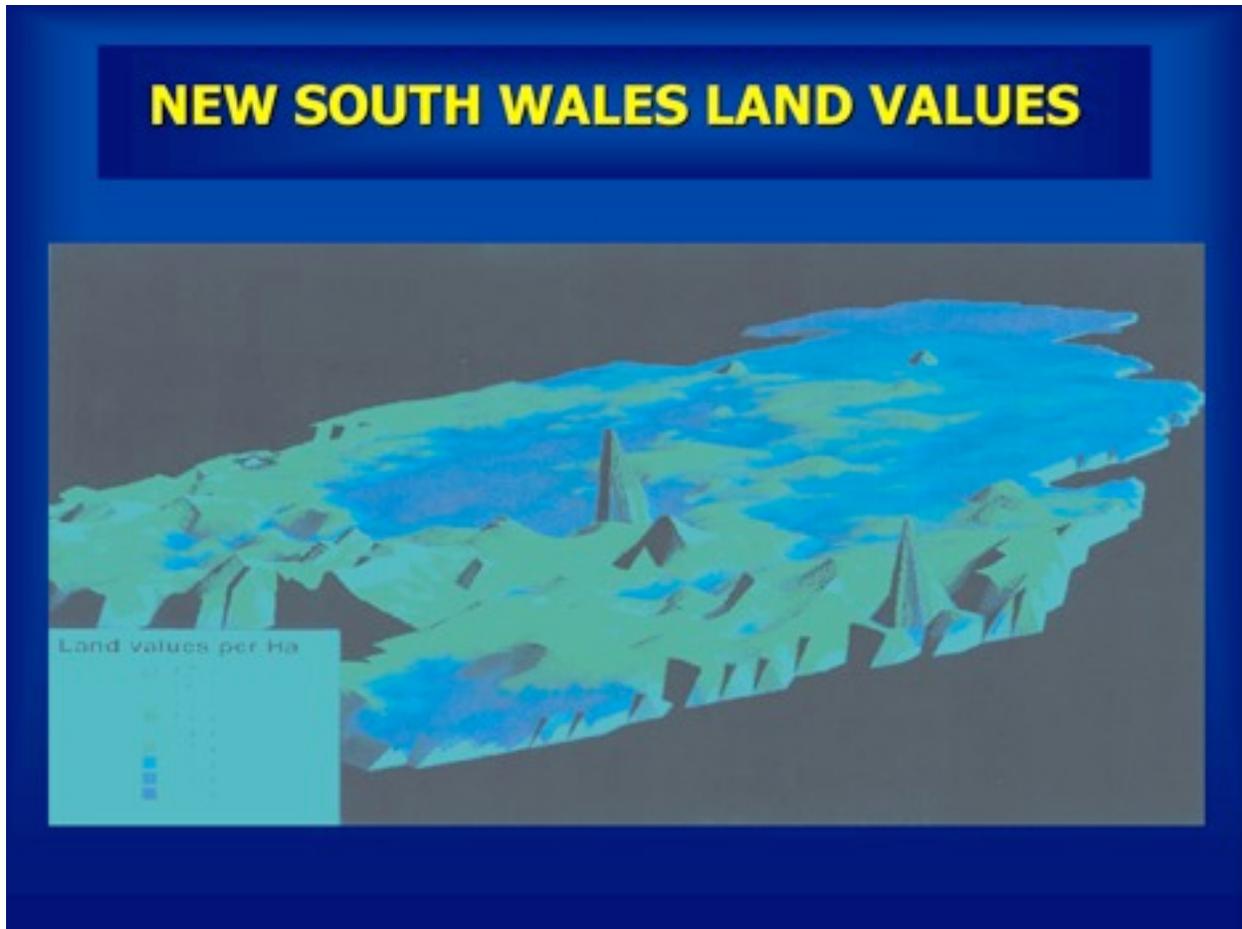
