

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 . . .	
	PIERRE SAMUEL DU PONT DE NEMOURS, ECONOMIST	1800
PAST & PRESENT	HENRY GEORGE, ECONOMIST, PHILOSOPHER	1890
PROponents:	EDWIN P. NEILAN, BANKER, CIVIC LEADER	1965
	MAYOR'S FISCAL STUDY COMMITTEE	1969
	U. S. CHAMBER OF COMMERCE RESOLUTION	1970
	U. S. SENATE COMMITTEE ON GOV'T. OPERATIONS	1971
	AMERICAN INSTITUTE FOR ECONOMIC RESEARCH	

18 Eberly Drive
Chapel Hill
Newark, Del. 19711

~~GREEN LANE~~
~~ARDEN, DELAWARE 19810~~
May 9, 1980

Mr. Robert Connor
State Representative
Dover, Delaware

Dear Representative Connor:

I was most interested to learn of legislation that you have introduced that would eliminate school taxes based on real estate assessment in favor of a "statewide property tax" based on income. Could you send me a copy, or more information?

I can certainly sympathize with the plight of the overburdened taxpayer, especially those on fixed incomes and the elderly. However, I am quite sure that their lot, and that of the average, middle-class taxpayer, homeowner, businessman and school district will not be improved by a move away from property taxes in favor of income taxes.

The answer lies in the reform, or modernization, of the existing, and universally disliked, property tax. The property tax is really two taxes; one a tax on homes and buildings, the other a tax on land values. In practice, two-thirds of this tax falls on buildings. Modernization of this upside-down system reverses this and places most of the tax on the land. While producing the same revenue, this change reduces the average taxpayer's burden and provides incentive for community progress in many ways.

We need only to check with the recent experiences in Pittsburgh, Harrisburg, Scranton and McKeesport, Pa. to see the modern trend. Information is enclosed. We would be most happy to work with you on this timely reform.

Sincerely,
Frank Nelson
Frank E. Nelson, chairman
738-0618

cc: Delaware Legislators