from private into public ownership when the owners ceased to pay taxes.

From the very beginnings of government, the application of heavy penalties has been the only way to insure tax collections, for organized government is dependent upon taxes. For real estate, the penalty has invariably been to forfeit the property to the taxing unit.

Government rarely, if ever, coveted this property for its special values. It took the property, in lieu of taxes, because it could always be sure someone else would consider the property a bargain to be purchased, not at its market value, but for only the taxes against it. The new owner was expected to pay the taxes the old one failed to pay. After all, taxes, not properties, run governments.

But what if there are no buyers? Then this ancient principle of taxation collapses. Then either new sources of revenue must be found, or government must find ways to make the unwelcome land productive.

There was a time when the forest covered property of Wisconsin paid all of the taxes assessed against it. Taxes were low, compared with the value of the property assessed. There were but few settlers, and their public wants were small. Capital values were too great to allow the land to be forfeited. Later, when the timber crops were removed, and lumber companies, seeing the end of the operations, began to “drop their lands” for taxes, tax certificates against this delinquent land found a ready market. People said, and believed, that all of this once timbered land would become an agricultural empire. Cleared land, farm buildings, prosperous farmers could pay taxes in dollars just as valuable as any paid by the lumber companies.

How that well of tax income was finally pumped dry, due not to one but to many causes, is an old story. New and more numerous roads, new and better schools, swelled enormously the cost of local governments. Each piece of property dropped from the tax rolls meant a heavier burden for the remaining taxpayers; and every time that burden increased, more taxpayers ceased to pay taxes on their land. By Wisconsin law, it was forfeited to the county. The counties of northern and central Wisconsin experienced this wave of tax delinquency in its most intensive form. Year after year, they advertised and offered for sale the certificates on tax-delinquent land, but there were few buyers. Year after year, the number of certificates, representing an ever-growing area, increased.

While an ancient principle of taxation was in virtual collapse, and counties were desperately seeking other means of revenue, two promising forms of economy encouraged the counties to do what the law allowed, and this old principle of taxation dictated—they took deed to the tax-delinquent land.

To advertise, year in and year out, the tax sales of land that no one wants, is costly. The taking of deed to the land saved the cost of these fruitless tax sales. This reduced the total tax base of the county, which in turn reduced the amount of money which the county paid to the state for special state charges based on the total amount of the county tax roll.

But these were only economies. Still, there was no income from the land. Only now and then did a tract of county land find a buyer, and often he was a woodcutter who would strip
the land of its few remaining trees, forfeiting the land again to the county in lieu of taxes. Sometimes the land was purchased with the intent of settlement on it but too many stumps or too many stones forced the settlers to move to land more suitable for farming. The very processes of nature were being defeated, as a source of that necessary income which keeps governments alive.

To produce an income from this property, taking the place of taxes, while nature, with or without man's help, grew a new timber crop, was the greatest need of the towns and counties which found themselves burdened with the wreckage of a timber-cutting tide which, in sweeping out to the lanes of commerce, left in its wake stranded communities, blackened acres, and crippled public services.

Two conditions are principally responsible for abandoned schools: the settlement on lands unfit for agriculture and the loss of the forests which once furnished winter employment for settlers.