



## CGO CONFERENCE HELD IN DES MOINES

Des Moines retired city horticulturist Robert Willis was joined by software analyst Dr. Damon Gross of Waterloo, IA in welcoming those attending the 20th annual Council of Geogist Organizations conference. Several prominent Iowans participated in the program on Sept. 22.

A detailed presentation by Dr. William Batt, Central Research Group, Albany, NY explained in detail "The Iowa Tax Shift Plan: Shifting from Conventional Property Taxation to Land Value Tax." Using data from the assessor's office in Polk County, IA, statistics, facts, graphics, and GIS simulation, Bill Batt was assisted by Bob Gene, Chicago, whose livelihood is analyzing data using Microsoft access.

In Iowa the property tax comprises 34.4% of all state and local collections. In a very complicated system of adjusted assessments and separated tax jurisdictions statewide, homeowners pay less than half, farmers pay about 21%, and business and industry together pay a total of 23% of the property tax collected each year. In Polk County, after several exemptions and adjustments to separate property classes, assessed aggregate land value is almost \$3.6 billion, but is only 22% of the total assessed real property value. The Des Moines Metropolitan area is only about a quarter of the county land area, but is about 90% of the current total county tax base.

The existing Iowa property tax has many special provisions at work -- exemptions, deductions, credit, and deferrals, making each parcel's assigned burden essentially unique. The C.R.G. study concluded that implementing a land value tax throughout Polk County would reduce the aggregate burden for commercial, industrial, and multi-use parcels slightly, and increase in the aggregate for home-owners and on agricultural land. But this simulation compared the burden distribution of a land value tax compared with the conventional property tax when rollbacks and various other exemptions were removed. With a total Simplification of the tax structure, agricultural land alone has a value of only about 2/3 percent, and would have an equivalent burden, even though it is the overwhelming proportion of the acreage. This is because farmland acreage, relative to the value of downtown parcels, is relatively cheap.

If local tax jurisdictions are maintained in Polk County and the property tax is shifted off improvements and onto land, the biggest single loser is a Des Moines 2.97 acre downtown commercial parcel with land worth of \$3.860 million, more than the building on it (worth \$3.064 million). This year 2000 study of Polk County is available for \$15 from Central Re-

search Group, P.O. Box 4112, Albany, NY 12204.

Responding to the presentation was Bill Reichardt, former Iowa State legislator and a local clothing store businessman. He had written an editorial for the Des Moines Sunday Register in Aug. 1997, "Tax the land, not improvements, and renew our cities," endorsing the Henry George concept and listing the advantages of land-value taxation. A lot of people don't understand much about this issue, he said. To see a change in consensus, this needs to be debated publicly.

Luncheon presenter William Dikus, a principal in RDG-Bussard, Dikus, Architects, Interiors and Planning, showed slides of various notable Des Moines buildings. He was followed by Walter Rybeck whose speech will be published in a later issue of GroundSwell.

Concurrent afternoon workshops all featured local Des Moines officials. Polk County, IA State Rep. Ed Fallon responded to Canadian Research Committee on Taxation Research Director Frank Peddle on "Promoting Healthy Cities: How Tax Policy affects Development Patterns, Investment Decisions, Housing Affordability, Transportation."

Iowa State University Agricultural Extension economist Mike Duffy responded to Univ. Cal.-Riverside economist Dr. Mason Gaffney and School of Living's Artie Yeatman in a workshop on "Sustainable Agriculture and Taxation Policy: Public Finance Incentives for Community Agriculture and a Vital Rural Economy."

Iowa assessors Jim Maloney of Polk County and Dave Ellis of Warren county responded to Ted Gwartney, MAI and Exec. Director of the Robert Schalkenbach Foundation.

Iowa State Rep. Ed Fallon has served in the Legislature for eight years and is high in seniority. Calling his constituent Bob Willis "Mr. Land Value Tax in Des Moines," he said Iowa has the richest soil and is a bread basket. He said more cultivation has to be done before a land value tax can be introduced. He gives frequent talks and is gradually tilling the ground for when the policy can be implemented.

Fallon also is Director of 1000 Friends of Iowa, which is an organization that addresses land use policy and focuses on it from an education aspect. 1000 Friends are citizens united for responsible land use. Their concerns include urban sprawl, protecting Iowa's farmland and natural areas, and revitalizing cities and towns.

(editor's note: There will be more coverage of presentations at the Des Moines conference in future issues of GroundSwell.)