



## LVT ENABLEMENT BILL FOR FAIRFAX, VA SIGNED BY GOV. WARNER

On February 19, Virginia Governor Mark Warner signed HB 239, reports Josh Vincent, President of the Center for the Study of Economics. For the first time in Virginia, there is legislation that permits Fairfax City to enact Land Value Taxation (LVT). The bill takes effect July 1, 2003.

Many congratulations to CSE Pres. Joshua Vincent and to all the others involved in their persistent effort to get the enabling legislation enacted.

The Virginia Senate had on February 7 unanimously passed HB 239, though it was opposed, reports Vincent, by "some big bucks developers and a few misguided horsey-set types." The bill had been boosted out of the Senate Committee by Committee Chairman Bill Chichester (a Republican of Geost Stew Engel's district in Fredericksburg) and Senator Saslow (a Democrat from Georgist Joe Casey's district.) Georgist Carl Shaw, Charlottesville, VA, had made sure that his Delegate Van Jahres was informed about LVT. Vincent also lauds Dr. Fred Foldvary, who changed some minds with his efforts in Fredericksburg, and Dr. Nicolaus Tideman, who came to Richmond and testified before committees, had one-on-one sessions with legislators, and testified before the Virginia House.

Passage of HB 239 was particularly elating to Fairfax Councilman Tony Coughlan, who had been pushing for Fairfax LVT enablement since 1996. (See Sept.-Oct. 1999 GroundSwell.) Since 1997, CSE and Henry George Foundation of America have assisted, writing, faxing, emailing and visiting Richmond several times on behalf of LVT enablement for Fairfax. In the last legislative session, a LVT enabling bill made it through the Legislature and to Gov. Gilmore's desk, but he vetoed it. LVT proponents then had to start the legislative process again with this legislative session.

Since its introduction on January 9, 2002, of HB 239 by Patron J. Chapman Peterson (a former colleague of Tony Coughlan's on the City Council), Coughlan and Vincent have meticulously tracked the progress of the bill. It had been reported out of the House Finance Committee on Jan. 21 and engrossed by the House on Jan. 23.

The law now enacted under HB 239 amends the Code of Virginia, Article 3, by adding a section numbered

58.1-3221.1, "Other Exemptions, Credits, Partial Abatement, Apportionments, Classifications":

A. In the City of Fairfax improvements to real property are declared to be a separate class of property and shall constitute a separate classification for local taxation of real property.

B. The governing body of the City of Fairfax may levy a tax on the property enumerated in subsection A at a different rate than the tax imposed upon the land on which it is located, provided that the rate of tax on the property described in subsection A shall not be zero and shall not exceed the rate of land on the land on which it is located.

C. Nothing in this section shall be construed to permit the City of Fairfax to alter in any way its valuation of real property covered by this section. <<

### HEARING HELD ON PROPOSED PHILADELPHIA TAX REFORM

On February 12, a hearing was held in Philadelphia City Council chambers, starting at 10:00 AM, relating to Philadelphia Controller Jonathan Sidel's tax reform package. GroundSwell has been informed that Pennsylvanians Joshua Vincent, Jake Himmelstein, Kenneth Ford, and Richard Biddle attended the hearing. About 22 members of the Pennsylvania Fair Tax Coalition testified at the Philadelphia hearings, including Alanna Hartzok, Joan Sage and Uda Bartholomew.

In Jake Himmelstein's observation, little was accomplished at the hearing since it was only attended by the President of City Council, Anna Verna, and Councilman at large Cohen, and the daily press coverage was spotty. The major spoken opposition was from a new car dealer association and parking lot operators who claimed that the land value tax would be a great burden. However, the fact that there were 54 people and organizations willing to testify for tax reform was an encouraging sign.

Center for the Study of Economics President Joshua Vincent has closely followed, and kept other Georgists informed, about the developments on the proposed tax reform, which includes Land Value Taxation. (See Nov.-Dec. 2001 GroundSwell.) "We have lots of silent opposition," Vincent emailed, "and we need to do what we can to help, because the City Controller has taken a lot of heat for this good idea."

A fax proposed to be sent to the Philadelphia Mayor, Council, and other important (continued on page 6)