

Viewpoint

Tax land, not higher sales taxes

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Whenever I see proposals for imposing additional sales taxes on the citizens as the Melbourne city officials are asking for the state to empower — I am always looking to see if any of the proponents of such a tax are big land owners.

For example: The City of West Melbourne was chartered circa 1959. One of the selling points to the people in the area to be chartered was that West Melbourne would have no property taxes. None of the homeowners affected thought of the fact that two of the charter members were holders of sizable tracts of land who would forever enjoy an exemption of taxes on that land.

Thus, today, West Melbourne has more nuisance taxes than any other community in South Brevard County. Also, West Melbourne, within the past decade, has had to seek every entitlement gift offered by the federal government to meet the pressing demands of its citizens for public services. To this end, it hired a professional gift seeker.

West Melbourne has the highest priced land in relation to population on the mainland. Because — it is a natural law (not a man-made law) that when there is little or no taxes on land, the price escalates. Thus, every business house in West Melbourne has to pass on its cost of doing business to the consumer to a greater degree because of the high cost of the land.

In the northeast, in addition to sales taxes, many cities collect wage taxes. Thus, the poor working stiff not only pays to live and work in those northeastern cities, the rich landowners collect and collect.

Four cities in Pennsylvania said enough is enough. These four cities, Pittsburgh, Harrisburg, Scranton and McKeesport, faced with the need to raise their wage tax, decided instead to increase the land value tax. An increased wage tax in Pittsburgh would have cost the average wage earner \$110. The increase of the land value tax cost the average homeowner (most of whom are wage-earners) only \$35. Who has to pick up the difference? The owner of empty land, on which he is sitting for a higher price! Simultaneously, some of those cities decreased the taxes on improvements. Thus, these four cities, which have suffered the doldrums that afflict all northeastern cities, immediately enjoyed a building boom.

Now, I'm not saying that Brevard needs an increase in land value taxes to bring about a boom. Like all sunbelt states, Florida is enjoying a boom. But ask any young couple that wants to buy or build a home. The speculative value under that old home or new home-to-build has practically kept the young buyer from having a home. His monthly mortgage costs are so prohibitive he is paying more than the one week's income that savings and loan companies recommend. Thus, his wife has to work — and for 30 to 40 years they both have to work!

All because city and county commissioners saddle people with sales taxes instead of collecting sufficient tax on the land.

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Melbourne