

Nelson

# Incentive Tax League

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MAYOR WILLIAM T. McLAUGHLIN  
WILMINGTON CITY COUNCIL MEMBERS

The City of Wilmington could certainly use more houses, apartments and job-creating economic growth. It is unfortunate then, at a time of rising construction, mortgage and energy costs, that the city is faced with the need for a substantial increase in the disincentive property tax.

As an alternative, why not consider obtaining the proposed 20% additional revenue entirely through an increase in the rate on land values only, with no increase in the rate on improvements?

Raising the tax rate on land from the present \$1.925 to \$3.64 per \$100 assessment would provide all of the new revenue needed. The impact of this on the average homeowner with a home assessed at \$23,000 would be a total tax increase of only 11%. Owners of apartments would fare even better. The owners of vacant lots and vacant dwellings would, of course, pay considerably more.

These figures are approximations based on 1977 assessments, but will serve to show the possibilities of such an "incentive Tax" move.

As a further consideration, the addition of another mil or two to the land tax rate could easily provide extra revenue for such community purposes as support for the Wilmington Opera House and tax rebates for low-income and elderly homeowners.

The Incentive Tax League has worked closely with officials in Pittsburgh, Harrisburg, Scranton and McKeesport, Pa., where incentive tax rates have been adopted with considerable success, and members of the League are currently doing the same with other interested localities.

The League hopes that this proposal will merit your consideration, and would welcome the opportunity to discuss this with you at any time.

Sincerely  
*Frank E. Nelson*  
Frank E. Nelson  
Delaware representative  
738-0618

enclosures

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County Representatives

Bucks: Richard L. Biddle Chester: Arthur Yeatman Delaware: Wylie Young Montgomery: Jack Himmelstein Philadelphia: Joan Colgan, George Collins, Kristie Feder and Linda Marucci New Castle, DE: Peter Brachman, Donald Crawford and Michael Curtis Camden, NJ: John Daniels