

*We hope you have
laughed enough; we have
devoted page 4 to a few
serious items.*

Readers Noble and Smith Write

We have received some letters on the 9/11 topic, and they are well-summarized by this comment from Jean Smith of Toronto:

"What happened on September 11th was dreadful and for that you have our sympathy but compared to the carnage caused by US actions in many parts of the world the numbers killed in New York are of far less magnitude."

Betty Noble of New Zealand concurred, feeling that war only begets counter-war.

Bottom Line

We have conducted 17 empirical studies of those jurisdictions which have adopted a two-rate building-to-land switch in their property tax, and ALL 17 studies show that when taxes are shifted to land-rent, there occurs a spurt in new construction and renovation within three years. Furthermore, these two-rate jurisdictions always out-construct and out-renovate their comparable neighbors whenever such comparisons can be made. If this happened in only one or five empirical studies, the spurt in new construction and renovation could be ascribed to irrelevant factors, but surely not in all 17.

The construction and renovation has been measured by building-permits issued, they are on file at local city halls. These are the only studies that can possibly be made. There are many corroborating studies (and none that contradict), especially from overseas countries.

It is important in determining the validity of these studies that there be a logical reason why construction and renovation should occur after two-rate adoption. Well, there is. The two-rate property tax levies a lower tax on buildings - we therefore can expect more and better buildings. And if we tax land assessments more, then landowners will be encouraged to use their land-sites more fully, which also results in more and better buildings. QED. 1

This could happen to any town adopting a two-rate property tax -- even yours.

Endorsement 519

Greater Philadelphia Assn. of Realtors (12-13-01 ad in the *City Paper*): "Most important, LVT is a tax abatement - one that applies to all. No citizen has to go to City Hall to fill out applications and forms. The tax structure does it for them."

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