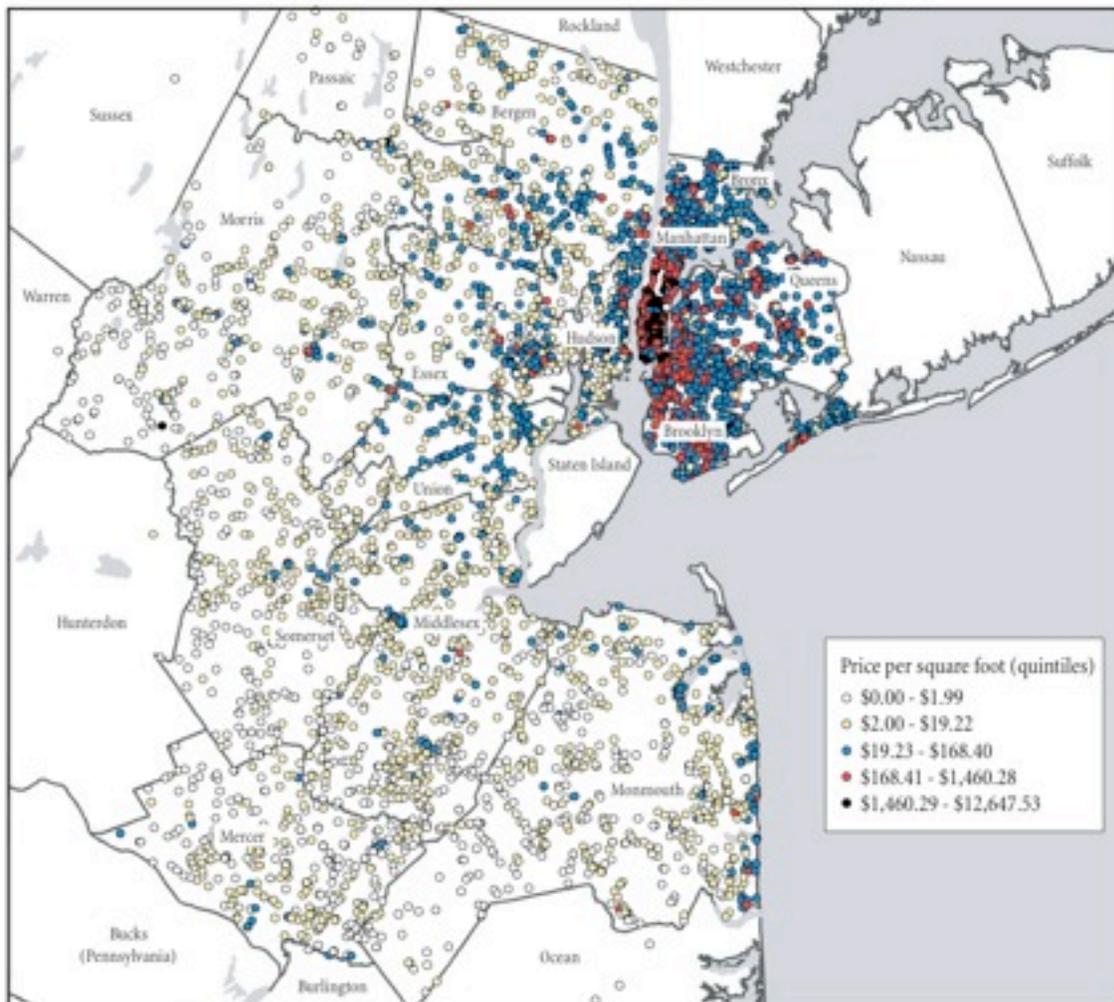


