

Land Tax (Continued)

Citing some local examples, he said: "Throughout the city there are pockets of underassessed land whose value is enhanced by mass transit. Throughout the region there are whole communities whose very existence is determined by public transit access to employment elsewhere, including the city. These are the locational values which must be taxed to justifiably support mass transit on which they depend."

Starting the values created now and in

the future can be captured to support the very facilities that lend them their value, Finkelstein said he could not give firm assurance that the land value increment alone can pay all the costs of mass transit. However, he told the authorities, the Center for Local Tax Research is undertaking a review of assessments and effective tax rates throughout the metropolitan region. This data base, he explained, will enable us to calculate, with some certainty, the incremental values of transit accessibility

as a major factor in land. Our preliminary findings indicate that these values are substantial, he said, they are widespread geographically and, most important, would automatically increase with any improvement in transit usage, accessibility, amenity, and attractiveness.

Not only did the assembled MTA members listen to these remarks attentively but at least one of them expressed privately his interest in pursuing the matter further.

Tried and true suggestion

Among the comments appearing in the press on the court decision for full assessment was a letter to the Times by John H. Thompson of Bellmore, N.Y. who suggested an old, but effective, means of achieving full and equitable assessment.

He recommends that 1) each owner assess his own property; 2) the taxing authority use the owner's assessment for tax purposes; 3) all data be made public, and 4) "anyone may buy any property by paying its owner double the amount of its tax assessment."

Justifying his suggestion, the writer asks, "Who could complain that his assessment is too high? He made it himself. Who could complain that his neighbor's is too low? He could pick up a bargain."

Certainly it is easy to agree that this procedure would answer one of the objections to putting the court's decision into practice. Self-assessment presumably could save a considerable portion of the costs that have been estimated for the task of reassessment. But as suggested, the plan appears to fall somewhat short of the

court's directive. For a self-assessment of property to be too low, it would have to be under 50% of the market value. No one would pay double the assessment for a property if that figure exceeded what the property was worth on the market.

While this often-recommended technique might fill the desire to do the reassessment as cheaply as possible and might go far toward correcting disparate assessments of comparable properties, the suggested plan would not meet the legal requirement of 100% of market value.

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