

## N. Y. GOV. CUOMO'S BUDGET PRIORITIES

(from p. 2)

rail, airport and public transportation infrastructure improvements across the State," none of this is paid for by the people who benefit the most, those whose property values will increase as a result. On a city level, we have already seen what infrastructure improvements such as the extension of the subway #7 line and the Highline Park - both on the far west side - have brought to the city; it's in the \$5 billion range, according to Curbed online magazine (see my slideshow here: <http://www.slideshare.net/ScottOnTheSpot/case-studies-in-new-york-city-property-development-28203125>, slides 22-23, presented at the Henry George School (video pending), or [http://www.opednews.com/articles/Cheating-and-the-Corporate-by-Scott-Baker-Cheating\\_Corporate-Accountability\\_Corporate-Communism\\_Corporate-Corruption-Crime-131124-187.html](http://www.opednews.com/articles/Cheating-and-the-Corporate-by-Scott-Baker-Cheating_Corporate-Accountability_Corporate-Communism_Corporate-Corruption-Crime-131124-187.html)). Meanwhile, New Yorkers pay doubly, by first allowing already wealthy developers to privatize more of the Rent, while paying a second time for borrowing costs on money that should have been collected from that Rent in the first place.

The promise of "private-public partnerships" (page 24) should be looked at skeptically too, as Chicago's recent experience with selling its parking meter system to private interests - and then watching as parking costs more than doubled - attests to. Michael Hudson has warned of the creeping Toll Booth economy (<http://michael-hudson.com/2012/03/mmt-as-the-austerity-alternative/>), where every formerly public service now carries a private toll. In Chicago, it is already there.

There is a lot to like in the Governor's report, most of it beyond the scope of this update or Common Ground's mission, but the lack of utilizing the Single Tax on Land, or even understanding that such a productivity-enhancing tax even exists, continues to be a huge disappointment in the state's fiscal policies, even as the city now has a LVT-friendly Mayor and Comptroller. It falls on our members, and other supporters of Henry George's solution, particularly those upstate, to continue to press for the true "free lunch," not the false one of borrow now and (probably) pay later. Wealth inequality, now at its most destructive level since the Gilded Age, won't be solved simply by redistribution, or even by efficient spending (if that's what it is), but by collection of that which truly belongs to all of us in the first place, the tax on Land.

(Common Ground - NYC president Scott Baker may be emailed at [ssbaker305@yahoo.com](mailto:ssbaker305@yahoo.com).) <<

=====

### GOV. CUOMO'S ASSAULT ON THE PROPERTY TAX

By Scott Baker, New York, NY

In his latest missive (<http://www.governor.ny.gov/press/01062014-tax-relief-proposal>) Governor Cuomo's proposal includes a 2-Year Freeze on Property Taxes.

By almost any measure, New York's real property taxes are the highest in the nation with an average residential bill of \$5,040. In addition, three of the top four highest county median tax bills in the country are in New York. And New York is one of only 10 states where a resident can live in three general purpose local governments at the same time. There is no reason for New York to have nearly 10,500 separate forms of local governments; many of which provide overlapping or duplicative services.

Governor Cuomo's proposal will freeze property taxes for two years, subject to two important conditions. In year one, the State will only provide tax rebates to homeowners who live in a jurisdiction that stays within the 2% property tax cap. In year two, the State will only provide tax rebates to homeowners who live in a locality that stays within the cap and also agrees to implement a shared services or administrative consolidation plan. The freeze will not apply to New York City, which does not have a property tax cap. Once fully implemented, this tax relief proposal will provide nearly \$1 billion in relief with an average benefit of approximately \$350 for nearly 2.8 million homeowners.

Well, this "relief" comes at the same time as he proposes to float a \$2B bond to pay for enhancing the state schools, and usurping Mayor de Blasio's modest tax on people earning over \$500k to pay for pre-K (not normally our issue, I know, but school revenues are normally funded by property taxes, at least in most of the state).

Where is the money to run the state supposed to come from? Just as importantly, how can we convince Cuomo that not all taxes are bad, that, in fact, the Land Value Tax - of which he seems completely oblivious - is actually a good tax?

Action Step: Here are several ways to reach the Governor's office about his proposals:

Governor's Press Office

[press.office@exec.ny.gov](mailto:press.office@exec.ny.gov)

NYC Press Office: phone 212.681.4640

Albany Press Office: 518.474.8418

You could email or call them (calls are better) to try to convince them that a split-rate tax that would tax buildings less than land would be positive for New York. You might use the example of Harrisburg, which has a 6:1 land to building ratio in their split rate tax, as an example.

You could mention Mayor de Blasio's effort to tax vacant land at the same rate as built-upon land as an example to build upon (puns get politician's attention).

Of course, you can mention we have several experts in Common Ground-NYC who can testify (member Bill Batt lives in Albany, and has lots of experience doing this, for example; Bill has already brought up Cuomo's anti-Georgist, probably unwittingly, policies). and present studies supporting the Land Value Tax.

Common Ground - NYC president Scott Baker may be emailed at [ssbaker305@yahoo.com](mailto:ssbaker305@yahoo.com).) <<

=====