

L. P. CUSTER.

(See Portrait)

L. P. Custer was born at Dublin, Wayne County, Indiana, August 20, 1854. He didn't receive a college education or much of any technical education, having been permitted by his father, at the age of fourteen, to quit school and enter the local railway station as an all-around hustler and general utility boy, with the promise of being taught telegraphy. He was taught by doing nearly all that was to be learned of telegraphy, and in due time emerged as a full fledged operator, with more or less knowledge of the art, and soon started on his career in the service of the "Panhandle" railroad, at Cambridge City, Ind., in the fall of 1869.

As with the average man who has not had an elongated, parted-in-the middle name and a coat-of-arms from a cabbage patch ancestry conferred upon him, by which he might secure entry into the first families of aristocracy and graft, his life passed without particular incident until one day in the summer of 1885, while he and half a dozen other Knights of Labor were sitting in the office of the *Labor Signal*, in Indianapolis, discussing politics and political economy, one Gilbert Seibert, who subsequently moved to Seattle, gave utterance to this sentence: "Prof. Ridpath, (then Principal of what is now known as Depauw University) says Henry George is the Moses of the nineteenth century." There was nothing startling in the statement, but it served to bring into the field a working disciple, who has remained constantly on guard, doing what he could, to spread the gospel of truth. Theretofore, although he had frequently been a listener to Seibert and others on the land question, no impression had been made, but this utterance seemed to have touched the right chord, and when the party broke up, Custer sought a book store, purchased a copy of "Progress and Poverty," and that night read "The Problem." From that time dates his conversion. He was one of the six who organized the first Single Tax organization in Indianapolis, and he served as an officer of the League for the greater portion of its existence, previous to his departure from that city in 1890. In 1891 he joined the St. Louis Single Tax League, and has served at one time or another as president, recording secretary or financial secretary, which latter position he now holds. Mr. Custer is an employee of the Western Union Telegraph Co., holding a subordinate official position. The superior officers know of his "crankiness" and seem to think he is a pretty good fellow and entirely harmless.

We can all turn a nice phrase about the nobleness of honest toil. Yet, when a man fails as a merchant and becomes a street-car conductor, we commiserate his fall.

Rev. HERBERT S. BIGELOW.

LAND VALUES OF NEW YORK.

A STUDY OF THE LATEST REAL ESTATE ASSESSMENT LISTS.

(For the REVIEW.)

The real estate assessment lists for the city of New York have been issued, showing the assessed value of each parcel of real estate, with the land value stated separately, also the size of lots, height of building, owner's name and location. These lists can be bought at the City Hall separately for 25 cents each, one for each section or ward; for Manhattan the total cost is \$2.00, and for the entire city \$10.50. Every resident interested in taxation should have at least the list for his section.

As the land values are stated only as a basis of comparison and do not affect the tax, the figures have not always been changed when a reduction has been allowed. Nor are all the volumes added up, while some totals include exempt land. It is impossible to give the exact assessment of land value, without examining the tax books and adding the entire roll. However, the total can be computed within \$20,000,000, and the following table gives in round figures the taxable land value at the lowest estimate, (which is probably within \$5,000,000 of the exact amount) and the percentage to the total assessment of taxable ordinary real estate.

Manhattan Boro.	\$2,410,000,000	69 percent.
Bronx	150,000,000	67 "
Brooklyn	400,000,000	47 "
Queens	70,000,000	57 "
Richmond	20,000,000	48 "
New York City	\$3,050,000,000	62 "
Improvements, estimated,	\$1,681,000,000.	

(The value of improvements is not officially stated, but is computed here by deducting the land value from the total realty.)

The most valuable sites are in Manhattan, as is also most of the high value land, and the assessments for that borough correspond to those for the central portion of a large city, while Brooklyn is largely a residential and manufacturing section. In Brooklyn, were it not for the vacant land, the percentage of land value would probably be only 85 percent.)

Besides the above sum there are about \$100,000,000 of improvement values included in the special franchise assessment. If all improvements were exempted from taxation, the present total assessment of all taxable property for 1904 of \$5,640,542,657 would be reduced to \$3,858,762,963.

