

In the News...

Computer Assessing

A pilot program to produce equitable and up-to-date property assessment has been undertaken by the Town of Ramapo in upstate New York. It involves the use of a computer to do not only the clerical work but the calculation of the assessments.

Every property in Ramapo will be assessed every year by the computer. This is expected to have the dual effect of keeping the tax rolls current and preventing the kind of disparities that are all too frequent under current systems of assessment.

Present figures on the rolls are almost a decade old. Moreover, the assessments are not a full market value. Although the computerized system will bring the assessments to a full market basis — from in some cases 30% or less of current market — taxes are not expected to increase uniformly because rates will be lowered. This assumes, too, that the town's budget will remain close to what it is today.

One result of the program, however, will be greater fairness in the collection of revenue. The computer can do many more calculations and can handle many more variables. In addition, the use of full market value makes it more difficult for variations and inequities to be hidden.

One of the further advantages claimed for the use of the computer is that it is a more economical method of assessment. Apparently, however, it has occurred to no one that assessing the land alone would be even more economical and would make inequities even more difficult to perpetrate.

Rising Value

A near doubling of the property base in the decade from 1961 to '71 was reported by the Commerce Department. The assessed value of property — that's land, improvements and personal property where taxed — was put at a whopping \$718 billion in 1971 as compared with only \$367 billion ten years earlier. Real estate — that's just land and buildings — was said to comprise some 80% of these totals, but was considered to have risen about 105% in the decade: \$553 billion in '71 vs. \$270 billion in '61.

What is most discouraging about the report was that property tax revenue as a proportion of all state and local revenues was actually smaller at the later date. The property tax accounted for 40% of non-

federal revenues in '71 as compared with 46% ten years earlier.

Unnatural Shortage

The nation's shortage of fuel — or at least shortage of fuel available in the marketplace — has caused considerable conversation and even some consternation.

One party to the conversations has been the fuel suppliers. Mobil has even taken to using advertising space to relay its message. The oil company refers to "the unnatural gas shortage." "The nation has drifted into a critical shortage of natural gas; the cleanest-burning major fuel and one of the most convenient," the company says, "Ironically, the shortage is man-made. Made by the U.S. government, in fact."

Citing the numerous instances of gas shortages, industrial curtailment that results from it and other inconveniences, Mobil says all this trouble is downright unnatural because there's plenty of natural gas available for the extraction.

The real trouble, according to the company, is that the federal government has been regulating the price of gas at the well since 1954. The consequence has been artificially low prices for this resource and resultant increased demand pressing against curtailed supply — curtailed because it is uneconomical to find and extract it at the price allowed.

Inasmuch as the producers appear willing to lease drilling sites on the outer continental shelf under the ocean, the company's position seems reasonable enough: "the federal government can proceed with outer continental shelf leases and can overhaul a system of price regulation that has boomeranged spectacularly, to the great detriment of the consumer."

How Much an Acre?

New York State is struggling to determine the average price of an acre of farm land within its borders. As all averages must be, this one is a discomfort to everyone. The farmers think it's too high and their city neighbors consider it too low. The figure for 1972 was \$344 an acre. Adjacent New Jersey, however, has an average acre value of farmland of \$1,409 (highest in the nation) and Connecticut of \$1,200. The problem of setting a figure is acknowledged to be a very tough one — maybe because they can find no way of separating the demand for land use and the demand for land speculation.