

## **REGRESSIVE TAX SYSTEM NEEDS CHANGE**

by Hamlet Hilpert, Centralia, WA  
The Chronicle, April 3, 2001

Brian Mittge's recent report on the Lewis County Commission meeting concerning noncompliance with the Growth Management Act proves that Rep. Joyce Mulliken asserted correctly a year ago that the GMA is not working.

In her report, published in The Lewis County News on May 3, she wrote that the GMA has:

- \* created stress on existing water, sewer and road facilities and expenses for local governments.
- \* forced many people who work in King, Snohomish and Pierce counties to move their families to Kittitas, Whatcom and Skagit counties and other ourlying areas.
- \* contributed to traffic congestion.
- \* contributed to a staggering 34 percent increase in residential lot prices.
- \* done nothing to relieve the double-digit jobless rates in Adams, Columbia, Pend Oreille and Stevens counties.

Also, property owners have not been allowed to develop or use their own land because of GMA restrictions, and those restrictions have forced people who want to build homes or expend businesses to wait up to seven years to get all necessary permits.

In my opinion, the GMA is the worst piece of asinine legislation foisted on Washington cities and counties since 1889.

It forces them to resolve the problems of urban sprawl and decay without the authority and financial support necessary to correct the regressive tax structure (an upside-down property tax) and flat utility rates that are the cause of urban decay and sprawl.

The property tax (a levy at a single rate on land and buildings) penalizes every property owner who builds, improves or maintains his property, but recovers for the community only a fraction of the enormous community investment in infrastructure, public services and schools that is capitalized in land values, and enables slum lords and land speculators to get richer while they sleep.

Washington legislators should look at the experience of Pennsylvania cities such as Pittsburgh, Harrisburg, McKeesport and others that are enjoying urban renewal because they have adopted a split-rate property tax. They have reduced the tax on property improvements  
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but increased the tax on land sites to maintain the same amount of revenue.

The capital, Harrisburg, once was plagued by 4,000 deteriorated or abandoned properties, but since adoption of a split-rate property tax has experienced redevelopment of 90 percent of those sites.

English author Charles Dickens described Pittsburgh 125 years ago as "hell with the lid off." Today, it is one of the cleanest and livable of American cities. It tax{d} land sites six times the rate levied on buildings.

Washington city councils, county governments, chambers of commerce, and environmental organizations should get on legislators to revise this state's regressive tax stucture to tax things and activities we don't want instead of taxing people and business enterprises for doing what they should--being productive.