

INTO THE STACKS: BOOK LAUNCH: THE BLACK TAX

Taxation without Indemnification

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Whether by reevaluating previously underappreciated factors or by uncovering new source material, historical scholarship occasionally makes immediate and simultaneous interventions in both academic and public-facing conversations.¹ Andrew Kahl’s *The Black Tax* is one such work, and actually accomplishes these two tasks admirably. In the last two decades, scholars have investigated African American ownership of real property in land and homes, as well as the ways that governmental and private actors, policies, and practices have impaired Black people’s ability to acquire and accumulate wealth in this country.² This body of scholarship, alongside the work of public intellectuals, has served to jumpstart discussion around the issue of reparations.³ Prior to the release of Kahl’s illustrious book, however, no one had identified property taxes as lying at the very center of race-based structural inequality.⁴

In telling what he calls “the history of taxation in America as seen through the lives and experiences of Black Americans,” Kahl traces a long chronological arc—from the passage of the 1866 Civil Rights Act, which secured African Americans’ legal rights in property, right up through the present day (4). His analysis encompasses Black experiences both rural and urban, North and South, thereby demonstrating how racialized tax inequity and predatory tax buying form threads running through the histories of Reconstruction, Jim Crow segregation, the Great Migration, ghettoization, suburbanization, urban renewal, public school de/resegregation, the Great Society, 1960s urban uprisings, deindustrialization, Black Power, the Black middle class, the New Right, neoliberalism, gentrification, the Great Recession, and

¹For a work that recast understandings of the Black freedom struggle by focusing on the overlooked issue of sexual violence, see Danielle L. McGuire, *At the Dark End of the Street: Black Women, Rape, and Resistance* (New York, 2010).

²See especially Dylan C. Penningroth, *The Claims of Kinfolk: African American Property and Community in the Nineteenth-Century South* (Chapel Hill, NC, 2003); David M. P. Freund, *Colored Property: State Policy and White Racial Politics in Suburban America* (Chicago, 2007); Beryl Satter, *Family Properties: Race, Estate, and the Exploitation of Black Urban America* (New York, 2009); Debra A. Reid and Evan P. Bennett, eds., *Beyond Forty Acres and a Mule: African American Landowning Families Since Reconstruction* (Gainesville, FL, 2012); N. D. B. Connolly, *A World More Concrete: Real Estate and the Remaking of Jim Crow South Florida* (Chicago, 2014); Mehrsa Baradaran, *The Color of Money: Black Banks and the Racial Wealth Gap* (Cambridge, MA, 2017); Chloe N. Thurston, *At the Boundaries of Homeownership: Credit, Discrimination, and the American State* (New York, 2018); Keeanga-Yamahitta Taylor, *Race for Profit: How Banks and the Real Estate Industry Undermined Black Homeownership* (Chapel Hill, NC, 2019); Paige Glotzer, *How the Suburbs Were Segregated: Developers and the Business of Exclusionary Housing, 1890–1960* (New York, 2020); and Elizabeth Korver-Glenn, *Race Brokers: Housing Markets and Segregation in 21st Century Urban America* (New York, 2021).

³For an elaboration, see William A. Darity, Jr. and A. Kirsten Mullen, *From Here to Equality: Reparations for Black Americans in the Twenty-First Century* (Chapel Hill, NC, 2020). A particularly influential essay is Ta-Nehisi Coates, “The Case for Reparations,” *The Atlantic* 313 (June 2014), <http://www.theatlantic.com/magazine/archive/2014/06/the-case-for-reparations/361631/>.

⁴A partial exception focused on public school funding is Camille Walsh, *Racial Taxation: Schools, Segregation, and Taxpayer Citizenship, 1869–1973* (Chapel Hill, NC, 2018).

Black Lives Matter.⁵ Kahrl succeeds in telling this expansive story, supplementing traditional print and manuscript sources with two dozen interviews—including with Representative Bennie Thompson (D-MS) and the late historian James Loewen, both former tax reform advocates. Kahrl even infiltrated the 2016 meeting of the National Tax Lien Association to capture its president’s off-the-cuff remarks.

At the risk of oversimplification, this book’s argument is that from the very moment Black people could legally own real property, white people sought to either take this property away or else tax it exorbitantly so that they could benefit at the expense of its rightful owners. Making matters worse, whites have historically deployed “the canard that Blacks paid little in taxes and, by implication, were undeserving of the rights, benefits, and protections of citizenship” (4). Because tax administration at the local level is beyond the purview of Congress and courts, taxes on individual properties can be assessed inconsistently and often arbitrarily; thus taxation has been essentially weaponized against owners of lesser means and especially Black people, who are taxed more heavily for a smaller share of public services, while holders of more valuable property typically enjoy lower rates. Kahrl explains the intricacies of American taxation’s evolution since the late nineteenth century, and demonstrates how local tax officials, whether in the rural South or in large cities like Chicago, have consistently practiced this calculus of favoring wealthier and corporate taxpayers.

