

## The Single Tax – Yes or No?

**A** BIBLIOGRAPHY of nearly 300 listings of studies on "Open Space Land, Planning, and Taxation," has been prepared by the Urban Land Institute for the U. S. Department of Housing and Urban Development.

In a foreword by the Assistant Secretary for Metropolitan Development, Charles M. Haar, it was noted that property taxes are forcing the sale and development of urban lands in low density uses, as in the case of the "urban farmer." But as there is little evidence to document this it has been difficult to separate the impact of taxes from the upward trend of land prices in urban areas.

The bibliography is a guide to the literature bearing on this general question and is the first of a two-part study on the role of taxation in urban space preservation.

The Research Director of the Urban Land Institute, Jerome P. Pickard, said this review was designed to fill the need of many researchers concerned with problems of open space taxation and related subjects. There is a brief section on site value taxation, with the statement that "proponents of this theory claim it as the answer to modern urban problems, whereas opponents claim that it will develop distortions in the tax base and the spatial pattern of urban areas, and violate the ability to pay principle."

This objective report continues: "There is a definite effect on the land market. The overall demand for land drops and consequently so does the price. Landowners, a few of whom are speculators, will see personal gain eroded. Politically it is not attractive. Assessors recognize the inadequacies of appraisal techniques in the valuing of land.

"It is claimed that site value taxation

encourages new construction to replace old improvements. The pattern of development is affected. A more built-up pattern is economically determined. There is reduction in sprawl; but this results in less open space between developments.

"On the other hand, higher taxes would prevail on commercial and some industrial land, as well as on vacant land; and lower taxes for homeowners of good properties would result. Therefore, whether sprawl would be reduced or not is a moot question. Site value taxation has many potential effects to be examined."

The bibliography includes names familiar to HGN readers, but omits some whose obvious merit was evidently overlooked. Philip H. Cornick and Mason Gaffney are mentioned with titles of articles published in the *American Journal of Economics and Sociology*. The August, 1960 special issue of *House and Home* on "Land" was listed, also *Progress and Poverty* by Henry George.

Mary Rawson and H. Bronson Cowan of Canada were represented. Marion Clawson was quoted liberally ("Urban Sprawl and Speculation in Suburban Land," *Land Economics*, 1962), as was Mabel Walker, of the Tax Institute. John A. Zangerle of Pennsylvania and Harold S. Buttenheim of New York, two friends, now deceased, were appropriately remembered. Roy Wenzlick, St. Louis realtor, is quoted for advocating "higher tax assessment on unused urban fringe land to bring it into use." Donald W. Reeve is included under the terse title, "Site Value Taxation—No."

**Copies of "Open Space Land, Planning and Taxation" are available at 40 cents each from the Henry George School, 50 East 69th Street New York, N. Y. 10021.**