

Proclamation

Recognizing the Anniversary of Proposition 13

WHEREAS: On June 6, 1978, Proposition 13, officially titled the "People's Initiative to Limit Property Taxation," and popularly known as the "Jarvis-Gann Initiative," was overwhelmingly approved by California's voters, reducing property tax rates on homes, businesses and farms, and capping the rate of increase in the future; and

WHEREAS: Prior to the adoption of Proposition 13, California's raging inflation had sent property tax bills in California soaring so high that many families had to sell their homes because they could not afford to pay their taxes; and

WHEREAS: Prior to the adoption of Proposition 13, property tax assessments showed wider divergences than assessment disparities under the current acquisition-value system; and

WHEREAS: With the approval of Proposition 13, real property values were adjusted to a base value equal to the 1976 assessed value of that real property, thereby introducing an objective standard upon which real property would be taxed and ending the previous subjective standard for assessment that engendered the property tax assessment abuses that occurred in the 1960s and 1970s; and

WHEREAS: With the passage of Proposition 13, taxpayers were provided a measure of certainty with respect to their property taxes; and

WHEREAS: Following the passage of Proposition 13, the average homeowner has saved thousands of dollars in property tax payments, money that was able to be spent in the economy to create jobs and foster economic development; and

WHEREAS: Following the passage of Proposition 13, renters also benefitted as the reduction in taxes reduced upward pressure on rents; and

WHEREAS: The volatility of income and sales tax revenue to the state and local governments is a major flaw in California's tax system, while Proposition 13 has rendered California's property taxes as a stable and predictable source of public revenue, even during economic downturns; and

WHEREAS: Since the passage of Proposition 13, proposed alternatives to Proposition 13 would have had a variety of unwelcome effects, including substantial tax increases for low-income and elderly homeowners; and

WHEREAS: Voters intended Proposition 13 to protect all property owners, and they had rejected previous attempts to impose higher taxes on small businesses, knowing that these so-called "split roll" proposals would inflict irreparable harm on California's economy; and

WHEREAS: Proposition 13 has become a nationwide symbol for taxpayer revolt and for citizens exercising control and power over their governance.

NOW THEREFORE BE IT RESOLVED, that in recognition of the positive impact Proposition 13 has had on the State of California, I, Mayor Randy Pope, formally reaffirm support for Proposition 13.

Randy Pope, Mayor