

HENRY GEORGE

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NEWS

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INADEQUATE IMPROVED LAND TAX

Interests Realty Experts

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REAL ESTATE

Mayor Is Urged to Tax All Idle Land To Solve Subway Deficit Problem

By **GEORGE EDGECOMBE**,
World-Telegram Real Estate Writer.

At last Mayor La Guardia has received a suggestion to solve his subway deficit problem from Walter Fairchild, chairman of the Henry George Legislative Committee. Based on the ideas of the late single tax economist, it comprises a proposed "excise tax" in inadequately improved land. Mr. Fairchild believes it would raise \$125,000,000 every year. Says Mr. Fairchild to Mr. La Guardia:

"An increased fare would, as you state, penalize most heavily the vast majority of New York's citizens who live from hand to mouth. Like a sales tax it would fall most heavily on those least able to pay it. The Henry George Legislative Committee plan would not only relieve this underprivileged class, it would even benefit it.

Explains Tax.

"We suggest an excise tax on 'inadequately improved land,' on land worth more than the building that stands upon it. And, what is more to the point, we suggest this tax be levied only on the excess of land value over its improved value. For instance, a slum property with \$250,000 worth of land value and \$50,000 worth of building value, would furnish a mathematical difference of \$200,000. This would be the base of the tax to be imposed.

"A modern apartment house

where the building, or improvement value, is three or five times the value of the land, would not be taxed. Neither would a home in the Bronx, Queens, Brooklyn or Richmond where the house is usually worth three or five times the value of the land.

Would Hit "Tax-Payers."

"Where would the proposed tax be levied? In the metropolitan area, with Manhattan as a center. The tax would be paid by slum properties and so-called 'tax-payers' where, in most cases, the land value greatly exceeds that of the building. In the suburbs it would fall on vacant land held by speculators for future improvement and rise in market value, also on 'taxpayer' structures.

"The amount of land in New York City that is inadequately improved probably is not less than two and a half billions. On this total an excise tax of 5 per cent should raise \$125,000,000 a year.

"Inadequately improved land value should be singled out for paying off subway deficit because the value of every subway is directly the cause of higher land values wherever these rapid transit lines extend.

"Our proposed tax on inadequately improved land would make it unprofitable to hold, for very long, valuable idle land."

FALL CAMPAIGN NOW UNDER WAY

We want you to support the DiGiovanna Bill now before the Committee of Finance of the Council of the City of New York.

The DiGiovanna Bill proposes to amend Sections 159, 169 and 170 of the New York City Charter so that when amended they will read as follows:

§ 159 **Statement of assessed valuation.** — The assessor or other person having charge of a borough office of the department shall compute from the annual record or the assessed valuation of land and of the assessed valuation of the improvements thereon in such office the total aggregate amounts of the assessed valuation of the land and of the assessed valuation of the improvements thereon respectively, appearing on such annual record for such borough, and shall transmit a statement of such aggregate amounts to the tax commission at the main office of the department on or before the twenty-fifth day of January in each year. Land shall be assessed at its full value as though unimproved and free from tax.

§ 169 **Fixing of tax rate.** — The council shall meet not later than the twenty-fifth day of June to fix the annual tax rates. The council shall deduct the total amount of receipts as estimated by the comptroller from the amount of the budget as fixed for the ensuing fiscal year, and shall cause to be raised by tax such sum as shall be as nearly as possible, but not less than, the balance so arrived at by fixing separate tax rates on the value of land and on the value of the improvements thereon, respectively. Beginning in the year next succeeding the passage of this Act and thereafter, the council shall for ordinary taxable real estate fix such tax rates on the assessed valuations of land and improvements thereon respectively as to cause, as, as nearly as possible, ninety per centum of the total amount to be raised by taxation upon real estate to be raised by the tax on land values, and the remaining ten per centum to be raised by the tax on improvements.

§ 170 **Completion of assessment rolls.** — At such annual meeting the council shall cause to be set down in the assessment rolls, opposite to the several sums set down as the valuation of land and the valuation of the improvements thereon, the respective sums, in dollars and cents, to be paid as a tax thereon, rejecting the fractions of a cent. It shall also cause to be added and set down separately the aggregate valuations of the land and of the improvements thereon in the several boroughs, and shall transmit to the comptroller of the state by mail a certificate of such aggregate valuations in each borough.

Please write your Councilman if on this committee, or any one of the members listed below that you may know, to report favorably on this bill.

LOUIS COHEN, <i>Chairman</i>	1075 Grand Concourse, Bronx, N. Y.
ANTHONY J. DIGIOVANNA.....	27 Suydam Street, Brooklyn, N. Y.
WILLIAM A. CARROLL.....	1931 Madison Avenue, New York City
FREDERICK SCHICK	55 Wadsworth Road, Staten Island, N. Y.
HUGH QUINN	33-09—160th Street, Flushing, N. Y.
EDWARD VOGEL	502 Avenue T, Brooklyn, N. Y.
STANLEY M. ISAACS.....	14 East 96th Street, New York City
GERTRUDE WEIL KLEIN.....	215 Bush Street, Bronx, N. Y.

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"Giving does not impoverish."

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Walter Fairchild, Chairman

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