

Loosening the Real Estate Market

VANCOUVER'S LVT study begun two years ago by the town planner, Franklin A. Wiles, an associate of Mary Rawson (see Dec. HGN, 1964), a detailed research work carried out with the cooperation of the city's assessing and processing departments, has now been published.

Although the subject is complex it has been presented with diagrams that easily illustrate the difference in distribution of land-plus-improvements, assessment ratios, and the redistributed tax burdens under LVT.

About 220 percent of properties would benefit from a change to land value taxation. These represent valuable buildings where the ratio of total value to land value is high and where the present tax system penalizes good improvements. About 20 percent of relatively valuable and under-used

properties would receive tax increases of approximately 200 percent, but these increases would occur only where improvement values are low in relation to market trends.

In *Land Development and Taxation in a Central Commercial Zone*, the author concludes that the increased incentive to invest in buildings as a result of removing improvement taxes, coupled with the increased tax incentive to use land productively, would result in a much needed loosening of the market in downtown real estate.

"The way we levy taxes should depend partly on whether we want to destroy initiative and constructiveness ... or their opposites," says Mr. Wiles. "The central commercial zone of Vancouver, and apparently a good many other cities, could do with a dose of constructive taxation."



The tax movement may be moving into a new phase. Here and there women are becoming aroused and thoroughly trained in the tax field. This could mean that many more women will come to see injustices that have long gone unchallenged. If the time ever comes when women's organizations unite on this reform issue, there may be many more changes like the recent "upset" in Sacramento County, California.

Dr. Irene Hickman, campaigning for assessment reform, became the new County Assessor in their recent primary election. She has been active in the HGS and Statewide Homeowners Association, and as reported in the January HGN she filed two suits charging unequal taxation of identical properties. From the public interest engendered in that action and from seven years of "fighting city hall," she felt impelled to enter the race. She attributes her victory to general disfavor with assessors and the fact that "an army of women worked for her."

Carrying on a positive campaign exposing inequities, especially those favorable to speculators with undeveloped lands, Dr. Hickman made a pledge to all campaign donors that if she won she would return their donations, and she expects to return about \$3,000. She will be a speaker at the annual conference of the Henry George School at St. Louis in July. The conference will be covered in two issues of HGN: August and September.