

The NEW LEAF

"EQUAL OPPORTUNITY FOR ALL SPECIAL PRIVILEGE FOR NONE"



Vol. 2, No. 10

Published by Land Equality And Freedom

December, 1976

Executive Director and Deputy Chosen

The LEAF Board of Directors, at its special meeting in Los Angeles on November 6, employed both an executive director and a deputy director.

Named as executive director was John D'Alfonso, San Diego businessman with an impressive record in organizing service and sports clubs. He is committed also to LEAF's fundamental goals.

Chosen as deputy director was Terry Newland, public relations director for the Henry George School of Northern California, who has a splendid record in contacts with various segments of the "public" on behalf of the School in the San Francisco Bay Area.

LEAF will in effect have offices both in Northern and Southern California, although both the executive director and the deputy director will



JOHN D'ALFONSO, Executive Director
be doing quite a bit of traveling.

Members should be hearing directly from the new administrative team soon.

Three States' Studies Point Up Benefits of Land Value Taxation

The following is gleaned from the October, 1976, issue of LAND MARKS, published by the League for Urban Land Conservation, in Washington, D.C.

A shift to site value taxation in Michigan is being considered by the Governor's Advisory Task Force on Property Tax Revision. "Such a remedy," says the task force report, "would encourage the highest and best use of land, not the deterioration of property rewarded under the present system.

In Nebraska, Gary Carlson, Coordinator of Economic Development for the City of Omaha, has in hand a two-year study, "Land Value Taxation: Impact Analysis on Omaha/Douglas County." The findings include: (1) land value taxation would discourage the speculation that is now hurting older commercial areas; (2) it

would, without subsidy, spur development of 6,000 acres of urban land that are now vacant; and (3) it would provide substantial tax reductions to most single-family residences and virtually all multifamily and industrial properties. Undeveloped land and underdeveloped buildings (relative to land value) would be taxed higher.

In North Carolina the official Land Policy Council offered draft recommendations on a number of urban and environmental issues. It presents site value taxation as a "promising solution" to the following problems: Current tax "penalties" on maintenance and renewal, speculation and high land prices, central city deterioration, and inefficient "leapfrog" spreading of cities into rural areas. The Council makes the suggestion that site value taxation be adopted either on a state-wide basis, or that counties be allowed to shift to site value taxation on a local option basis.

Wide Disparities Exist in Effective Tax Rates in Metropolitan New York

RATES ON VACANT LAND ARE LOWEST

(From the New York Times, 10/6/76).

A study released recently by the Center for Local Tax Research (50 East 69th St., New York), entitled "Effective Real Property Tax Rates in the Metropolitan Area of New York," indicates wide disparities in effective tax rates on different kinds of property. The "effective rate" is the ratio of taxes to full, or market value, and may differ markedly from the "nominal rate," which is the ratio of taxes to assessed value (assessed value is often considerably lower than market value).

The effective city-wide tax rates for 1976-77 for different classes of property are: one and two family homes, 2.2%; apartments, 5.54%; industrial property, 5.36%; commercial property, 5.45%; and vacant land, 1.67%. The implication is that vacant land is grossly underassessed. In Manhattan the ratio for vacant land is even lower: 1.32%.

The study was directed by Philip Finkelstein, former deputy Mayor of New York, and now director of the Center, which is housed in the building of the Henry George School of Social Science. An effective rate above 5 percent in an area where there is not a strong sales market is a cause for serious concern, Finkelstein said.

The report states: "The cities of the region, where fiscal and economic problems are most acute, impose the heaviest burdens on commercial property, making new investment unlikely and even present occupancy tenuous. On the other hand, suburban and semirural land, most in need of protection from overdevelopment, is taxed so low as to invite speculation or premature subdivision."

What It Takes

LEAF now has a dynamic executive team, to lead us in a reactivated drive towards our goals. See the articles by John D'Alfonso, executive director, and by Terry Newland, deputy director, on this page. The new team selected by your Board has vision, experience, and dedication. These qualities will go far toward helping us reach our goals of a free society, unshackled by special privilege and by unnecessary governmental interference in private initiative--a society in which we have freedom of access to nature, the source of all production, and where we get to keep the fruits of our labor.

Splendid as this leadership is, it is not enough. Without the wholehearted dedication and cooperation of each and every current LEAF member and friend, we will fall short of reaching our goals. LEAF is a democratic organization. It exists for its members, and its success is directly dependent on their dedication and support.

