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George tax proposals need lobbying effort

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A group of academicians closeted over the weekend in Bryn Mawr are formulating what could be an answer to Pennsylvania's search for reform of the state's property tax system.

The Henry George Society, meeting at the Main Line campus Saturday and Sunday, called for lobbying efforts for state SBs 1014-1020, which would begin to implement the 19th century economic theorist's dream of a single land tax to replace the present regional land taxes.

The bills, introduced by area state Sen. H. Craig Lewis, D-6th, and now being studied in the Senate's Local Government Committee (chaired by Lewis), represent a compromise for the society on several levels, according to two key members contracted after the conference.

From Harrisburg, Al Hydeman, state Secretary of the Department of Community Affairs and keynote speaker at the conference, said the group was new to the lobbying business.

"They are mostly academicians," he said. "It hasn't been an overwhelming lobby group."

Hydeman, whose department helped write the package of bills now before the State committee, said there has been talk of the

George proposals with legislators all along.

"We have made our position known through our legislative liaisons and let them know how we feel; whether that does any good is questionable," he said.

Hydeman, in remarks to the Society said he "told friends about the land-value tax, They listened politely. Some even showed enthusiasm. But very few came back for more. Finally, seven years ago,

"Liberty calls to us again. We must follow her further; we must trust her fully. Either we must wholly accept her or she will not stay."

(This is how a friendly observer saw our Conference. Kirk Bjornsgaard is a Philadelphia newspaperman.)

when I began working in state government, I found a publication which couldn't turn me down — the magazine put out by my own department.

The George proposals, capsulized, proposed that an individuals land should be taxed at an equal assessment with his neighbor's, and that the buildings on that land — and the improvements made to them — should not be taken into the formula. *(cont'd on page 4)*

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Hydeman said a land-value tax would realign tax burdens from those least able to pay to those most able; simplify and reduce the cost of tax administration; and would no longer penalize people who improve properties by placing higher assessments after the improvements have been made.

He said it would discourage land speculation because the mere ownership of land would up taxes. It might encourage the rebuilding of inner cities, he said, because it would not pay to allow land to lay vacant, and it would not penalize any improvements.

At present, he said, only second and third-class cities in Pennsylvania have the power to institute land-value taxes; Lewis' bill would enlarge that to include all classes of municipalities.

Hydeman, in his remarks to the George Society, said the group should concentrate on two areas - the "nuts and bolts" and on compromise.

The first, he said meant "it's not enough to tell people that the land-value tax is the fairest kind of property taxation. We've got to show them."

He said Harrisburg, Pittsburgh and Scranton have adopted the tax; it must be broadcast that it works. Studies have been done and these must be publicized showing the proposal works, he added.

The second point - compromise - he said, "will trouble many of you, but whatever we may feel in our hearts, I don't think we can afford, as a group, to remain single taxers or even land-value taxers."

He pointed out the three cities with the land-value tax had modified versions, so that a single tax is charged on land and a second lower tax is levied on buildings and improvements.

Steve Cord, President of the George Society, explained: "God bless Henry George, but no one is talking a single tax in one fell swoop. The single tax may be outdated, but we don't want to throw

out the good with the bad. We're putting forth a lot of good and that's what we want to stress."

Cord, a professor at Indiana University of Pennsylvania and editor of the group's newsletter - Incentive Taxation - said that the main point the "Georgists" are making was exemplified at the conference by city Councilman Ben Howells of Allentown.

Howells is introducing into city council an ordinance to lower the taxes on property and raise it on land, so that "rather than one tax as George proposed, we will have a gradual movement in this direction."

"A single tax now is not what modern Georgists are proposing," he said. "Rather, a gradual introduction of taxes based on the land, rather than on the buildings on that land."

Cord said such a realignment would benefit between 70 to 80 percent of the country's homeowners, according to a study he has made for publication.