

Land Value Tax Plan Seen As Economic Cure

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News



Speakers at the land tax seminar were, from left, James Hammond, Ian Evans, Mrs. Helen Nesbitt, Neil Walker, Harry Pollard and Charles Hall.

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Land Value Taxation Study Should Be Encouraged Here

A tax seminar such as the one held here Saturday is in every respect an encouraging sign to the heavily loaded taxpayer.

The purpose of such study meetings is to explore new ways and methods, with the goal of finding better and fairer ways of taxation.

Our present methods of taxation on the city and county level were developed many decades ago, and except for the change in the climbing assessments, have not been changed for generations.

The land value tax plan discussed at Saturday's meeting may be a better way to levy necessary taxes on property owners.

Obviously, no one in our city or county government is going to leap into such a system of taxation without thoroughly exploring all its many angles, and without giving all the taxpayers a chance to be heard.

So all those who are fearful that some hasty decision is in the making can be at ease.

On cursory examination, the land

value tax plan has considerable merit, we now believe.

The question most likely to be asked in the future as more discussions are held, is "If it's so good, why wasn't it tried before?"

Offhand one answer seems to be that land-rich, pioneer America had no real need for such a system in the past. Land in the United States until a few years ago was one of the cheapest investments available.

Vacant lots, in fact large tracts of land, were readily available in Erie until about a decade ago. The fast-growing population and its needs in the urban areas, has quickly swallowed much of the land up.

But scattered undeveloped land does exist all over the community. The theory behind land taxation is that the levying of taxes on land rather than the buildings will penalize the holders of vacant lots, but encourage improvements and lower the price of land.

Any taxation system which spreads the burden is worthy of further examination.

Canadian Speaks at Seminar

Using tax pressure to bring available land into operation would solve the major economic problems of today, a Canadian economist told the Erie Land Tax Association Saturday.

Harry Pollard, director of the School of Economic Research, Toronto, was a speaker at an all-day seminar sponsored by the organization. About 40 persons attended the discussions at Turnbull Hall, Behrend Campus.

Pollard pointed out that despite crowded conditions in many areas, "there are 13 million vacant lots in United States cities—not counting car lots."

Relatively few of these lots are available except at a high cost, he said.

Consequently, they set up a barrier to the building of new industry, expansion of industry, development of suitable low cost housing, and setting up of parks and recreation areas.

The theory behind land tax proposals — first developed about 80 years ago by Henry George in his "Progress and Poverty"—is that levying taxes on land rather than on buildings will penalize the holders of vacant lots, encourage improvements, and lower the price of land.

Land is a unique commodity, Pollard pointed out, "because if the price of land goes up you can't produce more. The price just keeps going up."

The speaker noted that the problem applies not only to the United States but to the entire western world.

"We have to do something about our economic system," he said, "since we face an opposing system on the other side of the world. If we want a free society we have to do something about this important commodity (land) not controlled by the price mechanism."

In his preliminary remarks, Pollard commented, "There used to be jokes about the inevitability of death and taxes. Death they're trying to do something about."

Another speaker during the afternoon session was Chester Bukowski, chief city assessor, noting that he was neither for nor

ERIE, PA., SUNDAY,

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COME ON ERIE

LET'S BUILD

STOP TAXING

BUILDINGS

TAX THE LAND

against the land value taxation proposals, Bukowski outlined the present city assessment practices in appraising both land and buildings.

The assessor told the group that downtown property is losing value at the rate of about \$3 million a year, but the city's total valuation is continually increasing because of new building in outlying districts.

"I don't fear the trend," he said, "because it's national, not local. Every precaution is being made to preserve our downtown."

During the question period a Canadian visitor drew laughter when he asked incredulously, "Do I understand that there is a separate assessment made by the county on top of that made by the city?"

A direct question on his opinion of land value taxation drew from Bukowski the comment that after a previous experience "I took a firm stand that I would never again make a definite suggestion on new taxes."

The afternoon wound up with a panel discussion on Land Value Taxation and Erie. Members were Atty. Gerald Weber, William Walker, Charles Hall, and Wylie Young. Walker and Hall are officers of the Erie group while Young is from the Graded Tax League of Pennsylvania.

Morning speakers were Ian Evans, Neil Walker, James Hammond and Mrs. Helen Nesbitt, all of Toronto.

*Come on
Erie
Let's Build!*

Erie Land Tax Association

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CONTINUING THE ALERT -

LETTER NUMBER THREE

STOP

On the back of this letter is the sort of thing that could ultimately save America. This is only a start. There must be "more to come".

TAXING

The Erie Land Tax Association is wrestling for the mind of Erie. All it asks is the willingness of Erie leaders to examine carefully the tremendous potential of Land Value Taxation.

BUILDINGS

It is our hope that Erie might show the nation how freedom can be saved, for Land Value Taxation is the only true antidote for Communism. With it America can leave World Communism in a cloud of industrial dust. We listen to a lot of fancy talk about the need for shoring up our liberties. We cannot help but agree but seldom do any of these groups tell us what we ought to do.

TAX

On the other hand we see millions, indeed the great majority in both political parties, sincerely perplexed, but who, because they see no other alternative, reluctantly go along with the steady encroachment of government control of more and more, and the consequent acceptance of individual responsibility in less and less.

LAND

Leaders of Erie must face up to the fact that all of us are being hampered by an obsolete real estate tax policy which confers special privileges upon some and denies natural rights to others, - most of us, in fact.

INSTEAD

We place the blame on no particular group. Our country suffers because it has a blind spot. Almost everyone is afflicted with a custom induced brand of myopia. Let us open our eyes. Let us take a hard, cold look at the facts, and then let the well meaning people of Erie do what they will.

Very sincerely yours,

Charles A. Hall

Charles A. Hall, President,
Erie Land Tax Association

- 1. Reduce Taxes on Homes*
- 2. Reduce Tax on Industry*
- 3. Bring New Industries*
- 4. Keep Old Industries*
- 5. Clear Slums*
- 6. Start a Building Boom*

Tax Land, Not Buildings — Clear Slums, Create Jobs