It shouldn't be hard to do a "quick and dirty" land value map for the whole of NY State. New South Wales, a state of 312,130 square miles compared with New York State's 54,446, managed to do it. (See below.) Moreover, NSW has only 7 million people compared with New York's 19 million, which means that it likely had far fewer parcels or transactions from which to base their analysis.



New York State's ORPS maintains a record of all parcel transactions, and has done so for many years. See [www.orps.state.ny.us/sales/qreport.htm](http://www.orps.state.ny.us/sales/qreport.htm). It should be possible to take a record of all vacant land parcels that were arms' length transactions and plot them on a statewide map. The easiest way, likely, would be using geocodes rather than actual parcel polygons. It has already been done using centroids for metropolitan New York, and it is revealing to see how steep the gradient is from the center of Manhattan to outer regions. (See map below and "The Price of Land in the New York Metropolitan Area," by Andrew Haughwout, James Orr, and David Bedoll, in *Current Issues in Economics and Finance*, Federal Reserve Bank of New York, Volume 14, No. 3, April/ May, 2008.) The map here was created in that study and enhanced for me by the authors.

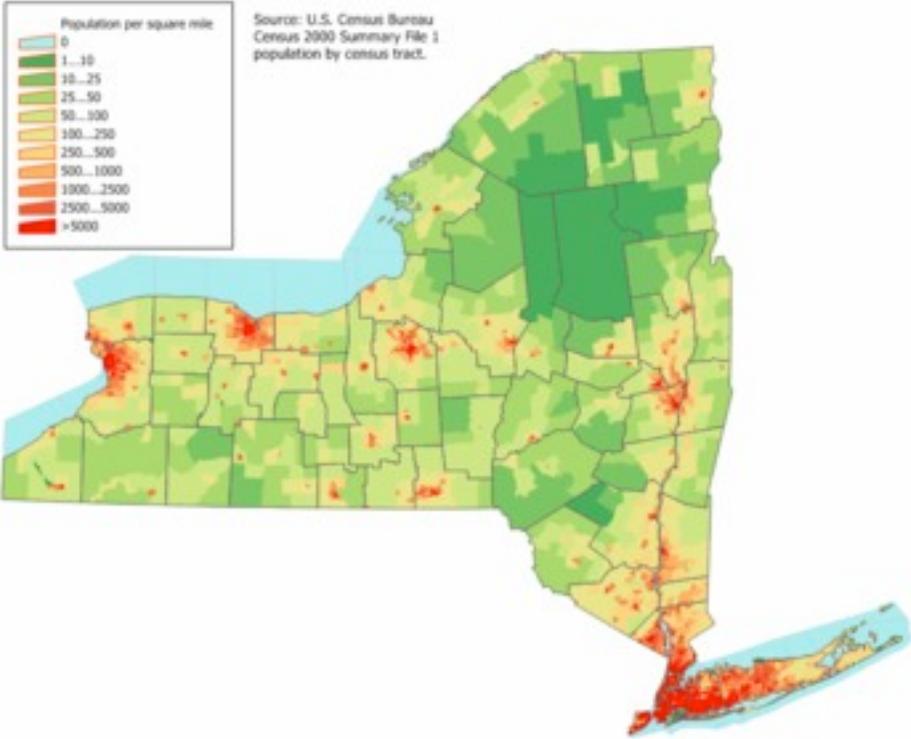
### Location and Price of Land Transactions in the New York Metro Area, 1999 through Mid-2006



Source: Federal Reserve Bank of New York, based on an analysis of CoStar Group data, April 2008.

