

PUBLIC REVENUE EDUCATION COUNCIL

EDUCATIONAL • NON-POLITICAL • NON-PROFIT / RM. 303 / 806 CHESTNUT ST. / ST. LOUIS, MO. 63101 / 314•421-5630

December 15, 1983

Dear Valued Friend of P.R.E.C.

Very special greetings from all of us to all of you. Once again it's time to extend warmest felicitations of the Happy Holiday Season to each and every one of you, along with sincere wishes that the great Blessings of this Season are yours to cherish and enjoy. It's time, too, to up-date you on the goings-on here at P.R.E.C., your mid-continent Site Value Taxation educational and promotional "arm", and to give you a progress report on how the Site Value Taxation concept continues to make gains in our area, even though it seems, sometimes, at only a snail's pace.

1983 has brought much more headway than heretofore for our ever-increasing efforts to make Missouri the very next State in which Site Value Taxation will become a fully realized goal, rather than just the dream and the rhetoric it has been prior to now. Significant steps forward have been made, as you'll see from the following list of some of the results achieved over the past 12 months, extracted from notes in our office log. By the way, such progress wouldn't have been possible without your moral and financial support, and we hope that what you see here will persuade you to assist financially, once again, as we gather momentum in our 1984 "push". The items below are set forth in approximately chronological order:

1. Missouri Repr. Walt Mueller began, in January, to mount his SVT program in our State legislature, mapping out extensive and detailed plans.
2. LAND and LIBERTY's Jan./Feb. '83 issue featured our Missouri SVT activity.
3. A wide mailing was made, early in the year, of CGO's fine pamphlet, "AN INTRODUCTION TO THE GEORGIST PHILOSOPHY AND MOVEMENT".
4. By late January, Walt Mueller had readied his House Joint Resolution # 31 (Site Value Taxation enabling legislation pointing toward a Missouri Constitutional amendment) -- setting up machinery for House Committee hearings on the bill. Walt announced the bill was to be heard before the House Committee on Equalization and Classification, on February 15, 1983, in the afternoon, in Jefferson City. Strong effort was bent toward getting capable witnesses together, toward mounting a P.R. campaign, etc.
5. An old business associate, and a real go-getter, Ray Shamel, of Acton, Massachusetts, was put in touch with Larry Clark and Mitch Chanelis, of the Henry George School of Boston -- if Ray can be enlisted into the Site Value Taxation Cause, New England will have a new and superbly driven spokesman for our concept.
6. On February 15, Walt Mueller's SVT HJR. #31 was heard by the Missouri House Committee, as scheduled, and really strong impact was reported made. Personally testifying were Walt Rybeck (Associate of Congr. Bill Coyne, in Washington, D. C.), The Hon. Thomas B. Curtis (former U. S. Congressman from Missouri), Mrs. Harry Gunnison Brown (noted economist and widow of the former Chairman of the University of Missouri Department of Economics), Dr. Edward Metzen (current Chairman of the Econ. Dept. at U. of Mo., Colum-

bia, Mo.), Prof. Walter Johnson (U. of Mo. Econ. Dept.), and PREC Exec. Direct. Stan Frederiksen. Sending in written depositions, which were entered into the hearing records, were Prof. Pinkney Walker (U. of Mo. Dept. of Econ.), former St. Louis Mayor, the Hon. John H. Poelker, Pittsburgh City Councilman William Russell Robinson and former Missouri State Auditor, the Hon. George W. Lehr. Remember -- all these were pro-SVT!

