

## Why Explore this idea?

There is one tax that can help pay for the services towns need, to support new projects that makes cities stronger, and encourages markets. It is called the land value tax (LVT).

### What is the Land Value Tax?

It is the “good” part of the property tax, the tax on land value only. The problem is that it’s attached to a harmful tax on building value. We all know the tax on buildings is bad: if someone fixes up their home or builds on a vacant lot, their taxes go up. That makes no sense. It’s like punishing someone for doing the right thing for herself and the community.

What we want is to drop the bad part of the property tax: reduce the building tax and increase the tax on land value.

### Why?

Those that “do” for the community should not be punished and driven away from the city. Those that can barely afford to live here should not bear the lion’s share of the tax burden. With LVT in place, we can begin reversing decades of destructive tax policies that have brought us where we are today.

Most property owners in a city, especially residential, save under LVT. In Philadelphia for 80% of homes, and 100% of council districts, LVT means a relief for the majority of hard-working

families. That’s just one example. Rochester, NY: 84% of homeowners see a decrease with LVT. In Jersey City, NJ it’s 92%. In Hartford, 84%.

### LVT can tax blight away

In addition to benefiting most property owners, LVT will begin to incentivize owners of vacant buildings and lots across the city into action without abatements. These parcels pull down property values and serving as magnets for trash, rodents, arson, and crime. For each aban-

#### Property Tax:

\$21K

#### Land Value Tax:

\$35K

#### Difference (\$):

\$14K



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## Connecticut’s Cities and Towns: Realizing Our Potential

*“That which is unjust can really profit no one; that which is just can really harm no one.”*

Henry George

Property Tax	Land Value Tax	Difference (\$)
\$1.48M	\$1.24M	-\$241K



This productive property in New Haven, CT saves \$241K on its property tax bill under a land value tax in the first year. Learn how your city could benefit as well under this important tax reform.

## US Cities: A Future of Success

Many cities have enormous advantages: they sit at the heads of a great rivers, and have road, rail, and air access to the entire world. These assets must be leveraged for prosperity without abatement and privileges.

The cities have come to terms with the end of the Industrial Age, and are now vessels ready to be remade, with vast tracts of empty land and underutilized infrastructure. Plans are in place, yet funds are lacking.

Standing in the way of full potential are obstacles that have hindered revitalization for many years, including:

- Industrial abandonment
- High taxes on work and investment
- Failing schools
- Unsafe streets
- A declining number of middle-class families
- Insufficient funding for city services
- Crumbling infrastructure
- Taxes that reward blight and punish effort

Any city can experience progress, and prosperity. Throughout history US Cities have overcome many challenges, and their potential can be realized for all.

It takes a just and fair tax policy that rewards honest effort and penalizes those who would profit from others' hard work.

Yet our reality is a life burdened with antiquated and unjust tax systems that work in the opposite direction.

It is time to move forward with a progressive tax policy that will end subsidies to land speculators and absentee landlords while rewarding you: the homeowner, renter, small business owner, and others who have kept the faith in your town

In a city founded on the ideal of equal rights, we seek the right to foster a thriving community where anyone's potential can be realized, productive enterprise is encouraged, and the whole community prospers together. The tax system should reflect this right.

### Our Proposal: Lower the Taxes to the Ground.

Almost all of a city's revenue is generated through property taxes. Yet, since the 1950s, the bedrock of middle-class families have followed the jobs, leaving behind a population much poorer than the surrounding areas..

But some are looking to move back in. Recently, Pfizer, which wanted to locate into a new complex in **New London**, demanded a long term package of perks to do so, involving tax breaks and favors to the firm for 10 years. At the end of the 10 years, Pfizer decamped.

So who paid for Pfizer? The city and state, in reduced revenues and services, and taxpayers and established business pay their own taxes and also subsidize Pfizer and other corporate welfare cases in search of hand outs to locate here. How about a tax break for hardworking and committed citizens instead?

