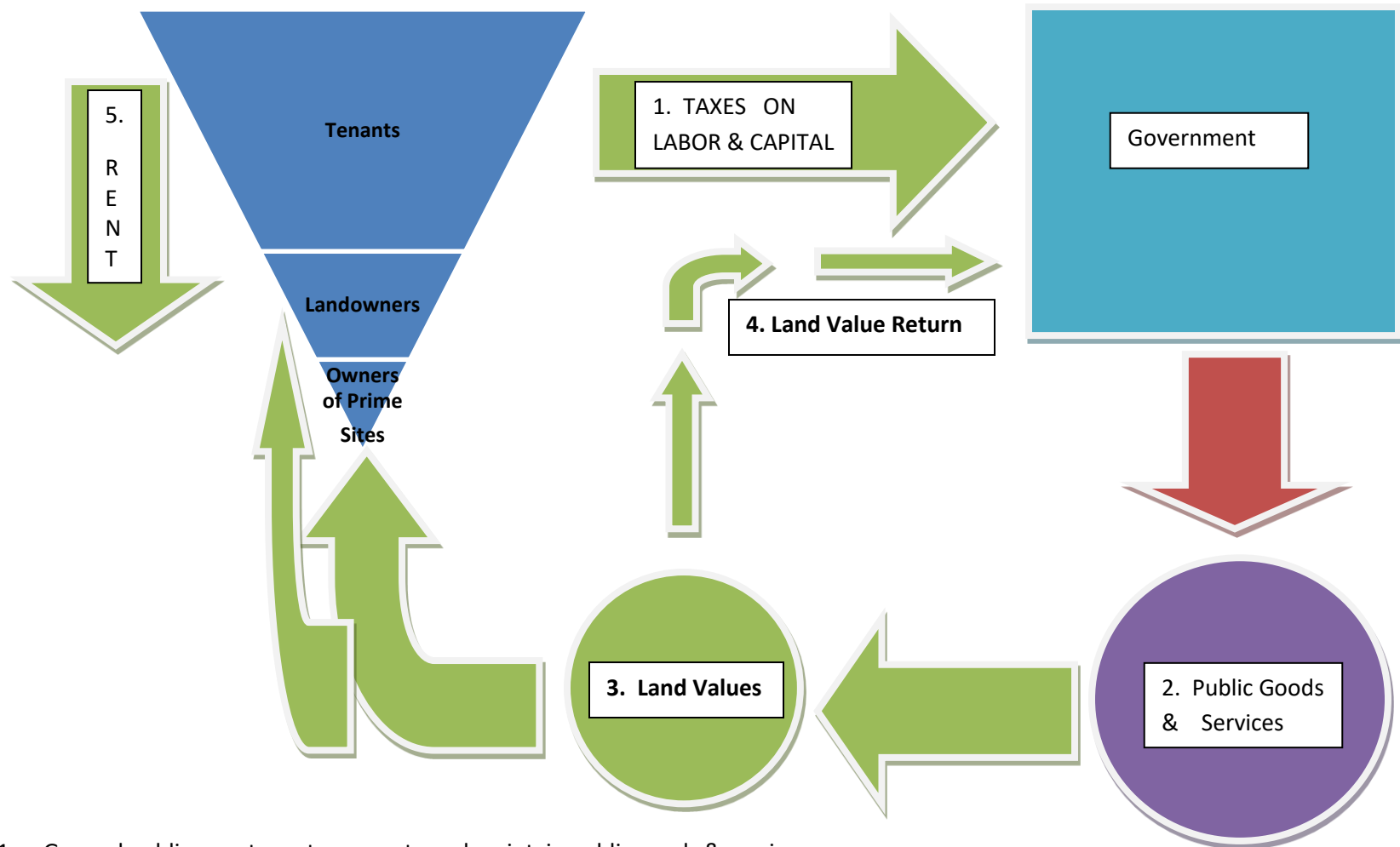
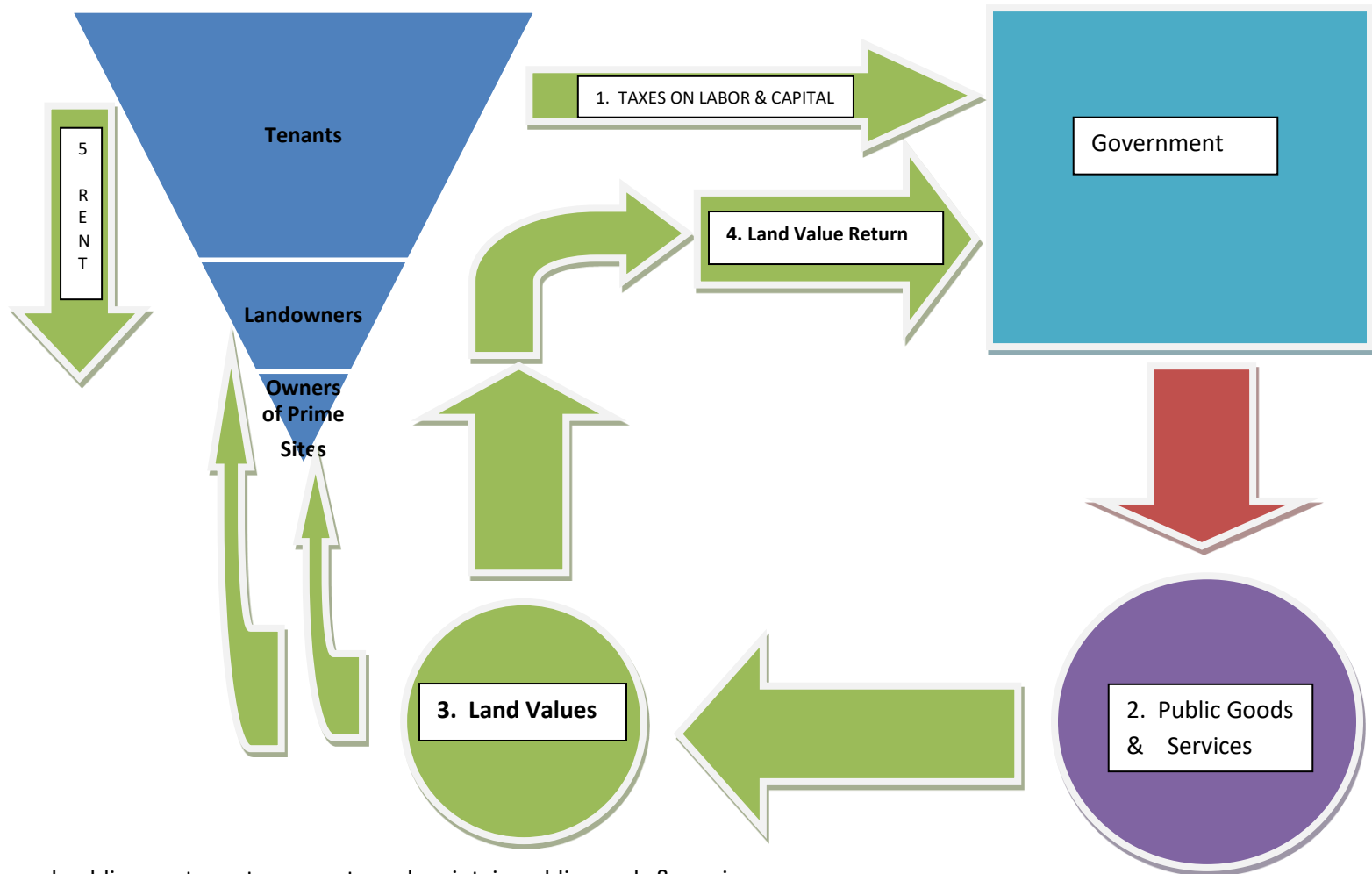


