

LAND VALUE TAX COMMITTEE

OF DELAWARE

PROPERTY TAX REFORM TO HELP REMEDY ECONOMIC & SOCIAL ILLS OF OUR TIME

CONCEPT:	TAXING OF PUBLICLY-CREATED LAND VALUES MORE FULLY, RATHER THAN IMPROVEMENTS, WOULD BENEFIT THE ENTIRE COMMUNITY . . .	
PAST & PRESENT PROPONENTS:	PIERRE SAMUEL DU PONT DE NEMOURS, ECONOMIST	1800
	HENRY GEORGE, ECONOMIST, PHILOSOPHER	1890
	EDWIN P. NEILAN, BANKER, CIVIC LEADER	1965
	MAYOR'S FISCAL STUDY COMMITTEE WILM. DEL.	1969
	U. S. CHAMBER OF COMMERCE RESOLUTION	1970
	U. S. SENATE COMMITTEE ON GOV'T. OPERATIONS	1971
	AMERICAN INSTITUTE FOR ECONOMIC RESEARCH	

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~~GREEN LANE~~
~~ARDEN, DELAWARE 19010~~

Frank E. Nelson
PO Box 849
Camden, SC 29020

April 2, 1978

Councilman Don Carroll
Charlotte City Council, District 1

Dear Councilman Carroll:

Here is just a thought regarding your concern that the proposed extra tax on downtown property might be counterproductive, and discourage the very improvements and progress hoped for. There is strong evidence you are right in your reservations.

However, you may have a far better alternative. Does your State Constitution, or local statues, permit you to tax land values at a higher rate than the rate on improvements (buildings, etc.) on the land? If so, you might consider applying the proposed tax increase to land values only. If you did this, you would be moving in the direction of using "incentive taxation". Applied vigorously enough, your main problems might become one of zoning - seeing that all of the business and residential construction thus generated goes into the right spots.

This idea is not a pipe dream, but has real substance. Consider, for example, that several cities in Pennsylvania (Pittsburgh, Harrisburg, Scranton) have such a property tax system with encouraging results. Johnstown, and other Pa. cities are about to follow suit. Likewise interested, and at the study phase, is Washington, DC and Wilmington, DEL. (and surrounding New Castle County).

Some of the enclosed literature might be helpful. Some of the cities mentioned above have had "impact" surveys made by the Center for Local Tax Research, 50 East 69th Street, New York 10021 (212) 744-8712.

I would be happy to provide additional info and help.

Sincerely,

Frank E. Nelson

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cc: Mayor Ken Harris, City of Charlotte
Mr. Henry Scott, Charlotte Observer Staff Writer

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