

Urban Renewal and Land Values

RUSSEL CONKLIN has been entering into the urban renewal debate in Great Falls, Montana, where there has been a great deal of talk about federal money. He has been asked to present his LVT material to the tax committees of the Chamber of Commerce and Democratic Legislative Council, and newspaper reports indicate a state-wide interest in the advantages claimed for the single tax.

As County Auditor and former State Representative, Mr. Conklin is vitally interested in his city and state—he has repeatedly urged putting the tax on land instead of on buildings to encourage new building and new industry. The federal government will not have enough money to rebuild all cities, he warns, but self interest is a powerful economic stimulus, and it can be encouraged by passage of a constitutional amendment for land value taxation.

Mr. Conklin is a former teacher and a frequent visitor at the Great Falls High School. After a recent talk there he was told by the principal that LVT was being discussed in the teachers' lounge. Both teachers and students now can speak with more authority on matters of taxation, with particular reference to their local situation. This has opened a broader area of learning and civic awareness.

He advocates a single real property tax that assesses the market value of lands irrespective of improvements, and would scrap income, sales and personal property taxes in favor of this single levy. He presents the single tax as an incentive for day by day urban renewal.

The Henry George Foundation of America, at 417 Grant Street, Pittsburgh, Pa. 15219, is conducting a campaign to aid city and urban renewal and officials in redevelopment programs, and it is asking for funds to help fi-

nance the cost of the materials offered free of charge.

Wide interest has been aroused with the series of letters written by Dr. Steven Cord of the State University at Indiana, Pennsylvania. Recently a request was received from the Chambers of Commerce of Pennsylvania, asking for a presentation of Land Value Taxation at their convention in June.

Earlier issues of HGN have revealed the direction taken by Dr. Cord's letters describing LVT. Recent letters have focused on actual results where site valuation has been adopted, along with an impressive battery of evidence from experienced sources. Detailed tax studies are available for all who request them.

In Australia and New Zealand, where the shift to LVT can be made only by a majority vote of the landowners, it is pointed out in the letters that it is the owners who have supported it. In South Australia the rules for its adoption require a vote of three fifths of the landowners, and they must constitute at least half of the total number of all landowners, including those who don't vote. In spite of this rigid requirement, a third of the population of South Australia live in LVT districts and have no desire to return to the outdated tax method. One community reported a building wave two years after adoption of site value rating, despite a general recession in the building industry at that time—furthermore, it won the Victoria State government's triennial contest for the most improved town.

In New Zealand the story is much the same—"it spreads like a grease spot." One reason given for the political success of this movement is that LVT usually results in immediate tax reduction for 80 to 90 percent of homeowners. The economic improvement which follows is of course agreeable confirmation of their good judgment.