

A Penalty on Quality

New York Times (1923-Current file); May 21, 1963; ProQuest Historical Newspapers: The New York Times

pg. 30

made New York a handsomer place. By this ruling, its gift of architectural excellence and open space is to be penalized by the city's Tax Commission, which will, in effect, levy a stiff fine on Seagram for giving New York a great building.

The complex legal aspects of the judgment are the concern of lawyers and tax experts; and this case is still to be heard by the State Court of Appeals. What concerns us here is the fact that the effects of this particular ruling, whatever its legal validity, are bound to be so far-reaching and so disastrous for the quality, fabric and appearance of this city that the matter becomes a question of basic public policy.

If the ruling stands, no sensible investor will put up a quality building, knowing that he will pay outrageously for the privilege. No realtor in his right mind will proceed with anything but minimum standard construction and maximum plot coverage. No corporation will build superbly for its own use, as Chase Manhattan did downtown, contributing architectural monuments and plazas to the city. The new zoning law's provisions for "bonuses" to builders who provide space and arcades will be completely nullified, for who will make such a gesture and risk producing a superior or "prestige" structure when he will be punished for it? If a way is being sought to condemn the city to perpetual architectural mediocrity, the Tax Commission has found it.

A Penalty on Quality

A recent decision of the Appellate Division of the State Supreme Court has set a new tax policy that can revise the city's method of assessing real estate and, as a curious extra-legal effect, make good building in New York more difficult than ever.

The case concerns the Seagram Building, considered by many critics to be the city's finest post-war structure and Park Avenue's most prestigious ornament. The ruling decrees that, precisely because this is a "prestige building," Seagram must pay higher taxes than its neighbors, and that these taxes are to be determined not by the traditional rule of assessment, the building's "market value," but by its cost. Seagram's construction is frankly extravagant; its beauty of design, materials and execution have