

Property Tax

John J. Wallis, “A History of the Property Tax in America”, *State Tax Notes*, May 29, 2000, pp1883-1897.

Rebecca A. Boldt, “Impact of Use Valuation of Agricultural Land: Evidence from Wisconsin”, *State Tax Notes*, Feb 24, 2003, pp. 677-686

The author looks at the impact of use valuation of agricultural land. Use value assessments have provided the most property tax relief to agricultural land located in urban and suburban areas of the state, the author says.

Bahl and Linn, 1992. “Property Tax Systems: Practice and Performance,” Chap 4, *Urban Public Finance in Developing Counties*.

George R. Zodrow “Reflections on the New View and the Benefit View of the Property Tax”, *Property Taxation and Local Government Finance*, P79-111

William A. Fischel, “Homevoters, Municipal Corporate Governance, and the Benefit View of the Property Tax”, *54 National Tax Journal* 157-74 (March 2001).

Increases in local property taxes reduce home values, and better local schools and amenities make homes more valuable. Unlike stockholders in business corporations, owners of homes cannot diversify their holding. Concentrated risk makes the two-thirds of American households who do not rent into vigilant "homevoters." Combined with Tiebout's "vote-with-your-feet" mechanism and zoning constraints, homevoting makes the local property tax into a benefit tax. Even childless homevoters will be willing to raise school taxes if the school improvement makes their homes more attractive to potential buyers. They will likewise reject fiscally profitable industrial development whose environmental effects devalue their homes.

(Ph.D.) Peter Mieszkowski, 1972, “The Property Tax: An Excise Tax or a Profits Tax?” *Journal of Public Economics*, 1 (1): 73-96.

(Ph.D.) Peter Mieszkowski and George Zodrow, 1989, “Taxation and the Tiebout Model: The Differential Effects of Head Taxes, Taxes on Land Rent, and Property Taxes”, *Journal of Economic Literature*, 27:1098-1146.

(Ph.D) David Wildasin, 1986, Chapter 5, “Property and Land Taxation” in *Urban Public Finance*.

This chapter of Wildasin's book “Urban Public Finance” discusses the distributive and efficiency effects of property taxes.

Jan Brueckner andHyun-A Kim, 2003, “Urban Sprawl and the Property Tax”, *International Tax and Public Finance*, 10(1): 5-23.

This paper explores the connection between the property tax and urban sprawl. While the tax's depressing effect on improvements reduces population density, spurring the spatial expansion of cities, a countervailing effect from lower dwelling sizes may dominate, raising densities and making cities smaller. The

analysis shows that this latter outcome is guaranteed under CES preferences when the elasticity of substitution σ is high. But numerical results for the Leontief case (where σ is zero) suggest that the property tax encourages urban sprawl when substitution between housing and other goods is low. Thus, the distortions generated by the property tax may include inefficient spatial expansion of cities, suggesting the tax may belong on the list of causal factors identified by critics of urban sprawl.

Steven D. Gold, "Property Tax Relief," Chapter IV, pp. 53-71 in *State Tax Relief for the Poor*, 1987.

Arnold H. Raphaelson, "The Property Tax," in *Management Policies in Local Government Finance*, Aronson and Schwartz (eds.), 2004.

Henry Aaron, *Who Pays the Property Tax*, Chapter 3, "Incidence of the Property Tax," Brookings, 1975.

Dagney Faulk, *The Taxation of Personal Property in Georgia*. Fiscal Research Program, School of Policy Studies, Georgia State University, August 1998.