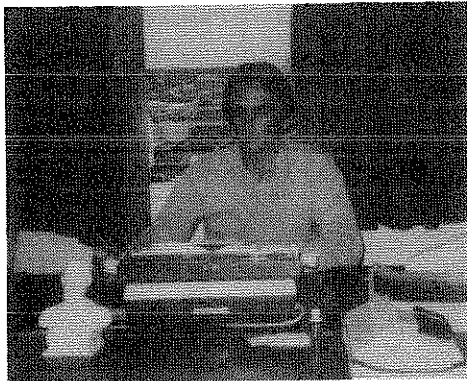
But now is an unparalleled time of opportunity. Tax protests and even revolts are increasing. We have more friends than we realize. So let us seize the initiative--take advantage of our current opportunities, and all pull together. "In union there is strength." United, we can and will win!

Report from the Deputy Director

By Terry Newland

Henry George, in his Protection or Free Trade, states, with his usual foresight, that the assault upon private property in land in the United States would undoubtedly begin in the area of property tax reform. Never in this country has there been such a widespread discontent with our outrageous tax system, especially the property tax. Soon, very soon, it must erupt into open rebellion. Indeed, in Los Angeles, homeowners have become publicly militant. In one sense this development is very sad; but in another it signals that the time has come for supporters of LVT to take an assertive lead and direct this mounting frustration towards the only positive solution; the rapid popularization and implementation of Land Value Taxation.

My primary objective in the next year or two will be to enlist supporters from college and university campuses all across the State of California. First we need to compile a list of all friends and supporters we may have on these campuses. Professors in the Social Sciences, students, administrators must be approached directly; guest lectures in classes come first; then information booths must be set up to raise our profile and create interest in our work; followed by campus-wide talks and workshops, well publicized and professionally done. Next; the setting up of campus representatives to build up a cadre of interested students and faculty and weld them into activist LEAF Chapters. These clubs will meet on a regular basis, study George, social issues, LVT, and



TERRY NEWLAND, Deputy Director

means of politically implementing our principles. There should be research projects, membership drives, and direct political action. Once enough chapters have been formed, LEAF should arrange state-wide conferences and coordinate the chapters into a state-wide drive for a Constitutional Initiative. It is cooperation in working toward realizable objectives that binds a movement together and gives it purpose and momentum. Our college students are sharp; they question the system; they are anxious for fundamental social change; they can be the vanguard of the movement. We have only to show them how change can be brought about peacefully and scientifically.

While these campus activities are going on we must push ahead in other areas; enlist support from ecological groups, the construction industry, politicians (they're up against the wall and looking for a way out--they need us), irate homeowners fed up with subsidizing vacant and under-used land; working people being devoured by the income tax. The list goes on and on; we have more friends than we realize. Soon they will be hearing from us.

The New LEAF

By John D'Alfonso
Executive Director

Fall is in the air, and so is the new LEAF. There is a very decided new look to LEAF. A new sense of awareness. A new feeling of urgency. A new sense of destiny.

This all became apparent the minute you walked into the special Board meeting held November 6 at the Marriott Hotel near the Los Angeles Airport.

Directors had come from both coasts to make far reaching decisions affecting the immediate and long range future of LEAF. A strong feeling of optimism was everywhere as the Directors, responding to the leadership of Board Chairman Floyd Morrow and President Dr. William Filante, placed the highest priority on the immediate growth and expansion of LEAF.

This means new members, many new members within existing Branches, and new Branches in many, many cities including those where Branches already exist.

You will hear a lot about this in the days and weeks to come. By pulling together to increase the size of existing Branches and to establish brand new Branches, you will be helping make history.

Never has the time been more opportune than now for the principles embraced by LEAF and the urgently needed tax reform proposed by LEAF.

Taxation weary people in all walks of life are seeking relief from the heavy burdens imposed upon them by current taxation methods.

Embattled politicians, worried about the unrest of their constituents, are willing to listen to new approaches to the age old problem of raising money for government and for needed services.

LEAF is in an enviable position, thanks to the great start it has already enjoyed because of its dedicated leadership and members, to lead the way in a great crusade.

Reform of the tax system is a worthy crusade indeed, but it takes power, and influence, and numbers to accomplish. This is the reason behind the new look for LEAF which calls for growth and more growth.