The impact made was significant. Copies of the testimony were widely disseminated -- if you didn't get a set of this material, we'll try to send it, upon your request. Walt Mueller had moderated and orchestrated the testimony

7. Stan Frederiksen presented our SVT slide show to the Mid-town Kiwanis Club of St. Louis on February 23.
8. Several early March meetings were held with Repr. Walt Mueller, critiquing our 2/15 testimony, and planning "next steps". Walt reported good "feel" about our 2/15 presentations, and expressed hope HJR #31 would move through the House Committee, and onto the House floor, for debate. All of us held "fingers crossed".
9. From Kirksville, Mo., in March, came a phone call from Dr. Irene Hickman. Formerly the Assessor of Sacramento, Calif. County, and a Georgist known across our Land, Irene is now a Missourian. Said she, "I've tried to dismiss Henry George and Site Value Taxation from my mind -- but they just won't go away. Send me some materials. I'd like to be a contributor to the Site Value Taxation activities, here in Missouri!" And so she is.
10. On March 14, Director Neal Frederiksen presented the case for Site Value Taxation to a panel of St. Louis City Officials, at a "Town Meeting" near his home. His input created quite a stir, not only among the officials, but among his many neighbors attending the meeting.
11. In early March, all PREC officers and directors were trying to contact as many Missouri Representatives as possible to urge a "do pass" through the House Committee we'd addressed 2/15, Hon. Estil Fretwell, Chairman.
12. On April 7, we got notice to vacate our PREC office (building being rehabbed). Move to be made on or before Sept. 30.
13. On April 10, Walt Mueller reported his SVT bill (HJR #31) had been "bottled up in Committee". However -- this was not because it lacked merit or support, but rather because several bills of great immediacy got preference, so that HJR #31 had to be by-passed for this session. Of great significance -- Walt told us that the great majority of Committee members were most favorably inclined toward his bill, and that only the priority that had to be accorded other bills prevented its getting a "do pass". Back to the drawing boards! Walt said much study was to be given to Site Value Taxation by the House, later in the year.
14. On May 22, PREC officers and directors journeyed to Columbia, Mo. and made a Site Value Taxation presentation to the Adult Forum of the Unitarian Universalist Church, at the invitation of Mrs. Harry Gunnison Brown, who has worked tirelessly there, and throughout the Unitarian Universalist organization nationally.
15. Walt Mueller, through Walt Rybeck and Ted Gwartney (former Assessor of Southfield, Mich., and, earlier, an assistant to Irene Hickman in Sacramento), was invited to be a featured speaker, during the ensuing October

2 - 5, 1983 meeting, in Vancouver, B. C., of the International Association of Assessing Officers, Walt to explore the subject of Site Value Taxation. (Walt accepted the invitation).

16. On June 17, Director Don Killoren initiated the idea of the "First Annual Missouri Georgist Conference," to be held at Heritage House, Columbia, Mo., on July 31, 1983. Invitations sent out.
17. On 6/20, the first steps were taken to computerize fully our PREC mailing list. After some "bugs" are eliminated, we expect to have this objective achieved in the near future.
18. During July 12 - 16, Executive Director Stan Frederiksen represented PREC at the National Joint Georgist Conference at Goleta, California, where he gave a report on the progress of Site Value Taxation in Missouri.
19. On July 31, the First Annual Missouri Georgist Conference was held, in Columbia, with 18 Missouri Georgists present, plus some guests. Walt Mueller was featured, as was Dr. Irene Hickman, who spoke on her Georgist background and her current interest in helping the Cause, through various activities she is sponsoring, including an annual Economics Essay contest. Her prize winner this year, Neil Meyer, of Northeast Missouri State University, presented his essay, "Ricardo's Law of Rent". Jack Hickman was also on hand, as were a number of PREC officials, John Morales, from Maryville, Mo., and last, but by no means least, adding an International flavor, Hugh McGahan, of Matamata, New Zealand. (Hugh had been a house guest of Frederiksens, during the several days which covered this conference.) While in St. Louis, Hugh wrote a "Letter to the Editor" of the Stl Louis Globe Democrat, on SVT, which was published a few days later.
20. On August 7, we got word that the State of Missouri would sponsor Walt Mueller on his trip to Vancouver Oct. 2 - 5 to speak on SVT there to the Int'l Ass'n of Assess'g. Officers. House Speaker Bob Griffin backed this.
21. The August 8, 1983 FORTUNE Magazine article airing Site Value Taxation was distributed widely by PREC, most specifically, by Director Don Killoren, to all Missouri State Senators and Representatives, along with a note urging, "Missouri needs this!"
22. Frisco Building owners ordered us to vacate our office on Sept. 10. On that date a "moving party" was held, and we moved to our present location at 806 Chestnut Street, which Treasurer Phil Cotton had found for us. It will take some "catching up", for all of us, so please be patient while we sort things out and get organized again.
23. On Sept. 30, Irene Hickman phoned -- there's an opportunity to participate, push SVT and exhibit at the Kansas City, Mo. conference of the Missouri Association of Social Workers, to be held October 26-28, 1983. Booth arranged and plans made.
24. As of Sept. 30, Dr. Irene Hickman and Chuck Byrne (Kansas City) accepted directorships of PREC.
25. On Oct. 10, Director Joe Casey reported he has joined "Confluence-St. Louis", a civic organization dedicated to overall improvement and development of Metropolitan St. Louis. Joe is on their "Legislative Committee", and a number of us wrote the Committee, asking that Site Value Taxation be explored by it.

