

Legislators study land-value tax in Suffolk county NY

Property taxes should be based on the market value of land, not buildings, said county legislators Martin Feldman (D - Dix Hills), Michael Grant (R,C - Brentwood) and Anthony Noto (R,C - Brentwood). They explained that their proposal would institute "land-value taxation" in Suffolk. The plan would generally increase taxes on undeveloped land and decrease taxes on developed land because less emphasis would be placed on buildings.

Feldman indicated that about 140,000 — or about 30% — of the county's 464,000 acres are vacant.

Under the plan, assessments would not increase when improvements or additions are made. Assessments would increase only when the market value of land — as reflected in comparable sales — increased. But, the legality of this provision was unclear. State law now requires assessors to compute taxes on "the value of the land and any improvements thereto," according to Edward Sullivan, Brookhaven town assessor.

They write letters

Pittsburg Georgists campaign for higher taxes on land — and lower taxes on capital and labor

Like Paul Revere waiting to see if the invasion would come by land or by sea, Pittsburg is waiting to see if the tax increase will come by land or by wage.

JOHN ZINGARO

The average homeowner would be better off, since he would pay \$91 with the land-tax increase and at least \$165 more with the wage-tax increase.

STEVEN CORD

It seems to me preferable to increase the tax on the value of land which gives its value from its location, and hence the efforts of others, rather than increase the tax on the earnings of workers or the improvements on land, which are the result of the labor and capital which creates

EDWARD H. SCHOYER

Of course, this should be gradual, to give time for planning by those who have innocently invested small savings in land — though, as Coyne pointed out, those over 65 have considerable exemption from such taxes, and land taxes would fall chiefly on valuable locations.

JOHN WEAVER

The property tax is in reality two taxes : a tax on land and a tax on buildings. Councilman William Coyne has proposed that the \$29 million be raised by increasing the levy on land. Thus the owners of buildings and homes will not be penalized for remodelling, renovating, or improving the buildings on their land while owners holding their land for speculation will find it less profitable to leave it unused. . . .

MARIAN S. HAHN

It has long been known by knowledgeable persons throughout the United States that our present tax laws subsidize the misuse of land, reward speculators with exorbitant land prices, discourage the upkeep and improvement of much of our housing supply, and penalize individual initiative.

WILLIAM SCHLENKE

Without a tax increase, lessening the tax penalty on building and shifting it to land encourage construction of all kinds and employment in the building trades. It reduces the tax bite on the average home owner and transfers this to large landholders and speculators.

Even given a tax increase, the trend is desirable. If carried to its logical conclusion of no taxes on buildings and all on land, this policy would contribute substantially to prosperity in Pittsburg.

WILLIAM T. SCHOYER

I am sure that land speculators are going to protest land value taxation but they should not complain since the federal government gave them a break on capital gains. Only 40% of their land-sale profits are taxable.

ROBERT E. KENNEDY

"Right now 90% of an assessment is on the improvements and 10% is on the land," said Feldman. ". . . Land-value taxation stands alone as a long-overdue means of truly bringing tax relief to the average home-owner because it casts an entirely new light upon — ownership and improvement of private property."

But County Executive John V.N. Klein said he believed land-value taxation would rearrange but not eliminate the tax burden. "There's the problem of provoking an abandonment of vacant land in enormous proportions (because of increased taxes)," he said. "The county would wind up owning it."

The three legislators said they intend to ask the county legislature to spend \$30,000 to analyze the impact of land-value taxation on taxes.

However, Feldman had already commissioned — back in October, 1977 — the New York Center for Local Tax Research to study the effect of the taxing method on the Huntington portion of the Half Hollow Hills school district. The Center's study concluded that 80% of homeowners would pay lower taxes if their land was assessed at full value. The average tax bill for developed land would drop from \$1,728 to \$1,499 while the bill for vacant land would rise from \$125 to \$480.

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