



# Newsletter

HENRY GEORGE SCHOOL

March

## SENATOR RODDA INTRODUCES LAND VALUE TAX BILL SCA 12

Senator Albert Rodda (D.-Sac.) last January introduced Senate Constitutional Amendment (SCA) 12. It calls for a shift of property taxes off of improvements on to land values only. The shift is to take place gradually over a period of 5 years. Since it will take a State constitutional amendment to do this, the bill must be considered in committee and passed by both houses of the legislature in order to be placed on the ballot for voter approval in 1978. Passage of the bill would provide property tax relief for most homeowners and many businesses and would raise more revenue from land which is vacant or underused.

A hearing before the Senate Revenue and Taxation Committee on SCA 12 was held on February 23. Speaking for the bill were Professor Mason Garfney from UC Riverside, Steven Cord from Harrisburg, Pennsylvania, William Filante from Marin County, Wilbur Freeland from Peace River, Canada and William Truheard from San Diego. These gentlemen are experts in land value taxation and have been active in the George movement for years.

Senator Rodda also spoke for the bill and although he says he is not a "true believer" his statements were quite spirited. Senator Rodda is one of several legislators in Sacramento who has a grasp of and commitment to LVT. He said that he would continue to introduce LVT bills as long as was necessary to create proper understanding of the concept of LVT among legislators and the public at large.

The hearing was attended by many Georgists from Sacramento and the San Francisco Bay Area, and it was agreed by all that a good case for SCA 12 had been made. The Revenue and Taxation Committee postponed its vote on the bill until January, 1978 at the request of Senator Rodda so that further support for the measure could be mustered from the community.

Anyone interested in SCA 12 can write Terry Newland of IMAF at: 3098 California St., S.F. 94115 (415) 777-0404. Letters can also be addressed to: Senator Rodda State Capitol, Sacramento, CA 94514 and to Senator John Holmdahl, chairman of the Senate Revenue and Taxation Committee, also at the State Capitol. Anyone wanting a copy of SCA 12 can contact the School.

**YEAR OF TAX REFORM** This is the year of property tax reform in California and there have been several dozen measures besides Senator Rodda's SCA 12 which have been introduced and are vying for approval in the State Legislature. We will discuss some of these bills in coming editions of the Newsletter.

The bill which appears to have a lot of support at present is Senate Bill 154 introduced by Nicholas Petris (D.-Oakland). It is being pushed by the California Tax Reform Association (CTRA) and the Citizens Action League (CAL). The bill provides for a decrease in property taxes on a graduated scale based on income levels of \$30,000 and less for homeowners and renters. The backers of the bill claim that it will give \$525 million in relief to homeowners and \$400 million to renters. The \$925 million loss in revenue is made up under the bill by eliminating loopholes in taxation of capital gains (\$240 million), raising more money through the state income tax by adding nine new brackets to the income tax schedule (\$520 million) and taking \$200 million from an existing surplus in the state's General Fund.

**RECEPTION** On January 30 a reception was held for our new Executive Secretary, Wendell Fitzgerald, at Mike Trigg's home. A pleasant afternoon was had by all, old acquaintances were renewed and some lively discussion took place.

**CLASSES** Winter term classes started the week of January 24 with classes being held in San Francisco, Marin County and the East Bay. Spring term classes will begin in April. Advertisement for Spring classes will be handled through the various alternative education schools in the Bay Area such as Orphans, Lifeschool and Open Education Exchange. If any members of the School would like to take the basic course over again, or take an advanced course, please call the School. Also, if you have friends you would like to turn on to Henry George, be sure to have them call the School or give us their names so we may contact them.

**PUBLIC RELATIONS CONTACTS** Terry Newland spoke the the annual convention of the Bay Area Regional Assessors Association in Monterey on January 27.

Wendell Fitzgerald spoke to the Democratic League of San Francisco on January 13, appeared on a talk show on radio station KPOO on February 10 and delivered a speech to the Agriculture Section of the Commonwealth Club on March 3.

PROGRESS MADE IN HARRISBURG, PA. Recently the city of Harrisburg, the capitol of Pennsylvania, took another step toward land value taxation by levying differential rates on land and buildings. The rate on land for 1977 will be 29 mills and on improvements 16 mills. This is a significant step toward recognition of the benefits to be derived from greater taxation of land values. The argument for the differential tax was that the city needed more revenue from the property tax than previously and it was felt that the higher tax on land would lessen the tax burden on rehabilitation and new construction.

FORTUNE'S PLUG FOR LVT Fortune Magazine's March 1977 issue contains an article by Gurney Breckenfeld which endorses reform of the property tax to get taxes off of improvements and onto land. The article "It's Up to the Cities to Save Themselves" is a wide ranging review of problems of cities and some possible strategies for survival and renewal. The author mentions various Georgist studies which indicate that cities could have rebuilt themselves without a penny of subsidy from the federal government for urban renewal.

1977 JOINT GEORGIST CONFERENCE A U.S. National Conference for Georgist Groups will be held July 1 to 5, 1977 at Conference Point Camp Williams Bay on Lake Geneva, Wisconsin. A brochure describing the conference will be on its way to our members soon.

Editor  
Wendell Fitzgerald