26. Walt Mueller has copy of letter from House Speaker Bob Griffin to Repr. Estil Fratwell (Chmn. of House Select Committee on Valuation and Classification) specifically asking Estil and all members of his Committee to explore the concept of Site Value Taxation in depth (with a few other matters) via hearings to be held by the Committee around the State, with a view of getting the concept through Committee and onto the House Floor for debate. Walt's work has been so impressive that he says state representatives have been asking to co-sponsor Walt's Site Value Taxation bill, when he is able to introduce it (likely in January, 1984). Fratwell's Committee hearings set -- one in St. Louis November 18, and another in Kansas City December 2. Walt urges we go "all out" -- get as much high caliber talent and "clout" as possible for both hearings. Walt scheduled some planning meetings with us prior to the first (November 18) hearing.

27. November 18 -- hearing at St. Louis County Government Center Council Chamber. All met at 11:30 A.M. -- catered-in lunch at 12:00 noon -- press conference 1:00 P.M. (three major newspapers sent reporters) -- hearing itself at 1:30 P.M. Oral testimony presented by --

Dr. Steven Cord -- Indiana, Pennsylvania (Editor, INCENTIVE TAXATION)
 Hon. John H. Poelker (former mayor, City of St. Louis)
 Hon. Thomas B. Curtis (former U. S. Congressman from Missouri)
 Hon. Robert O. Snyder (sitting Judge, Missouri Court of Appeals, Eastern District of Missouri)
 Mr. Allan L. Lubin (President of PREC)
 Mr. Joe Casey, Director, PREC
 Stan Frederiksen, Executive Director, PREC
 Hon. Walt Mueller, Missouri State Representative, District 93

Good impact at both the press conference and throughout the hearing itself. Minutes of the hearing were written up -- a copy is available upon request. Both the St. Louis Globe Democrat and the St. Louis Post Dispatch published articles (copies attached), and 50,000 watt CBS Radio Station KMOX carried coverage, including a fine interview with Chairman Estil Fratwell.

28. December 2 -- hearing at University of Missouri, Kansas City, Mo. -- Westport Room -- 5100 Rockhill Road. Entire hearing organized and orchestrated by Walt Mueller. Presenting oral testimony --

Hon. William Russell Robinson (sitting City Councilman, Pittsburgh)
 Hon. William Coyne (U.S. Congressman from Pittsburgh, Washington, D.C.)
 Hon. George W. Lehr (former Missouri State Auditor)
 Mr. Dan Sullivan (President, Pittsburgh Incentive Tax League)
 Hon. Ed. Schwaneke (Mo. State Repr. from South Kansas City, and actually a member of the Committee before which he was testifying)
 Mr. Charles E. Byrne, Director, PREC

Per Walt Mueller, this hearing, too, went exceptionally well -- article about it in the Kansas City Star. Entire hearing was tape-recorded, and when transcribed, we'll try to make abstracts available.

From its limited resources, PREC did assist financially in the travel expenses of several participants. Walt Mueller greatly encouraged by situation thus far. He's ready to push on to the actual introduction of his SVT language in the Missouri House, in January.

