

The FT reports that Sydney & London Properties is taking out a lawsuit because it feels that the government-controlled High Speed 2 railway company undervalued its properties purchased under compulsory orders (“HS2 faces £500m lawsuit over valuations of London properties”, January 18). Sydney & London says HS2 failed to take into account the development potential around Euston.

Of course, it is not just one property company that is being short-changed. Taxpayers funding the cost of HS2 will reap no benefit from the massive increase in land values around the stations that HS2 will serve.

Instead of taxing people’s earnings to pay for much-needed transport improvements, the government should introduce an annual land value tax to tap into the unearned incomes that all landowners enjoy.

Dave Wetzel Feltham, Middlesex, UK