

LAND VALUE TAXATION APPLIED TO A LARGE METROPOLITAN AREA

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This talk examines the effects of a switch to land value taxation, with the elimination of taxes on improvements and personality, in a major economic area of the United States; Los Angeles County. It is based upon his doctoral dissertation at Claremont Graduate School.

The method consists of a computer simulation of the switch to LVT, and includes all the privately-owned land in Los Angeles County, not just a sample. This is made possible by the use of computer tapes from the county Assessor's and County Auditor's offices. The projected tax rate on land values is made at rates sufficient to raise for each of the approximately 1,800 taxing agencies in the County the identical revenue obtained under the combined real and personal property taxes.

Percentage changes in impact are projected for 90 different types of land use, and 78 geographical subdivisions of the County. Theories of tax incidence and effects are examined to predict resource shifts as a result of the percentage changes in tax impact. Some of the effects of the tax shift are projected for: slums and blighted areas, homeowners, single- and multiple-family residences, the downtown center, industrial sites, etc.

Assessment administration is considered, and the experience of Australian and New Zealand assessment is applied. Tax incidence and capitalization theory is analyzed and applied, as well as the adequacy of revenue under site value taxation.