29. Stan Frederiksen invited to present Site Value Taxation story to the St. Louis

companies in the construction industry who make up the Associated General Contractors of St. Louis. PREC slide series to be presented at their headquarters on Friday, January 13, 1984.

30. Director Neal Frederiksen has arranged a speaking engagement for Executive Director Stan Frederiksen to lecture on Site Value Taxation, using our PREC slide series, on Thursday, December 15, 1983, to the two classes in Economics at St. Louis University High School. This will be the fourth year where we have been invited to be guest lecturer by Economics teacher, Mr. Jack Shannon.

To help us in our work, and to share in this very productive push (for the Site Value Taxation concept), will you (a) send your enrollment/investment/contribution - - substantial or modest - - using the form below, and (b) include your request for SVT literature we have available. (Partial list on the coupon below. All are available at no charge.)

Not the least of the happenings here in 1983 was the sad event that left a gaping "hole" in the overall leadership we'd learned to depend upon so much over the years - - the passing of our beloved Noah D. Alper, our founder and first president, who departed this life on June 30, 1983, at the age of 87. Significantly, a number of memorial contributions have been received from about the Country from some of the great number whose lives Noah had touched.

Thanks most sincerely. Your generous help will provide a substantial portion of the means by which we can, and will, continue our work toward getting Site Value Taxation started and established here in the Midwest, thus assisting toward the overall goal of helping us work toward your better future. - - and everyone else's. Won't you send your response on the convenient coupon below? We'll be ever so grateful.

Cordially - - and "HAPPY HOLIDAYS!"

Stan
Stanley A. Frederiksen,
Executive Director

PUBLIC REVENUE EDUCATION COUNCIL - - Stan Frederiksen
Room 303 - 806 Chestnut Street - - St. Louis, Missouri 63101

Date _____

Dear Stan: You bet! Keep working toward those goals you've set for Site Value Taxation. Please accept my 1984 membership, as follows:

_____ Life Associate - \$1,000 and up \$ _____	_____ Encouraging Ass'te - \$10+ \$ _____
_____ Sustaining Ass'te - \$500 + \$ _____	_____ Basic Membership - \$5.00 \$ _____
_____ Participating Ass'te - \$100+ \$ _____	_____ Total Enclosed \$ _____

And please send copies of PREC-available literature - partial list below. (Write in others you feel we may have or can get for you).

Title _____ Name _____
Address _____ City _____ State _____ Zip _____

Partial list of available publications - - (Check those you'd like us to send)

- | | |
|---|--|
| <input type="checkbox"/> THE FOUNDATION OF ECON. FREEDOM (Alper) | <input type="checkbox"/> FATHER MCGLYNN AND THE LAND QUESTION (McGlynn) |
| <input type="checkbox"/> ARE PROPERTY TAXES OBSOLETE (Alper) | <input type="checkbox"/> A DILEMMA OF CONTEMPORARY KEYNESISM (H.G. Brown) |
| <input type="checkbox"/> WRONG SOURCE PUBLIC REVENUE (PREC) | <input type="checkbox"/> IS IT TIME TO REFORM THE PROPERTY TAX? (Alper) |
| <input type="checkbox"/> HOW TO REDUCE GOVERNMENT SPENDING,
COSTS AND TAXES, AND INCREASE PRODUCTION | <input type="checkbox"/> HOW COLLEGE TEXTBOOKS TREAT LAND VALUE TAXATION
(Elizabeth Read Brown) |
| | <input type="checkbox"/> OTHER (Use other side, if necessary) |

Push Here For Tax Bill To Promote Development

By Claudia MacLachlan
Of the Post-Dispatch Staff

Property taxes should be increased on land and decreased on buildings to promote development and discourage land speculation, says state Rep. Walter H. Mueller Jr., R-Kirkwood.

Mueller sponsored a bill in the Legislature this year to do just that. He plans to reintroduce it next year.

Mueller and others who favor such legislation testified Friday in Clayton before the interim Committee on Property Equalization and Classification headed by state Rep. Estil V. Fretwell, D-Williamstown.

