



City of Detroit  
Detroit City Council  
Council Member Angela Whitfield Calloway  
District 2

## MEMORANDUM

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TO: Mayor's Office  
Honorable City Council  
Legislative Policy Division

FROM: Council Member Angela Whitfield-Calloway *AWC*

DATE: February 23, 2023

RE: Statement Supporting Land Value Tax

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Dear Honorable Council and Administration,

I am writing to express my support for Mayor Duggan and the administration's advocacy for the implementation of a land value tax in the city of Detroit. I believe that this tax could be an effective tool for promoting economic development, reducing blight, and improving the overall quality of life for Detroit residents.

As you are aware, Detroit has faced many challenges in recent years, including a shrinking tax base and an abundance of vacant land. While there are certainly no easy solutions to these issues, a land value tax could be an important step in the right direction.

A land value tax, also called a split rate tax, is the value of land without regard to structures (i.e., houses or buildings) and the land. By taxing land at a higher rate than the buildings or other improvements on it, a land value tax can encourage property owners to use their land more productively and discourage the holding of vacant land for speculative purposes.

In Detroit, where there is so much vacant land and so many abandoned properties, a land value tax could be particularly useful to spur economic development in the city. By making it more expensive to hold onto unused land, the tax could encourage property owners to either develop their properties or sell them to someone who will. This could help to reduce blight and make the city a more attractive place to live and do business.



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Furthermore, a land value tax could be an important source of revenue for the city. Because the tax is levied on land values, it is less likely to discourage development and economic growth than other types of taxes. In fact, [some studies](#) have shown that a land value tax can encourage investment in urban areas and described by [economists](#) as “economically efficient and morally just.”

I understand that implementing a land value tax will not be without its challenges, and that it may take time to see the full benefits of such a tax. However, I believe that the potential benefits are significant, and that it is worth exploring this option further.

Thank you for your time and consideration, and for your ongoing efforts to improve the city of Detroit. My office will request that the Legislative Policy Division draft a resolution in support of the land value tax proposal. I’m calling on all other members of the City Council to support this resolution.

Please contact our office if you have any questions or concerns – Senior Advisor Ramses Dukes, [ramses.dukes@detroitmi.gov](mailto:ramses.dukes@detroitmi.gov)