

## Noticed in New Mexico

Thanks to the promotional efforts of CGO Vice President Alanna Hartzok and Albuquerque geist John Hooker, news of the CGO conference got into three local venues. In an article for *New Mexico Business Weekly*, Megan Kamerick described the event, and quoted Josh Vincent extensively:

*The property tax system in New Mexico sends a message of waste. There is little impediment to continually expanding roads and water farther and farther from the city.... New Mexico is 49th in the country at its level of property taxation, and the state's municipalities rely heavily on gross receipts taxes. Land value taxation, which taxes land at a higher rate than improvements such as buildings, could work well for an area in redevelopment like East Downtown, he said, because it would encourage those holding underutilized land to do something with it.*

The University of New Mexico's community radio station, KUMN, aired a five-minute interview with Josh Vincent, Alanna Hartzok and UNM Economist Lee Reynis, on July 27th. Vincent described the opportunities for wholesome "infill" growth that Albuquerque is so clearly missing by keeping its property tax rates so low and refusing to place holding costs on urban land-hoarding. Hartzok discussed the local-to-global spectrum of natural opportunities whose rent can justly be taken to provide for human needs. Dr. Reynis described how reliance on the gross receipts tax made New Mexico dependent on new construction and sprawl. However, she noted that many New Mexicans were "land-rich but cash-poor", and that their reluctance to accept property taxes had much to do with memories of lands being seized for nonpayment of taxes. Hartzok added that when land values are properly assessed, and LVT is phased in gradually, such drastic dislocations will not result.

John Hooker, former mayor of *Los Ranchos de Albuquerque* and a candidate for the state senate, contributed a report on the conference to the newsletter of the Association of Professional Architects. Briefly describing Henry George's reform proposal, Hooker went on to say:

*The US has moved in the opposite direction with the advent of neoclassical economics and the faith that land is just another capital asset, like a machine or an office building. New Mexico has followed South American tax policies farther than most other states, and has almost the lowest property tax rates in the US, and a relatively broad gross receipts tax on sales of goods and services.... The government should not "punish" landlords for improving their property to the highest and best use of a parcel. They should simply tax the land on the basis of the famous dictum that value is based on "location, location, location!" and its resultant market value.*

**GJ**