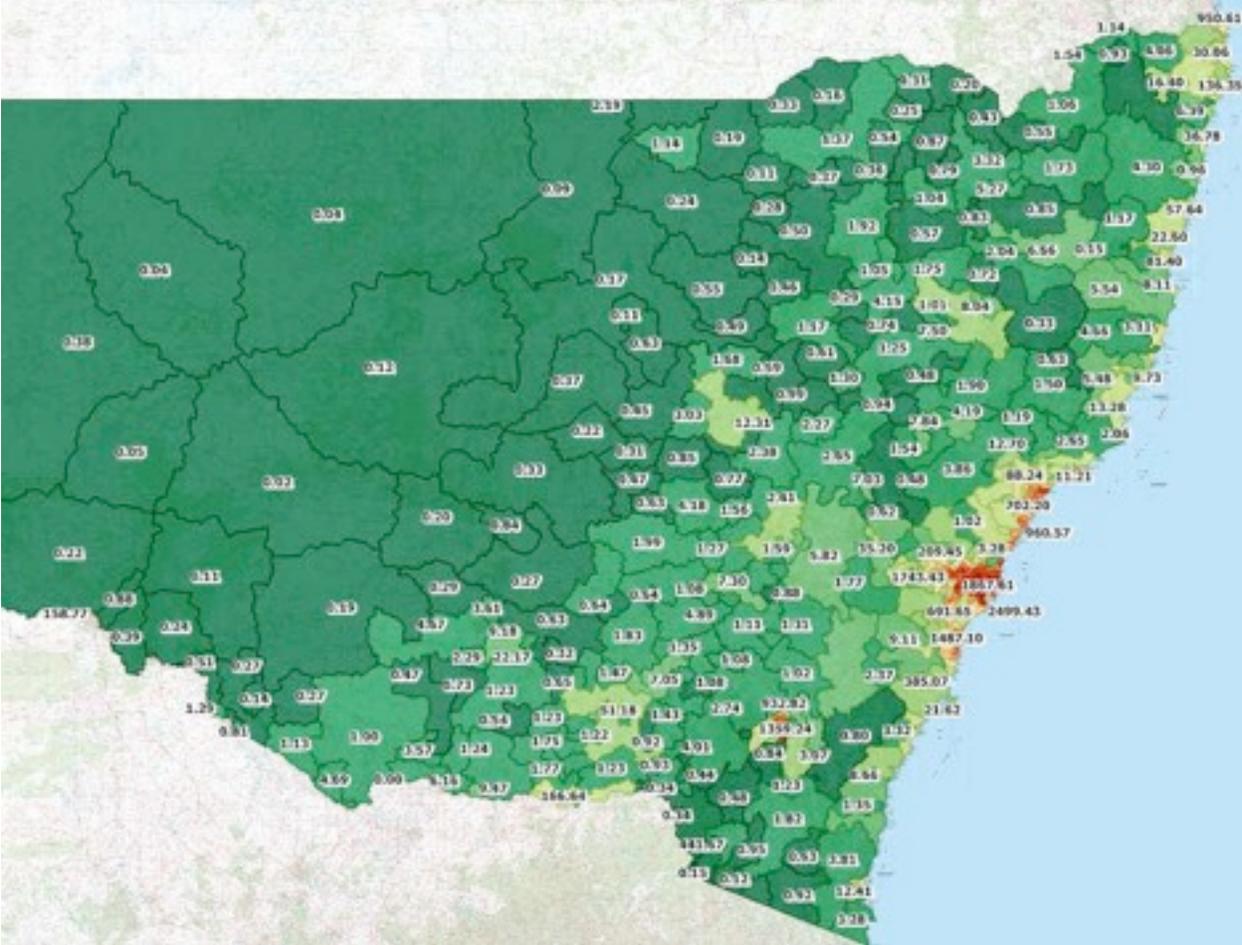
Note: The New York metro area considered is four boroughs of New York City—the Bronx, Brooklyn, Manhattan, and Queens—and ten counties in northern and central New Jersey. Staten Island, the fifth New York City borough, is excluded because transaction data are unavailable.

With some exceptions, land values are normally highest where population density is highest. This map shows the population densities in New York State:



|                            |            |
|----------------------------|------------|
| NYS Statewide              | 19,490,297 |
| NYC MSA:                   | 12,381,586 |
| Buffalo/Niagara Falls MSA: | 1,128,183  |
| Rochester MSA              | 1,030,495  |
| Albany Cap Dist MSA        | 853,358    |
| Poughkeepsie & HRV MSA     | 669,915    |
| Syracuse MSA               | 645,293    |
| Utica Rome MSA             | 294,426    |
| Binghamton MSA             | 246,426    |
| Kingston MSA               | 181,860    |
| Glens Falls MSA            | 128,886    |
| Ithaca MSA                 | 101,055    |
| Elmira MSA                 | 88,015     |
| All Other localities       | 2,010,799  |

To better compare the land value map of New South Wales with its population density, see the map below:



Since most of the population density is in the region of Sydney, the map below shows its population and settlement configurations, interestingly compared with transportation services. This map is shows about 100 kilometers across, alternatively about 60 miles.





Once the parcels were plotted, both upstate and downstate (making use also of the NYC study already done) it should be easy to approximate the total land value for the whole state of New York, as well as map its profile. Given the size of the population there are likely to have been a far higher number of transactions than was the case in NSW, Australia. And using GIS techniques such as krigging and spline, the profile of land values for the whole state should be easily possible.

Having that data, and knowing the current total revenue from property taxes statewide, it will be easy to plot the feasibility of a separate statewide land value tax (LVT). A statewide land value tax is the most feasible solution to New York's present fiscal crisis, which looms large over the next several years.

The argument for a statewide land value tax is not just the need for revenue. An LVT makes sense not only because of its perfect conformity with the principles of sound tax theory; it also can remove the deadweight loss that now burdens much of the NYS economy. Lastly, if it were also to supplant the existing property tax regimes now supporting local governments and schools, it would further spur the revitalization of the NYS economy in ways that both economic theory and available empirical studies now have demonstrated.

The cost of doing such a study is likely to be nominal. The data exists and the opportunity is ripe. Before another legislative session looms on the horizon, this analysis should be done. Next year, there won't be another \$6+ billion bailout to balance the State's budget. No other tax can so easily be borne by the State.