Will you help? Here are a few simple things you can do:

1. Recruit one new member in your Branch.
2. Contact the Director in your area about helping to form a new Branch in your city.
3. Become an active member in your Branch. Back up the efforts of

Continued on page 4

San Diego Assessor Faces Audit of His Practices

Vacant Land Allegedly Underassessed

(From the San Diego Union, 10/8/76 and 11/2/76). The San Diego County Board of Supervisors has ordered an in-depth audit of County Assessor E. C. Williams' office, to try to resolve allegations that some property in the County is being underassessed at an unfair rate. The County Auditor was assigned the task of implementing the audit.

Supervisor Jack Walsh initiated the probe, saying there have been criticisms that vacant land is underassessed by Williams, thereby giving land speculators a tax break while the average homeowner has to pay his full share.

Williams, in turn, denied any allegation of misconduct, and said he would cooperate fully with the audit, offering to furnish County Auditor Lonergan any records needed, including allowing him to examine privately any property held by employees in the Assessor's office.

Funds Needed for Pennsylvania Graded Tax Bills

SB 1491 through 1497, introduced by Pennsylvania State Senators Murphy and Lewis, are currently pending in the State Legislature. They would permit all local taxing districts to levy differential taxes (graded tax) on land and improvements. Currently this privilege is restricted to second and third class cities (all the cities in the State except Philadelphia). The pending bills would extend this availability to school districts and all other local taxing agencies. The Harrisburg School District is set to go already with a graded property tax, when legislation permits.

LEAF's Vice-President, Dr. Steven Cord, who has been instrumental in much of the success to date in Pennsylvania, informs LEAF that funds are required--up to \$1,000, to help get the above-mentioned bills out of committee and passed by the Legislature. He is optimistic about the prospects of success.

Those wishing to help should make their contributions payable to LEAF, and send them to national headquarters.

Georgist Conference Next July in Wisconsin Offers Fun and Progress

The joint Georgist Conference in 1977 will be held at beautiful Conference Point on Lake Geneva, in Wisconsin.

The Conference Regional Coordinating Committee in the Midwest is planning separate morning conferences for LEAF, the Henry George Schools, and Henry George Groups, and for joint afternoon sessions. Each group should propose its program for its own sessions and work with the Conference Regional Coordinating Committee in scheduling the program.

This is the first time all the Georgists will be convened at the same time in the same place, although LEAF and the Henry George Schools held joint conferences in California the last two years. A consolidated approach will help in accomplishing common objectives.

A chartered boat ride on Lake Geneva is scheduled for Sunday evening, July 3, with a banquet scheduled for Monday evening, July 4. All manner of recreational is available, including golf, horseback riding, theatre, swimming, boating, antique shops, etc.

Features of LEAF's Booth at League of Cities Denver Convention

As this goes to press, the November 28, 29, and 30 National League of Cities Convention in Denver is still in the future. LEAF's booth is being manned by LEAFer Earl Hanson, head of the Cedar City, Utah, Steering

Committee of LEAF. Hanson is being assisted by Bob Williams, another member of the Cedar City Steering Committee.

Plans include a drawing on November 30 for five copies of the abridged edition of Progress and Poverty. On the sign-up card is a space for the signer to indicate that he wants additional information.

The LEAF booth is featuring various literature from LEAF, including Incentive Taxation, some selected literature from the Schalkenbach Foundation, and correspondence course material for Progress and Poverty from the Henry George Institute.

Report of Kansas City Housing Commission

(From a Schalkenbach Foundation Pamphlet on local studies)

"In Kansas City the present property tax is primarily (90%) based on the value of improvements.

The value of the parcel of land is the basis for only 10% of the tax . . . The land value tax has several advantages: (1) it ends the discouragement of property improvements inherent in the present property tax; (2) it discourages speculative withholding of land from development . . . ; (3) it encourages higher intensity use of land, thus stimulating private redevelopment and new development of vacant land within the city; (4) it diminishes the pressure of urban sprawl as a result of the more intense use of land in the developed areas of the city . . . ; (5) it helps stabilize land values.

--From the report of the Temporary Advisory Commission on Housing to the mayor and city council.

How to Join

It's simple, just check the membership level you desire and fill in the form below. Send it to LEAF's national headquarters or turn it into your local branch.

