

NEW YORK CITY VALUATION

We have received the Report of the Commissioners of Taxes and Assessments of the City of New York for the year ending March 31st, 1919. The Report gives particulars of the city assessments as on January 1st, 1919, and the statistics are of much interest in view of the greatly growing agitation in this country for the rating of land values. Questions are often asked as to what rate in the £ would be necessary in this or in that British city if the local revenues were derived from land values alone, and there can be no reply save one based on an estimate of the land value of the city. The New York Valuation serves as a useful criterion for any such estimate.

VALUES IN NEW YORK

The following table gives the aggregate capital values of the land, improvements, real estate of corporations, special franchises, and taxable personal estate in the five boroughs which constitute the City of New York. Dollars have been converted into pounds sterling at the normal rate of 4.87.

1919	£	Thousand Dollars
Ordinary Real Estate:—		
Taxable Land	934,427,400	4,550,661
Improvements	662,248,000	3,225,148
Real Estate of Corporations	49,862,900	242,832
Special Franchises	84,123,500	409,682
TOTAL REAL ESTATE	£1,730,661,800	\$8,428,323
Taxable Personal Estate	£74,417,400	\$362,413
Total City taxes for the year (on real and personal estate)	£42,194,200	\$205,487

Calculation shows that the ratio of land value to total value of land and improvements in the case of ordinary real estate is as 58.52 to 100.

The estimated population in 1919 was 6,006,794.

RATE OF TAX

The rate of tax in 1919 on real estate varied from 2.32 cents in the dollar in Manhattan to 2.41 cents in Richmond. Taking the aggregate amount of real estate taxation imposed for municipal purposes (\$197,050,946) the average rate for the whole city was 2.34 cents in the dollar—corresponding to 5.61d. in the £ of capital value, or (at 5 per cent.) to 9s. 4d. in the £ of annual value.

THE GROSS LAND VALUE

The figures of "taxable land" represent the *selling* value of land, which is its true value diminished by the taxation imposed. The following table is an attempt to discover what the true value is—namely, the selling value *plus* the taxation imposed. We include the land value of real estate of corporations, figuring that at the same ratio (58.52 per cent.) as the land value in the case of ordinary real estate; we add also the value of special franchises, which in their nature are land value. The totals are aggregated and 5 per cent. is taken in order to arrive at the annual land value, to which is added the taxation imposed, the average rate being 2.34 per cent. Only such part of the taxation as is proportionate to the assessed land value is considered, leaving in dispute the question as to whether taxes on improvements (and

taxes on personal estate) either immediately or ultimately fall on the value of land.

1919	£
Assessed land value of ordinary real estate	934,427,400
Computed land value of real estate of corporations	29,179,800
Special franchises	84,123,500
TOTAL VALUE (A)	£1,047,730,700
Equivalent annual land value	£52,386,500
Taxes paid on (A) at 2.34 per cent.	£24,516,900
GROSS ANNUAL LAND VALUE	£76,903,400

If the above calculations may be justified, it appears that the gross annual value of the land of New York City is £76,903,400, which exceeds the total sum of taxes collected (on real and personal estate) by £34,709,200.

The gross annual land value above calculated is equivalent to a gross capital land value of £1,538,068,000.

Besides the real estate subject to taxation, the Département gives the figures of the value of exempted real estate—property of the U.S. Government, State and Municipal property, Churches, Colleges, Hospitals, etc. This exempted real estate is valued at \$2,249,451,981, and if (as before) the land value is taken at 58.52 per cent., the value of land exempted from taxation is \$1,216,379,300 or £249,769,000. Add that to the gross capital land value already ascertained, and the aggregate land value of New York City appears to be £1,787,837,000.

SUMMARY BY AVERAGES

All these immense sums are difficult to grasp; for the sake of comparisons with other cities they can be more usefully stated in averages per head of population, as follows:—

AS ASSESSED FOR TAXATION	PER HEAD OF POPULATION
Land value of ordinary real estate	£155
Land value of real estate, ordinary and belonging to Corporations	£160
Land value of all real estate and of special franchises	£174
WITH TAXATION ADDED	
Gross annual value of land	£12 16s.
Corresponding gross capital value	£256
Gross capital value of land including the land value of exempted real estate	£297
Total annual sum of municipal taxation	£7

The ratio of land value to composite value of land and improvements is as 58.52 to 100.

—A. W. M.

Fred Skirrow writes: "I received a sub. last night from an old friend, 82 years of age, who has recently given up work as an out-door labourer. He had been reading the current issue of LAND & LIBERTY, and sent his son to me with 3s., with the message that this was the kind of thing we want. 'Keep Your Eye on Paisley' is good stuff. It is many a day since I read anything I liked so well."