

Brandywine School District Funding

By Mike Curtis 5-9-16

It has come to my attention that there is yet another referendum on increasing taxes for schools in Brandywine Hundred. The primary justification for school taxes is simply that each of us was provided the opportunity of a free education, and therefore, we are obligated to contribute to the education of those who come after us. Clearly, it is a socialistic measure that Americans have adopted and practiced for a hundred and fifty years. The level of funding that is adequate for a person to function as a productive member of our society is always a matter of perspective and subject to the democratic process.

In Delaware, the majority of the funds come from the state, and in the case of Brandywine school district, thirty nine percent of the revenue now comes from the real-estate tax. Ah, the real-estate tax. Although it is one tax, because it is levied on land and buildings it has the effect of being two inherently different kinds of exactions.

The part of the tax that falls on land is a charge for all the benefits that come with it — proximity to jobs and shopping and recreational amenities, access to utilities, the level of safety and aesthetics, and even a sense of community. Access to a high quality public school adds a large amount to the value of residential land. In concept, a tax on the value of land is a charge for the value of benefits received from the community.

A tax on the value of buildings is based on the idea that the more your house is worth, the more you are able and should contribute to the education of other people's children, a clear example of the dictum: "From each according to his abilities, to each according to

his needs”. It is a confiscation of private property, and it is totally unjustified.

Although it is inequitable, and it discourages high-rise buildings and the rejuvenation of city slums, the tax on buildings, like virtually all other taxes, is now ultimately paid out of what would otherwise be taken by the owners of land. The problem is, the tax on buildings is only paid if there is a building; it is not levied on un-used land. Its levy is proportionately less on under used land. Therefore, the tax on buildings delivers no incentive to put the land to use — which is necessary to create jobs and housing. You can’t live and work in cyberspace.

So, if you want to provide public education while creating jobs and affordable housing, fund it with the socially created values that attach to land — especially those that result from quality public education.