Membership Form

You can count on me as a LEAF member at the level checked below:

- | | |
|--|--|
| <input type="checkbox"/> Regular . . . \$15 Yearly | <input type="checkbox"/> Friend of LEAF |
| <input type="checkbox"/> Sustaining (\$5. monthly) \$60. Yearly | <input type="checkbox"/> Contribution \$ _____ |
| <input type="checkbox"/> Contributing (\$10 monthly) \$120. Yearly | <input type="checkbox"/> Check Enclosed <input type="checkbox"/> Bill Me |

Name: _____ Branch: _____

Address: _____

City: _____ State: _____ Zip: _____

Branch News

Cedar City, Utah

Earl Hanson, secretary of the Cedar City Steering Committee of LEAF, reports that a petition campaign is being conducted in Iron County, Utah, containing the same appeal to the County Assessor that was made on September 13 by the Cedar City Chamber of Commerce. This read:

"Whereas underassessment of land values, other than agricultural, is still substantial, be it resolved . . . that the County Assessor be urged to increase property assessments in 1977 by at least 10 percent over 1976 assessments for all County real property . . . ; exclusive of buildings, improvements and agricultural land assessed under the Farmland Assessment Act of 1969. The effect of this change would be a small increase in land value taxes (other than farmland) and a small decrease in the tax on farmland, buildings and improvements."

Twin Cities, Minnesota

Twin Cities LEAFers are currently working through the Land Use and Taxation Task Force of the First Unitarian Society in Minneapolis. The following is excerpted from minutes of the Task Force's meeting on October 13.

A new member is Karen Anderson, chairperson of a committee of the League of Women Voters of Minnesota studying the financing of state government. She plans to have one of her committee members attend all meetings.

Ruth Pearson brought books and pamphlets of the Robert Schalkenbach Foundation, and plans to bring more for distribution to the next meeting.

Dick Ferguson presented a histor-

ical background of Henry George's land value tax movement. Some local tax assessment methods and problems were discussed under Assessor Lou Johnson's leadership. A number of questions arose as to how land value taxation could alleviate property tax inequities and problems. Rolf Hanson cited successes in Pennsylvania and Dick Ferguson warned of possible conflicts with environmental goals. Johnson mentioned legislation in Vermont which levies a capital gains tax on real estate transactions, proceeds of which are used to benefit the elderly. Anderson advised a careful study of the Minnesota Tax Study Commission's reports, often used as the basis of legislation for tax changes.

The minutes were prepared by LEAFer Margaret Euland, secretary pro-tem.

In an accompanying note, LEAFer Ruth Pearson mentions that John Burger is the group's undisputed leader, and that he now has ample "disciples."

John Stuart Mill Said

Landlords grow richer in their sleep without working, risking or economizing. The increase in the value of land, arising as it does from the efforts of an entire community, should belong to the community and not to the individual who might hold title.

Tom Paine Said

Men did not make the earth. It is the value of the improvements only; not the earth itself, that is individually property. Every proprietor owes to the community a ground rent for the land which he holds.

Indiana Legislative Committee Recommends Land Value Taxation

The findings and recommendations of the Land Use Taxation Interim Study Committee of the Indiana Legislature, chaired by Representative Richard D. Doyle, recommended, among other things in its October 19, 1976 Report:

1. The Indiana Constitution should be amended to allow the General Assembly to enact a "Land Tax" which would be available to counties on a local option basis.

2. Substantive reforms should be made in the assessment process, including professional instruction for assessors, increasing the assessment ratio from 1/3 to 100 percent, and promoting annual or continuous assessment.

3. Certain exemptions should be removed--for those activities of an income producing nature, which are not engaged directly in purposes for which the exemption was granted, and which compete with private taxpaying enterprise.

The New LEAF

Continued from page 2

your Branch president. Establish regular meeting dates; at least monthly. Bring in speakers. Report to your members about matters affecting property taxation.

But above all, bring in one new member. Spread the word to all those concerned about LAND, EQUALITY, AND FREEDOM, that by joining together in LEAF they can become a mighty force for the betterment of this great country of ours. But they must act now.

THE NEW LEAF

Published monthly by
Land Equality And Freedom
454 Mission Valley Center West
San Diego, Calif. 92108

Wm. B. Truehart . . . Editor

National Directors and Officers.

Dr. William Filante, Pres.
Dr. Steven Cord, Vice-Pres.
Dr. William Truehart, Secy.
Nicholas Lenten, Treas.
Floyd Morrow, Board Chmn.
Dr. Arthur Becker, Director
Harry Pollard, Director
Everett Seeley, Director
Robert Tideman, Director



LEAF

Land Equality And Freedom

NATIONAL HEADQUARTERS
454 MISSION VALLEY CENTER WEST
SAN DIEGO, CALIFORNIA 92108

Robert Clancy
55 West 42nd St., #462-A
New York, NY 10036

BULK RATE
U.S. Postage
PAID
San Diego, Ca.
Permit No. 618

ADDRESS CORRECTION REQUESTED