On 15th Sept. a colloquium on land value tax (LVT), held at the Westminster HQ of the Royal Institution of Chartered Surveyors (RICS), was presented with economic analysis suggesting that a single annual tax based on land values would be capable of producing potential revenue flows of £82 billion: sufficient to replace all existing property taxes.

Following rigorous debate, the meeting, held with an option for Chatham House Rules, concluded that the technical issues often quoted as providing reasons not to switch to assessing land rather than property, namely valuation methodology and data, are capable of solution within the UK context. The event examined both the evidence base from Australia, USA and Denmark, where land taxes are already established, and the technical challenges offered by its introduction within the UK, either as a partial or full replacement for existing property taxes. Given the recent recommendation of the European Council that the UK consider a reform of property taxes as part of a package of measures to help improve the housing supply shortage this was timely indeed. The colloquium was attended by some 40 invitees, spanning senior figures from government agencies and the property industry, through to Think-Tanks, academics and journalists.

It was considered that current property taxes do not successfully encourage land, infrastructure and amenity development or their optimal management and urgently require reform. However views varied considerably as to whether all or only some property taxes should be replaced by an annually payable land tax. Council Tax and Non Domestic Rates (NDR) were seen as based on unrealistically outdated values and as distorting in impact; Stamp Duty Land Tax (SDLT) acts as a brake on mobility, which could hinder economic growth.

It was recommended that creating a cadastral map of the UK to establish property boundaries and values would be an essential prerequisite for the introduction of a system of land taxes. At the same time research is required to establish the most appropriate valuation methodology to underpin the land value assessments. Once these have been accomplished the replacement of NDR would be a relatively straightforward move and should enable 'proof of concept' for LVT within a UK context. It was considered that Council Tax is possibly the next stage, as whilst the valuation issues are not more complex, the out-datedness of current assessments could present challenges.

The Colloquium was sponsored by the Network for Social Change Charitable Trust and organised by Bob Brass- Network for Social Change; Dr. Sarah Sayce - Emeritus Professor, Kingston University; Dr. Tony Vickers - Coalition for Economic Justice.; For further details or to
register for a copy of the Proceedings Report, please contact Sarah Sayce at sarahlsayce@gmail.com