Even more disturbingly, nearly all states allow for the outright dispossession of property owners who are behind (delinquent) on their taxes, through the mechanism of tax liens and, subsequently, sales upon the expiration of a specified redemption period. Kahrl shows how the business of tax buying developed, tracing its origins with individual purchasers from the late nineteenth into the early twentieth century, to larger specialized investment firms and syndicates, then ultimately to hedge funds on the eve of the Great Recession. As the tax-buying industry grew, it lobbied state and local governments to pass favorable legislation and remove caps on interest charges and fees. The mass tax delinquency of homeowners during the Great Depression unnerved city administrators, leading them to outsource collections to private operators who, ironically, expressed little interest in acquiring real property during that crisis.⁶ They did, however, seize the opportunity to argue that delinquent taxpayers would never fulfill their obligations unless threatened with the harsh penalty of losing their homes—a refrain they have repeated into the present, meanwhile offering their recovery of tax revenues as a “public service.” Typically these operators preferred homeowners who were elderly or had missed tax payments due to a family or health crisis, yet wanted to remain in their homes; this practice allowed buyers to either sell properties back at inflated prices, or to retain ownership and collect exorbitant rents and fees. In this way, investors utilized tax buying as one tool in a basket of predatory practices characterizing racially structured housing markets. If a home was in the path of planned redevelopment or future freeways, it could alternatively be sold to the city at a markup. And in the case of rural Black landowners in areas like the Sea Islands, targeted for resort development starting in the 1950s, the playbook was even more devious: leverage disagreements among heirs, raise taxes far beyond what longtime residents could bear, and deny them infrastructure to persist, until the coveted properties could be seized for next to nothing.

⁵Some of the numerous locations Kahrl treats will be familiar from his previous work: *The Land Was Ours: How Black Beaches Became White Wealth in the Coastal South* (Chapel Hill, NC, 2016); “The Power to Destroy: Property Tax Discrimination in Civil Rights-Era Mississippi,” *Journal of Southern History* 82, no. 3 (Aug. 2016): 579–616; and “Capitalizing on the Urban Fiscal Crisis: Predatory Tax Buyers in 1970s Chicago,” *Journal of Urban History* 44, no. 3 (May 2018): 382–401.

⁶For a study with a comparable long time scope that identifies similar patterns during the Depression and beyond, see Daniel R. Kerr, *Derelict Paradise: Homelessness and Urban Development in Cleveland, Ohio* (Amherst, MA, 2011).

African Americans did not simply acquiesce in this abuse; some of the most amazing portions of *The Black Tax* recount how grassroots activists mobilized around unfair taxation as a civil rights issue, especially into the Black Power era and the 1970s. One African American high school teacher successfully ran in 1971 for the office of tax assessor in a majority-Black Mississippi county, and after a long and hard-fought struggle equalized the tax burden there. A historiographical breakthrough is Kahrl's revelation that the "taxpayer's revolt," often traced to white California suburbanites passing Proposition 13 in 1978, was actually launched—and literally named—by George Wiley, a key founder of the National Welfare Rights Organization who started the Movement for Economic Justice in 1973. But Kahrl makes clear that encouraging outcomes have been infuriatingly rare, especially after the turn toward neoliberal growth strategies in the 1980s. While educating and organizing less-affluent property owners about their rights was always a challenge, the emergence of computer-based record keeping and tax sales, along with big capital's increasing involvement in this industry, have kept reforms out of reach. Though referring to the Jim Crow South, one point of Kahrl's could be repurposed as a takeaway for the entire book: "Of the local powers in whites' arsenal, few made it through the civil rights revolution of the 1960s more unscathed than local taxing powers" (132).⁷

I find few grounds to critique *The Black Tax*, and can scarcely begin to capture its manifold insights here. Kahrl even offers concrete policy proposals for tax reform with racial equity in mind, which I find more convincing and realistic than recent efforts (notably in Detroit) to institute Henry George's "single" (land value) tax. While Kahrl devotes relatively little space to the American West—the region with the smallest African American population historically but which saw the founding of all-Black towns in Kansas, Oklahoma, and Texas—one would expect the dynamics he identifies also played out there.⁸ Kahrl might have considered Michigan's Emergency Financial Manager law, first passed in 1988 but which in recent decades has been aimed at Black-majority municipalities, producing a humanitarian disaster in Flint.⁹ And while he focuses on Jersey City, Atlantic City's turn toward casino gambling was a taxation-related gambit that especially hurt racial minorities, so could have received a mention as well.¹⁰ But these observations amount to nitpicking; I predict that *The Black Tax* will quickly become standard reading material in graduate seminars and will likely spark public conversations for years to come.

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⁷Kahrl earlier observes similarly about the 1937 Tax Injunction Act, that it "effectively exempted the tax assessor's office from the civil rights legal revolution that was about to unfold" (31).

⁸See Thad Sitton and James H. Conrad, *Freedom Colonies: Independent Black Texans in the Time of Jim Crow* (Austin, TX, 2005); David A. Chang, *The Color of the Land: Race, Nation, and the Politics of Landownership in Oklahoma, 1832–1929* (Chapel Hill, NC, 2010); Karla Slocum, *Black Towns, Black Futures: The Enduring Allure of a Black Place in the American West* (Chapel Hill, NC, 2019); and Richard Edwards and Jacob K. Friefeld, *The First Migrants: How Black Homesteaders' Quest for Land and Freedom Heralded America's Great Migration* (Lincoln, NE, 2023).

⁹Katrinell Davis, *Tainted Tap: Flint's Journey from Crisis to Recovery* (Chapel Hill, NC, 2021).

¹⁰Bryant Simon, *Boardwalk of Dreams: Atlantic City and the Fate of Urban America* (New York, 2004).