Treble-Protected Leasing and Private Land

There are those for whom the treble will create anxiety and hurt their quality of life. These people might say, “I’ll pay whatever rent you want, but I can’t deal with a treble.”

It is true that regardless of the “treble-safety” of the rent they are paying, a more efficient user might treble the entire neighborhood and build a skyscraper. Zoning won’t help, if the skyscraper builder trebles a path from another dominion.

Still, the odds of being trebled if one pays a treble-safe rent are practically zero. Most property owners will allow their rent to fall and match the trebler if and when they come. Those that actually pay a steady ground rent will be ignored.

Creating a leasing option that protects the property owner from a dominion treble violates the principle that the right of exclusive use belongs to the most efficient user. However, private holders of land automatically have this right. Another, more important principle is that private landowners should have no more rights than exclusive users of land in the commons trust.

Private landowners pay no rent, although they are still subject to a property tax under rules of their legacy title. This property tax and the tax on those who choose this lease option will be calculated as a tax on the land value as the greatest of all ground rent averages within a 1-mile radius, a 2-mile radius, a 5-mile radius, a 10-mile radius, a 20-mile radius, a 50-mile radius, a 100-mile radius, a 200-mile radius, a 500-mile radius, a 1,000-mile radius, a 2,000-mile radius, and a 5,000-mile radius. Bodies of water and unrented commons land are not counted in these rent/acre calculations.

The tax shall be equal to the average rent in the highest radius plus a treble-protected premium. Within the chosen radius, sum the ratio of private land plus the land of those who choose this lease and divide that by the total land area excluding bodies of water and unrented commons land. Call this ratio r.

The tax is equal to the average rent within the chosen radius x (1 + r). The greater the number of private landowners and those who choose this lease option, the higher the premium on the option.

The tax is recalculated monthly. Unlike ground rent, which is completely voluntary, the land tax, for those who choose this option, or those who never chose to sell their property into the commons trust, is always debited first from the Earth Dividend housing distribution. If the housing distribution is insufficient to pay the ground rent and no account is designated to pay the overcharge, a lien for the unpaid amount will be placed against the property.

Should the lien against private land ever equal or exceed the depreciated replacement cost of the structure, the property will be foreclosed upon and placed into the commons trust without additional compensation. The ground rent shall be initialized to the last actual payment of the tax. This can be no less than the Earth Dividend housing distributions of those who live in the house. All property under lien is payable by the trebler at 100% with no premium.

Should the lien against those who choose this option ever equal or exceed the depreciated replacement cost of the structure, the option will be surrendered. The ground rent shall be initialized to the last actual payment of the tax. This can be no less than the Earth Dividend housing distributions of those who live in the house. All property under lien is payable by the trebler at 100% with no premium.

Depreciated replacement costs are estimated by VIP Land Management or based on the latest appraisal on record.