

Tax The *Corporate* Land

By Anthony David Vernon

Government cuts are more often than not put up by American politicians instead of finding creative revenue solutions that could benefit constituents. When looking for revenue sources, those that benefit the vast majority of the population should be pursued that come at little expense to those who are served. One such policy would be a corporate land value tax.

To get technical, not all corporations are the same, and not all corporations hold land: Limited Liability Companies [LLC] and S-Corps are often small businesses that often lease their working location. Instead, the corporations that make sense to tax under US law would be C-Corps that hold land; this would include Goldman Sachs, Apple, and Walmart. This is not to say every C-Corp is a multinational entity, but C-Corps typically are larger businesses than their LLC and S-Corp counterparts. In this, the idea of taxing the value of land held is not new; Lithuania has such a tax ([Baltic Legal](#)). But typically, land value taxes are universalized amongst all property owners, not just specific property owners. But there is sound social and economic reasoning to only land value tax particular entities.

A land value tax does not consider the value of property or resources on a given piece of land but taxes the assessed value of the land itself. There are large taxation ranges that have been implemented under land value taxation laws. Estonia's land value rate tax can be anywhere from 0.1% to 2.5% ([Land Taxation Reform in Estonia](#)). However, even a land value tax rate of 0.01% could hold utility. Let us take a piece of property owned by the Keyes Company in Homestead, Florida, 4.76 acres, whose value is assessed at 1.4 million dollars, would yield 14,000\$ in taxes, and that is just one property ([Land Watch](#)). Even a 0.001 land value tax could yield a good deal of revenue toward potential good at relatively little cost to almost any corporation.

A land value tax should not exist in isolation from all other taxes, and should not be implemented in a manner where working people have to literally fit the bill. Instead, small land value taxes can be a means to close wealth disparities by increasing public services, thus allowing people to pocket more of their income.

The land value mistakes of the British Labor Party should not be repeated, creating costs for workers, devaluing land production, and poor assessment leading to a situation like "the failed valuation schemes had cost £2 million to implement, while the taxes had brought in only £500,000" ([Watling](#)). But by taxing only the land belonging C-corps, you avoid lowering working class incomes, you avoid taxing small land owners alongside small businesses, you limit the amount of property that needs to be assessed thus making it less likely that assessment will cost more than revenue, and avoid major production land devaluations by making the tax rate small, 0.1% - 0.01%.

Land value taxes are not an end-all be-all tax as Georgism promises. But sensible land value tax laws in the United States and elsewhere could be used to help fund Universal Healthcare and or Universal Education. Land value tax cannot exist as a "single tax" but is "a serious contender as a revenue source" ([Netzer](#)). While land value taxes do not appear to encourage land usage or housing development, we could make land more productive. "Land itself isn't helping the

economy, you can't hide it in offshore accounts, and it's often a form of inherited wealth" (Stein). Instead of focusing on cuts to health services, public transportation, or school lunches, we should be focusing on sensible ways to increase revenues toward the public good.