

Land Parcel Tax as Instrument to Fight Against Poverty and Inequality¹

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SUMMARY

Currently there is a big international consensus about the ways to decrease poverty and inequality in Latin America, especially, and after multiple studies researched not only by academic community but also by important multilateral organisms such as the World Bank. The recommendations of most of those studies work the way governments should work to offer the following minimum conditions to their citizens: i) access to quality education , ii) access to infrastructure, and iii) equal access to land parcels.

This research will be focused on the analysis of the last one referring to equal access to land parcels from the cadastral point of view. To achieve this objective, we will use the data base of the Geographic Institute “Agustín Codazzi” which is the maximum cadastral authority in Colombia. With this information we will evaluate the current tenancy situation relating to both urban tenancy and rural tenancy; furthermore, we will analyze their characteristics and economic utilization.

It is also necessary to carry out a deep analysis of the main local land parcel taxes in Colombia, to mention one, the “Unified Land Parcel Tax”, which should be one of the main instruments for wealth redistribution and to decrease the concentration of property. However, currently this tax has many problems, mainly related to horizontal and vertical equity promotion inequality.

Therefore, the main propose of this paper is on one hand, to share with the academic and scientific community the problematic of tenancy in Colombia, and on the other hand, to expose some ideas that the government should take into account to improve the local tax system and carry out local tax reforms, in order to make Colombia a country more equitable. To achieve this goal, one of the main instruments for the redistribution of wealth is to design an efficient and sustainable property taxation.

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