



Melissa Farrow/The Pittsburgh Press

Would-be tax reformer Dan Sullivan, with Chenchis, does his figuring at home

The wages computer war on wage tax

IN A MESSY upstairs office in an old wooden house on a dead-end street in Oakland, Dan Sullivan sits at his computer and plots a tax revolution.

He's a college dropout without a steady paycheck or an ounce of clout. But he's been at this 10 years, and every so often, his ob-session gets him on a 77 bus Downtown so he can let City Council have it.

It's a plan for cutting the thing Pittsburghers hate more than blocked punts, the wage tax.

Sullivan says his enemy is also his best friend: math.

"If people were not afraid of mathematics they would sit down and do their math and they would all want land tax," Sullivan, 39, says. "The problem is the big shots do the math. The little people don't."

He thought he'd see more success this year, as Council Finance Chairman Jack Wagner was interested in Sullivan's ideas for shifting some of the tax burden from pay checks to pay dirt, from wages to land. But then Mayor Sophie Masloff pulled a wage-tax cut out of her bee hive and suddenly all the other would-be's felt the politics.

When you already have a tax cut, pure and simple, it's no time to tell people you're going to raise something else.

"They want to know the tax has been cut and that's it," Wagner said.

Sullivan told council last week, OK, then next year, increase the tax on land, but not on buildings and other property, and cut the



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wage tax and other taxes some more. Pittsburgh's already the only big city in the country that taxes land more heavily than buildings (151.5 mills on land, 27 mills on buildings.) Let's keep going in that direction.

The "long and complicated and goofy" tax reform options that the state legislature approved last week didn't please him. Raising the sales tax would be bad news for working taxpayers and store-owners, he said.

Sullivan can reach into his briefcase and pull out the late mayor and governor, Davey Lawrence, to explain.

"There is no doubt in my mind that the (land) tax law has been a good thing for Pittsburgh," Lawrence once said. "It has discouraged the holding of vacant land for speculation and provides an incentive for building improvements... It is particularly beneficial to homeowners."

A decade ago, City Councilman William Coyne and others pushed that argument and won land tax increases over the objections of Mayor Richard Calligutti, who preferred wage tax hikes.

The yawn of approval could be heard across the city.

"You couldn't tell people what you were doing because people would fall asleep," James Rooney, Congressman Coyne's executive assistant, recalls.

But this stuff consumes Sullivan, right down to his business card that yells "Lower taxes to the ground!" He's a disciple of the 19th century economist Henry George, and he claims he and his ideological soulmates have helped shift a half-billion bucks in municipal taxes across the state in 10 years. Clairton recently went to the graded tax.

Yet the Pennsylvania Fair Tax Coalition is basically just Sullivan and a computer, with some support from Steven Cord, a retired professor of history and economics at Indiana University of Pennsylvania, now living in Maryland.

Why has Sullivan, a bright, witty guy, shown the organizational talents of a hermit? This is the same guy who's the presiding officer of Western Pennsylvania Mensa, the high I.Q. club, and a sometimes tutor of college students.

"There are people in this world who understand economics and people who understand politics and very few who understand both. People like us are politically incompetent. And people who are politically competent have very little savvy in economics."

Sullivan points out, though, that the last time the land tax went up in Pittsburgh, we had the building boom of Renaissance II.

Critics call that a coincidence and say that the land tax falls too heavily on commercial properties, people with rundown homes and retired homeowners.

Oh hell, Sullivan says, kill the mercantile tax, too. And if we keep driving working people to the suburbs, we're going to have to raise the property tax just to balance the budget.

He says he and his computer are there for the average Joe and Josie.

"If he tells me his wages, I can tell how much money he saves going from wage tax to land tax."

I say take him up on it. Sullivan's number is 621-3499. His enemies might want to write that down, too. He's living with his one and only and she's bringing home the bacon and, well, you know how it is.

"I can be bought," he said, and you could see the smile over the phone. "If the real estate industry wants me to stop doing this."

(Brian O'Neill's column appears in The Pittsburgh Press every Wednesday, Thursday, Friday and Sunday.)

RENTERS BEWARE

The Proposed Tax Reform Amendment
Could Be Hazardous to Your **Wealth**

HAZARD

Higher income tax will mean smaller paychecks. Renters want to see City of Pittsburgh income tax come down to suburban levels; not suburban income tax come up to city levels.

HAZARD

Higher sales tax on top of higher income tax means you get hit twice. This "reform" is really a multiple assault on your spending power.

HAZARD

Ironically, lower property tax means HIGHER rents! Low taxes on land attract real estate speculators who inflate real estate prices and drive up rents. After California's property tax was curtailed by Proposition 13, rents increased so fast that several California municipalities introduced rent control. It is now more difficult for renters in California to save enough money to buy a home than anywhere else in the continental United States.

3 Steps for REAL Tax Reform

- **Vote NO to the tax reform amendment**
The proposed tax reform amendment will only benefit major holders of residential real estate. It will make little difference to most homeowners, and it will severely penalize renters.
- **Vote for JONATHAN ROBISON, Democratic Candidate for City Council in District 8 (lever 7-E)**
Jon Robison has been campaigning for rational alternatives to the wage tax since 1978, before most people realized how much wage tax would hurt the city. Robison is the only candidate in the 8th Council district with a track record on tax reform.
- **Support the Pennsylvania Fair Tax Coalition**
We can substantially reduce the tax burden on homeowners WITHOUT increasing taxes on renters, by shifting the property tax onto land speculators and major land monopolists, and by forcing the Urban Renewal Authority to get its exempt land holdings back onto the tax roles. We do not have the support of big real estate interests, but with your help we can win. Call (412) 687-6663 for more information.