Among those testifying in favor of the legislation were Missouri Court of Appeals Judge Robert O. Snyder, former U.S. Rep. Thomas B. Curtis and former St. Louis Mayor John H. Poelker.

Judge Snyder said he had introduced similar legislation in 1973 when he served in the Legislature. His bill, like Mueller's, never got out of committee, he said.

Mueller said that increasing property taxes on land would discourage land speculators and help rid areas of vacant lots. In St. Louis,

for example, it would no longer be profitable for absentee landlords to hold on to vacant buildings, waiting for their market value to increase.

"This would require the person who holds land to use it, to develop it," Mueller said. "The city of St. Louis abates taxes, and many think that's why there has been so much incentive to build," he said.

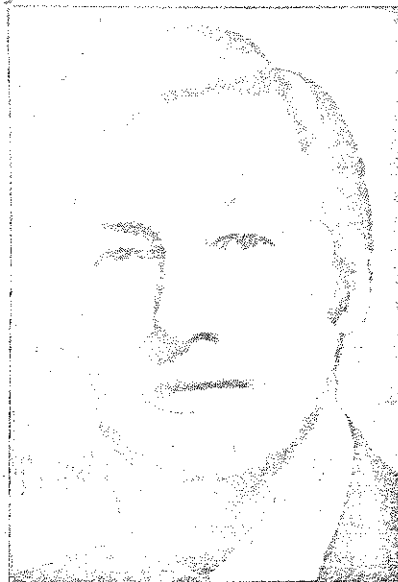
Under Mueller's plan, taxes on commercial and residential buildings would be sharply reduced. But the taxes on the land on which they stand would be increased. Farm land would be excluded in the plan.

Mueller said his plan would encourage businesses and homeowners to improve property without fearing greater tax liabilities.

"Every time you improve your home it costs more, and we don't think that's fair," he said.

Steven B. Cord, an economics professor at Indiana University of Pennsylvania in Indiana, Pa., said such a taxing method worked well in Pennsylvania, the only state that has it. Cord attended Friday's hearing to support the legislation.

He said Pittsburgh recently had



Rep. Walter H. Mueller Jr.
Urges land tax revisions

imposed a 15.15 percent property tax on land and a 2.7 percent property tax on buildings. The result has been a dramatic growth in construction in downtown Pittsburgh, he said.

Curtis said the tax plan would be opposed by land speculators.

"They are not going to like it. In St. Louis, some people have torn down buildings to get rid of the tax burden," he said. "This would force people to develop land to make money to pay the taxes."

ST. LOUIS GLOBE-DEMOCRAT, SAT. Nov 19, 1983

State official supports tax rate designed to push redevelopment

Land should be taxed at a higher rate than the property located on it to stimulate construction and rehabilitation and discourage absentee landlordism, state Rep. Walter H. Mueller Jr., R-Kirkwood, said Friday.

Mueller spoke at a press conference during a break in hearings in Clayton held by the Select Interim Committee on Property Equalization and Classification.

MUELLER SAID he would introduce legislation in January calling for a constitutional amendment granting local governments the option of implementing this "site value taxation."

"The person who is utilizing the land to its highest capacity will get the advantage," Mueller said. "There is a lot of open land that is not paying its fair share of taxes."

The people who will not like the concept are those "who are holding land because it will increase in value in the future," said former U.S. Rep.

Thomas B. Curtis, who supports the proposal.

THE IDEA WAS first introduced in the General Assembly by Robert O. Snyder, a former state representative who is now a judge with the Missouri Court of Appeals.

State urban redevelopment laws allow "tax breaks for those who are willing to invest money in improving vacant or rundown property," Snyder said Friday. "Site value system would do the same thing but without any loss of tax revenue to the jurisdiction."

If implemented, the tax rate on buildings would be reduced and the rate on land increased gradually until the tax on buildings was eliminated altogether, Mueller said.

Such a system would result in tax savings to 70 percent of St. Louis homeowners, Mueller said.

The ultimate aim of the tax redistribution system is to stimulate redevelopment and employment by motivating property owners to build on land they own or expand existing facilities, Mueller said.