

LAND OWNING AND TAXATION IN SOME AMERICAN CITIES¹

CITY OF NEW YORK

The area of the City of New York is about 315 square miles. There are five counties within the city limit. Each county also comprises a borough of the City. The area of the various boroughs is as follows:

Manhattan	21.93 square miles	14,038 acres
Bronx	40.65 " "	26,017 "
Brooklyn	77.67 " "	49,709 "
Queens	117.31 " "	75,082 "
Richmond	57.19 " "	36,600 "
	314.75	201.446

Number of Parcels of Real Property

	1909	1915
Manhattan	98,172	94,387
Bronx	59,840	67,058
Brooklyn	193,350	216,465
Queens	110,579	140,148
Richmond	28,039	35,828
Total.....	489,980	553,886

REAL PROPERTY VALUES IN 1915

	ORDINARY LAND VALUE	Per Capita	IMPROVEMENT VALUES	Per Capita
Manhattan	\$3,184,441,505	\$1242	\$1,596,084,570	\$622
Bronx.....	345,712,366	514	261,513,090	389
Brooklyn.....	788,155,904	404	807,901,863	414
Queens.....	283,983,456	706	180,899,338	450
Richmond.....	41,121,545	408	38,076,990	377
All Boroughs	\$4,643,414,776	816	\$2,884,475,851	507

¹For other cities see Index.

With the exception of Manhattan and, possibly, Brooklyn, the land value per capita is not very significant, as a large part of the values of Bronx, Queens and Richmond is due to their proximity to Manhattan rather than to their own entity. They receive the overflow of population from Manhattan. Conversely, they contribute to the high values of business districts in Manhattan.

VACANT LAND WITHIN THE CITY

The report of the Department of Taxes and Assessments for the year 1915 shows the total number of parcels (lots) vacant. It must be remembered that the department counts every parcel which contains any improvement, however slight, as improved. In the suburbs, vacant parcels are frequently acreage plots, hence the actual area vacant is greater than the figures might seem to indicate. Exempt and partially exempt parcels are included in the total number of parcels, but only taxable land is listed in the number of vacant parcels. 13% of the land value is in vacant land.

	Vacant Parcels of Land 1915	Percent.	VALUATION
Manhattan.....	7,482	8.0	\$151,425,530
Bronx	34,202	52.0	138,303,861
Brooklyn.....	50,543	23.4	150,187,487
Queens	82,753	59.6	151,897,007
Richmond.....	18,564	52.2	13,844,325
All Boroughs.....	193,544	34.9	\$605,658,210

LAND OWNERS AND TENANTS

The number of individual owners of land in New York cannot be ascertained, because the City Tax Department assesses by lot and block numbers and tax bills are rendered and paid accordingly. The city does not deal with persons and is indifferent as to who owns the lots or pays the taxes. It collects its delinquent taxes by selling its liens on the lot.

The number of tenants, however, may be arrived at from the Tenement House Department and United States Census reports. The Tenement House Department in 1913 said there were about 3,750,000 persons living in tenements. They are practically all rent payers. The United States Census bulletin on Ownership of Homes in 1910 gives the following information:

Renters 88.3%, owners 11.7%. The homes owned free and clear were 3.5% while 8.2% owed mortgages on their homes. 97.1% of the families of Manhattan are renters, while in the rural Borough of Richmond, 62% are renters.

There are 150,000 one family dwellings, 78,000 two family houses, and 105,000 tenement houses in the city. Many of the one family houses in Manhattan

and Brooklyn are occupied as boarding and lodging houses, and are practically tenements though not legally classed as such.¹

Assuming that there are 1,000,000 families in New York, there are approximately:

One family in a house.....	100,000
Two families in a house.....	156,000
More than two.....	744,000

The estimated population of New York on January 1, 1916, was 5,597,982. The density of population per acre in 1913 was:

Manhattan	173.6
Bronx	20.4
Brooklyn	35.7
Queens	4.0
Richmond	2.5
Average for city	<u>24.7</u>

The 5,597,982 persons in New York live on 202,176 acres of land, or $\frac{1}{22}$ of an acre on the average to each person. The area if laid out in the usual size lots of 25 feet by 100 feet, and allowing for streets, would include 2,426,880 lots or a little less than one lot for each two persons.

REVENUES OF THE CITY, 1915

Real estate tax (land and buildings)	\$141,423,264.35	
Personal property tax	4,953,244.96	
Special franchise tax	8,000,340.97	
Real estate of corporations tax, principally property such as railroad beds, rails, ties, etc., on private rights of way)...	<u>3,522,617.04</u>	
Total revenue from regular tax rate ² ..		\$157,899,467.32
Special taxes:		
Bank share tax (1% rate).....	3,607,183.12	
Mortgage recording tax.....	834,259.06	
Liquor license tax.....	5,248,040.94	9,689,483.12
Special revenue derived from water supply, operation of docks, ferries and subway, permits, licenses, fees, interest penalties on delinquent taxes, special assessments for benefits, etc.....		<u>42,827,988.19</u>
Total city revenues		\$210,416,938.63

¹A tenement house, legally, is any house occupied as a home by three or more families, living independently of each other, who do their own cooking on the premises, and have a common right in the halls, etc.

²The tax rate for city purposes is uniform, but county rates vary. The total rate in 1915 varied from \$1.87 per \$100 in Manhattan to \$2.13 in Richmond. The 1917 rate in Manhattan is \$2.02; in Richmond, \$2.12.

REVENUES FROM LAND VALUES

There are no official figures showing the revenue from land values, as the tax bills do not show separately the taxes on land and on buildings

In 1915 the land value of New York was 61.7% of the total ordinary real estate value. From this the taxes raised were, approximately,

Land,	\$ 87,258,154
Improvements	54,165,110
Total	\$141,423,264

The revenue derived from the ordinary land values of the City was approximately 41% of the city budget.

Included in the \$42,000,000 of special taxes are the gross revenues from water rents and docks. On the other hand, the city budget includes the cost of operating these utilities. Proper bookkeeping would treat them as separate enterprises and only the profit would be included in the revenues.

If proper allowance were made for these items, the percentage of the budget raised from land value taxation would be somewhat higher than the 41% given above.

Of the \$42,000,000 special revenues, about \$10,000,000 was from "special assessments" levied on land values for benefits from particular public improvements. The land value element in special franchises and corporation real estate is not separately stated. Allowing for all of these factors, it is a conservative estimate to assume that 50% of the total city revenue is derived from land values, which would be at least \$100,000,000 annually.—W. R.

CHICAGO

Chicago (population 2,472,158) has an area of 198.9 square miles and contains from 300,000 to 350,000 buildings of all kinds. According to the U. S. bureau of the Census report on the ownership of homes, there were in the city of Chicago in the year 1910, 473,141 homes (including flats) of which 121,447 or 26.2 per cent. were owned and 343,472 or 73.8 per cent. of the total were rented. Of the 121,447 homes, which were owned, 55,025 were free of all encumbrance and 64,981 were encumbered, or, in other words, 45.9 per cent. of the homes owned were free and 54.1 per cent. were encumbered.

Fully one half of the land values of Chicago are within the square mile containing the business section. The Marshall Field estate owns approximately \$43,000,000 worth of land in this section, the improvements on which amount to an additional \$17,000,000. This is exclusive of members of the family other than Marshall Field III and the estate of Marshall Field, and includes nothing outside of the business center.

During the year 1915, there were filed of record in Cook County, \$251,395,189 of real estate mortgages. Assuming four years to be the