LAND VALUE CREATION & CONSEQUENCES



1. General public pays taxes to generate and maintain public goods & services.
 - a. Owners of prime sites contribute less than others because most of their taxes are passed through to tenants and consumers.
2. Governments use taxes to produce public goods & services
3. Benefits of many public goods & services are capitalized into higher land values, mainly on prime sites. (“Location, location, location!”)
4. Land Value Return: Access fees (land taxes). Typical property tax returns only 1% or 2% of publicly-created land value per year.
5. Most land values created by government are windfalls to owners of prime sites who charge premium rents to tenants for the right to access these public goods and services. NOTE: Tenants pay twice for public goods & services. Once in taxes & again in land rent.

ENHANCED LAND VALUE RETURN



1. General public pays taxes to generate and maintain public goods & services.
 - a. Owners of prime sites contribute more than before. Land value return fees are not passed through to tenants and consumers.
 - b. Taxes on labor and capital could be reduced as a result of returning and recycling publicly-created land values. (See step 4)
2. Governments use taxes to produce public goods & services
3. Benefits of many public goods & services are capitalized into higher land values (“Location, location, location!”)
4. More robust access fees return more publicly-created land values to the public. (Taxes on labor and capital could be reduced in step 1.)
5. Reduced windfalls to private landowners reduce land prices and reduce land rents from tenants to landowners. If taxes on buildings were also reduced, buildings become more affordable and tenants get more value for the building rents that they pay.