

F - H G Foundation

HENRY GEORGE FOUNDATION BULLETIN
PROGRESS OF LEGISLATION IN PENNSYLVANIA

To All Georgists:

Another important victory has been won in the Legislature of Pennsylvania.

The State Senate on September 17th, by a unanimous vote of all Senators, Republican and Democratic, approved the McGinnis Bill, No. 535, an act amending the Third Class City Act, P. L. 932.

On October 2nd the House of Representatives adopted this legislation by a vote of 138 to 45. And on November 19th the bill was signed by Gov. David L. Lawrence.

~~This is the second major step in the movement to advance land value taxation in Pennsylvania. Local option in the taxation of land and improvements for the 47 cities of the third class had been won by an act of 1951 which was also sponsored by Senator Bernard B. McGinnis, of Pittsburgh (a trustee of the Henry George Foundation). This legislation permitted a step-by-step approach but was inadequate for the purpose intended because of an existing limitation on the tax rate that could be imposed by Councils. The new amendment was drafted by the Graded Tax League of Pennsylvania and introduced in the Senate on April 1st, 1959. Senator McGinnis, as sponsor, made a strong speech in support of the bill on the floor of the Senate and will continue to exert his personal and official influence in favor of land value taxation.~~

The new act will open the doors in all cities of the third class for a sweeping change in the levying of real estate taxes. It will give city officials much greater freedom in the use of land value taxation. Whether they choose to approach the more scientific method gradually or otherwise, they can now go much farther and thus achieve greater results than would have been possible prior to this amendment.

While there is still a legal ceiling on real estate tax rates, the law as amended stipulates that "higher rates may be levied on land if the respective rates on land and buildings are so fixed as not to constitute a greater levy in the aggregate" than the real estate levy that is now authorized in the cities of the third class.

Thus a serious obstacle which was troubling the minds of some city officials who like the graded tax idea has been removed. Though there may be other incidental sources of local revenue, the new act will permit the complete shifting of municipal taxes from improvements to land values should any city through its council so decide. Or any step toward that end can be taken at any time without any fixed schedule having to be followed.

Now it is up to the people and their representatives in the councils. But there is nothing automatic about this legislation. If this splendid opportunity is not to be wasted, Georgists must provide aggressive leadership.

A call to United Action was recently sent to all Georgists known to us. We want to express our sincere appreciation to the many who responded with sufficient contributions and pledges to enable us to make an effective start. But much more is needed to properly meet the challenge that we confront.

If you have not already registered your approval of this undertaking to revitalize our movement in America, please send your check or pledge today. We would be glad, in any event, to know how you feel about the need and opportunity for concrete action to actually apply the principles of Henry George.

Pittsburgh, Pa.,
December 10, 1959

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National Committee for United Action,

Percy R. Williams, Secretary