

## **AFFORDABLE HOUSING COMMISSION AND LAND VALUE TAXATION**

As a fellow American, I am writing to draw your attention to the *minority* report of the late Senator Paul H. Douglas when appointed to the Chairmanship of the National Commission on Urban Problems in 1967 by our late President Lyndon Johnson.

In his report Senator Douglas advocated a modest form of land value taxation, as first proposed by Henry George. Senator Douglas stated:

*"The amount of tax could for example be increased by 1% a year over a long period of time until the economic rent would be virtually all absorbed except for a fee of collection."*

He further went on to write that: *"to couple the gradual increase of taxation on land values with the gradual and simultaneous decrease of taxation on buildings as in the Pittsburg Tax plan (would mean that) the mass of home owners, business men, industrialists and developers would stand to gain at least as much if not more by the reduction of taxes on their building improvements as they stand to lose from the increase of taxes on land values. This should help to satisfy those who are looking for tax reforms which are not only just but palatable as well."*

Twenty-three years on from that historic Minority Report the Pittsburg plan has proved itself. Pittsburgh has the most affordable housing in the USA. It is time that your own Commission on Affordable Housing gave serious thought to Henry George's proposals for taxation on the site values of land, as advocated by Senator Douglas.

Milton Friedman, Nobel Laureate in economics, has called it "the least bad tax available". Land value Taxation should now finally take pride of place in the *Majority* Report of the Commission on which you are graced to be a member.

H. I. Meyer, U.K.,  
in a letter to the  
Chief Executive Officer of a  
leading U.S. Savings Bank.