

May-June 1981

### Lower Homeowners' Tax Suggested

Nassau County homeowners could pay lower property taxes under optional tax policies analyzed by the Center for Local Tax Research in a report to the N.Y. State Legislature.

Nassau County, with over 4,000 parcels of real property, is the second largest jurisdiction in New York State, after New York City. The Nassau Citizens Budget Committee, which monitors the county budget and expenditures, published the report prepared with data from the County Assessor.

Under full value assessment, it was found, the homeowners' bill, would go up, on the average. But shifting the full value burden to the land or to the land value plus the current value of the improvement, would provide lower tax burdens than currently borne by homeowners.

Four alternatives were examined as viable policy options:

- a) full value of total property
- b) full value of land only
- c) full value of land and current assessed value of improvement
- d) full value of total property with a homestead exemption for one and two family dwellings

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### New Boston School Opens

The Henry George School of New England has opened facilities at 80 Boylston Street Room #1106, in Boston. Telephone 617-451-0458. Director Mitch Chanelis has scheduled a seminar on Proposition 2 1/2 for May 28. Classes will be offered on three Wednesdays in June. The School will also serve as a clearinghouse for anyone from the Boston Area who needs transportation information or assistance to reach the Conference in New Hampshire.

### '81 Conference: July 9-12 in New Hampshire

The 1981 Joint Georgist Conference (the first ever in New Hampshire), will take place on the campus of Franklin Pierce College in Rindge, from July 9 to July 12.

The conference will occur at a critical juncture in the fiscal history of New Hampshire according to Richard Noyes, editor of the Salem, N.H. OBSERVER. A report on recent developments in that state will open the conference.

Among the featured events scheduled are a debate on Reaganomics and an address by Robert Wood, former Secretary of the U.S. Department of Housing and Urban Development, at the Annual Banquet.

The Franklin Pierce College campus, located in the Southwestern part of the state, is surrounded by lakes, mountains, and forests. Transportation by plane, bus, or train is available to nearby Keene. A complete conference schedule, registration blanks, travel schedules and other information are on pages 3 and 4 of this issue.

## **Scrofani Asks: "Who Owns the Land and Minerals?"**

Robert Scrofani, Director of the San Francisco school, has assembled a 25-page booklet, "Who Owns the Land and Minerals? What Difference Does It Make?" based on a 1,800 page report by the Appalachian Land Ownership Task Force.

The report points out that "despite the land and mineral wealth of Appalachia, the region's local governments remain poor. Part of the reason lies in the failure of the property tax system to tax the region's wealth adequately and equitably". Equitable tax administration in Appalachia would generate \$8 million in Eastern Kentucky alone and a total of \$16.5 million more a year in the 80-county study area.

The report, described as the most detailed survey ever of monopoly and absentee land ownership in Appalachia, was prepared by a group of scholars and volunteer researchers who found that only 1% of the local resident population owns tracts larger than 250 acres, holdings that make up 10% of the 80-county area.

The Appalachian Land Ownership Task Force conducted the two year study which was financed by a grant from the Appalachian Regional Commission, a coalition of the Federal and 13 state governments located in Washington, DC.

The summary of the report examines the enormous land holdings of such concerns as the Pocohantas-Kentucky Corporation, a subsidiary of the Norfolk and Western Railway that is described in the report as the "largest landowner in Eastern Kentucky". According to the report, "corporate entities own at least 4,340,142 coal-rich acres of Central Appalachia". Other landowners holding more than 100,000 acres include U.S. Steel, Georgia Pacific, and Bowater Corp. of London.

## **Urban Workshop Celebrates Tenth Year**

Students from eighteen High Schools in the New York City metropolitan area participated in the Tenth Annual Urban Workshop at the Henry George School on May 21.

The program focused on economic problems of the Metropolitan Region. The morning session was devoted to a panel comprised of Presidents of manufacturing firms who spoke of the difficulties and advantages of conducting a business in New York. Representatives included Charles George, President of Lee Myles Auto Parts Corp., and Rita Paleschuck, President of Flair Manufacturing.

During the afternoon session, Philip Finkelstein, HGS Director and Dr. Albert Alexander, Executive Director of the New York City Council of Economic Education, co-sponsor of the workshop, discussed key economic problems of the region, such as energy, air and water pollution, transportation and land use. Fryda L. Ossias showed a filmstrip on land use.

## **Lower Homeowners' Taxes**

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The average real property tax on one or two family dwellings will be less than the current tax under two alternatives—a tax only on the full value of the land or a tax on the combined full value of the land and the current assessment on the improvement. For one family homes, taxes will average lower in 62 of the 70 school districts examined under the first alternative and lower in 60 under the second. Under the homestead exemption alternative, the burden for homeowners, on average, is less than under a full value property tax, but greater than either the other alternatives.

The options selected are all within the range of legislative possibility and, it is believed, constitutional and judicial standards. All of the policy options examined would have a higher claim to legitimacy than the current assessment practice which has been under broad attack by taxpayers, the courts, state and local governments, and almost all observers and scholars, the report states.