

HENRY GEORGE NEWSLETTER

Volume 48, Number 2

February 1984

NEW CASTLE REAFFIRMS SUPPORT FOR LVT

New Castle, one of the five Pennsylvania cities to adopt land value taxation, has increased the tax rate on land by 20 percent for 1984.

The 1983 land tax rate of 40 mills has been increased to 48 mills this year, a significant step forward for the area's land tax advocates. Unfortunately, however, the building tax rate of 22.8 mills has also been increased, to 25.8. Yet, while this represents a 13 percent increase in improvement taxes, it is offset by the larger increase in the land tax rate.

Prior to 1982, land and buildings were both taxed at 25.09 mills. So while the new rates show that building taxes have crept ahead of their pre-LVT rates, land taxes have soared a whopping 91 percent.

New Castle's land tax is largely the result of Steve Cord's efforts to win the support of New Castle's Business Manager Bill Tallman. After a five-year struggle to enact the measure, the city is now realizing LVT's benefits: New Castle's economic slump has slowed greatly. It is faring much better than the surrounding non-LVT cities of Sharon and Butler.

In other Pennsylvania developments: Scranton's Mayor Edward McNally has come out in favor of basing the city's entire property tax structure on land values. As reported in a recent edition of Incentive Taxation, Scranton's new development continues to outstrip that of Wilkes-Barre, a neighboring non-LVT area.

The Allentown City Council approved by a 4 to 3 vote a two-tiered property tax system which would have up-taxed land and down-taxed buildings. As promised, however, Mayor Joseph Daddona vetoed the measure. The fifth Council vote needed to override was not to be had.

TRUSTEE LEONARD RECKER DIES

Leonard Recker, a member of the Board of Trustees of the Henry George School for fifty years, died recently.

Mr. Recker was an early financial supporter of the school and was instrumental in establishing the school at its first headquarters on 79th Street. He also developed the notes of the school's first director, Oscar Geiger, which later became the first teacher's manual.

Trustee Lancaster Greene, a student of Mr. Recker's, expressed the school's gratitude for Mr. Recker's service: "Leonard Recker was a prime mover in the Henry George School during its early years and we are indebted to him for what he did."