To raise the same amount as at present the tax rate would have to be changed as follows (omitting decimals):

	Present rate.	New rate.
Manhattan and Bronx	1.51	2.21
Brooklyn	1.57	2.35
Queens	1.57	2.31
Richmond	1.50	2.37

(Variations between boroughs are due to county expenses. City expenses are paid from one treasury.)

To state the change in another way: Every property owner whose land value is less than two-thirds of the total value of his real estate will be benefited. Every owner whose land is only one-third of the total value will pay but one-half the amount of tax he now pays.

Land in Manhattan, which contains about 22 square miles, has become too valuable to be used for private dwellings, except costly ones. The cheapest city lot at street grade, 25x100 feet, is worth \$3,000 to \$4,000. Consequently many of the older dwellings are occupying such valuable land as to be themselves practically valueless. There are rows and rows of houses where the assessments run \$8,000 for the lot and \$9,000 for the total value, when the building could not be reproduced for \$4,000. On other rows off Fifth Avenue land is assessed as high as \$60,000 and the total only \$65,000. Were improvements exempted, owners of such poorly improved property would be encouraged to put up buildings suited to the site.

Lower Fifth Avenue, changing from residence to commercial use, affords a striking illustration of the extent to which improvers pay the taxes of non-improvers. Adding all properties in four blocks (18th to 22nd Streets) shows these totals for the two classes of property:

	Recently improved.	Old improvements.
Land value	\$5,980,000	\$4,007,000
Improvement value	4,495,000	806,000
Present taxes	158,528	72,840
Taxes under exemption	132,148	88,554

Although these recent improvements are fine modern 8 to 14 story buildings, they do not in the aggregate or in individual cases equal the value of the land on which they stand (with one exception that is only a trifle more valuable.)

Likewise the finest office buildings, department stores, and Fifth Avenue residences with rare exceptions, do not equal the value of the site on which they stand. Here are some typical high values:

	Land.	Building.
Empire Building . . .	\$2,050,000	\$1,700,000
Flat Iron "	1,500,000	1,200,000
Hanover Bank	1,985,000	1,015,000
R. H. Macy & Co.	3,500,000	2,800,000
Stiegel & Cooper	2,600,000	1,500,000
864 Fifth Ave., res..	750,000	400,000
973 Fifth Ave., res..	160,000	100,000

And here are a few contrasts:

Broadway & Wall,		
4 story	530,000	5,000
Boreel Bldg., 8 story	2,414,000	390,000
Fifth Ave. Hotel . . .	4,000,000	500,000

This article is written as the REVIEW is ready to go to press, and space does not permit more detailed instances of valuations of business properties. But everyone is interested to know how small homes will be affected by proposed changes in tax rates. The following assessments are typical of large areas unaffected by abnormal speculation, and show various classes of homes in Brooklyn, with the amount of the tax now paid and the amount which would be paid were improvements exempted;

Street.	Land.	Bldg.	Present tax.	New tax.
Troy	\$340	\$2,460	\$44	\$8
59nd Street..	80	2,400	50	19
Moffat	800	3,000	60	19
41st	700	4,800	79	17
Old flats	1,600	3,900	86	38
New "	1,600	7,200	139	38
New "	3,000	20,000	361	70
Manhattan:				
W. 88th res..	8,000	7,000	227	176
" " "	12,000	18,000	460	266
Old flats	10,000	5,000	227	231
New "	11,000	27,000	575	248

The last items show the only class of "small" houses now being built in Manhattan, and typical flats in which persons of moderate means reside.

Vacant land in the outlying districts is generally under-assessed, sometimes at less than half its value. In Brooklyn the land value of improved property has not always been carefully computed. With an exact assessment of land values it is not unlikely that personal property could be exempted as well as improvements without raising the rate above \$2.25.

But on the whole the work of assessing has been well done, in Manhattan especially, where in most sections the values fixed for real property seem to be from 90 to 95 per cent. of the normal selling values, and the land values have been stated with care and accuracy. Despite some obvious inequalities and typographical errors in the printed lists, the Tax Department must be congratulated on having conscientiously complied with the spirit as well as the letter of the new requirement of separate assessment of land and publication of the lists.

A. C. PLEYDELL.

A man may be unlearned. The word "philosophy" or "ethics" may not be in his vocabulary. Yet he lives and the manner of his life shows his philosophy. What he thinks, that is what he is.

Rev. HERBERT S. BIGELOW.