

1914

ABOLITION OF POLL TAX

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ABOLITION OF POLL TAX California Proposition 32 (1914).
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ABOLITION OF POLL TAX.

Initiative amendment to section 12 of article XIII of the constitution.

Provides that no poll or head tax for any purpose shall be levied or collected in this state

The electors of the State of California hereby propose an amendment of and to section 12 of article XIII of the constitution of said state, relating to poll taxes, so that the same shall read as follows:

PROPOSED LAW.

ARTICLE XIII.

Section 12. No poll tax or head tax for any purpose whatsoever shall be levied or collected in the State of California.

Section 12, article XIII, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 12. *The legislature shall provide for the levy and collection of an annual poll tax, of not less than two dollars, on every male inhabitant of this state over twenty-one and under sixty years of age, except paupers, idiots, insane persons, and Indians not taxed. Said tax shall be paid into the state school fund.*

ARGUMENT IN FAVOR OF ABOLITION OF POLL TAX.

The poll tax has been handed down from the period when the people were classed as property and taxed as chattels.

Originally it was a perfectly just tax, because it was levied on the feudal baron and paid by him according to the number of serfs he owned. As he was getting all the benefit from the labor of the people under him, there was every reason why he should contribute to the support of the government in proportion to the number of people he controlled, and the head tax was the best way to determine that.

The poll tax, therefore, was simply the application of just principles of taxation to feudal age conditions. The feudal baron enjoyed a privilege conferred by law and he paid into the public treasury what the privilege was thought to be worth.

In course of time, however, the barons managed to shift the burden so that each man had to pay his own head tax. Thus the original reason for the tax ceased to exist, and it became an injustice.

Originally a tax upon property, the poll tax is now a tax upon persons, upon life itself. The basic assumption remains the same as before, namely, that the right to life, like the right to property, is a privilege granted by the state.

The poll tax is a survival of despotism and a denial of democracy.

For these reasons nearly all civilized nations have abolished the poll tax. The only large nations that still levy that tax are: Russia, Turkey, Persia, China, and a rapidly decreasing number of states of our country.

In 1895 the poll tax was not recognized in twenty states; in 1900 thirty-five states in the union had no state poll tax.

No one attempts to defend the poll tax on ethical grounds. Those who oppose its abolition can not refute the demonstrated charge that the tax is unjust and unfair and inflicts an unnecessary hardship on those least able to bear it.

The poll tax is not necessary for the support of the public schools. The amount the state school fund now derives from the poll tax will not be lost, nor will it have to be made up by some other equally objectionable method of taxation. The deficiency can easily be made up from the tax on corporation incomes

Fifty-four

An unjust and oppressive tax can not be justified on the ground that the proceeds are devoted to a useful purpose. It is not necessary to tax the poor in order to maintain the schools and to pay the teachers a decent salary. California is a rich state—the richest state per capita in the union—therefore it is erroneous to assume that a head tax is necessary to maintain the schools.

The poll tax is objectionable because it has never been uniformly collected. The state controller's reports prove that in some counties only 21 per cent of the population pay this tax and as high as 68 per cent in others. Wealthy citizens sometimes pay the poll tax; laborers always pay it through deductions from their wages.

The poll tax is a double tax. The class of persons from whom it is chiefly collected pay (indirectly but none the less certainly) the greater part of the taxes levied directly upon the owners of property. The latter class shifts the burden on the former class. The property-less class pays both the direct and the indirect tax.

The poll tax has not even the poor excuse of being justified because it taxes aliens, as this class contributes less than one eighth of the total amount collected. Hence we penalize our citizens to the extent of seven dollars for every one dollar we manage to extract from aliens.

The poll tax is despotic because it classifies human life as a species of property. It is unjust because it places an additional tax on those who in other ways pay a share of the so-called direct taxation out of all proportion to their means. It can not be considered necessary long as private property—the true creator of the state—suffices for the purpose of taxation.

PAUL SCHARRENBERG.

Sec'y California State Federation of Labor.

ARGUMENT AGAINST ABOLITION OF POLL TAX.

The state poll tax yields for the state school fund about \$850,000 per annum, which is about one seventh of the total amount which the state provides for the support of common schools. In addition the poll tax is used by thirty-five out of the fifty-eight counties for road and hospital purposes and to provide additional school funds, amounting in all, in 1913, to \$260,000. The total amount collected in poll taxes, state and county, is, therefore, in round numbers \$1,110,000.

The proceeds of this tax are devoted to purposes—namely, the support of the schools, roads, and hospitals—which there is no doubt the people will insist shall be maintained as liberally as ever. If this vast sum of \$1,110,000 were raised by the general ad valorem tax, it would mean, all told, a tax of four cents on each one hundred dollars of the assessed valuation of the state. It has been suggested by some that the loss might be made good by increasing the taxes upon corporations. This suggestion, of course, applies to the state's share only, or \$850,000, for there is no other way of raising the \$260,000 which the counties would lose, except by the ad valorem tax. But when it is remembered that, at the last session of the legislature, the taxes on the corporations were raised as high as they justly could be, in the opinion of that body, it certainly can not be assumed that it would be right to immediately raise them still higher.

The arguments against the poll tax are, 1. that it is an old tax. There are lots of things among our institutions that are old, but are not

necessarily, on that account, bad. Indeed, it has sometimes even been argued that no tax is a tax except an old tax.

It is argued that the tax is unequal, because the poor man pays as much as the rich man. This might be a valid argument if the poll tax stood all by itself. But the poll tax is one of many taxes and among the others are those which fall only upon the rich man and make his share commensurate with his ability.

It is argued again that the poll tax is not uniformly enforced and that some escape. That, however, is not an argument against the poll tax as such, but merely an argument for the better enforcement of the law. In 1900 the poll tax yielded \$404,000. Since then the administration has so improved that it is yielding, as above stated, about \$850,000 per annum, or considerably more than double. The mere fact that a given institution is not well administered is no argument for its abolition; some of our schools are not as successful as they might be, and some

of our streets have chuck-holes in them, but that is no reason why the government should abandon the support of the schools or of the streets.

Every citizen, whether rich or poor, should pay some tax, and should thus be made conscious in a direct way of his responsibility for the support of the institutions under which he lives. There are many persons in California who pay no other direct tax than the poll tax. Among these are many aliens, and a large number of unorganized, migratory and seasonal laborers, whose presence is a menace, especially to organized labor, for they do not maintain the standards of living nor the standards of work which are essential to the support of the living or union wage.

The poll tax is a just tax. It bears heavily on no one. It is the only tax paid by certain aliens and by certain unorganized laborers. The revenues are necessary. Its defects can be cured by a more vigorous, uniform administration.

CARL C. PLEHN.

QUALIFICATION OF VOTERS AT BOND ELECTIONS.

Initiative amendment adding section 7 to article II of constitution.

Provides that no elector may vote on question of incurring bonded indebtedness of state or political subdivision thereof, unless he is owner of property taxable for payment of such indebtedness and assessed to him on last assessment roll.

The electors of the State of California present to the secretary of state this initiative petition, asking that the proposed constitutional amendment hereafter set forth be submitted to the electors of the State of California for their approval or rejection:

Proposition to amend article II of the Constitution of the State of California by the addition of a new section to said article, to be designated and numbered as section seven (7) of said article, relating to the right of suffrage in respect to the incurring of any bonded indebtedness of this state or of any county, city and county, municipality or other political subdivision of this state.

The people of the State of California do enact as follows:

A new section is hereby added to article II of the Constitution of the State of California, to be numbered section 7, and to read as follows:

PROPOSED LAW.

Section 7. No elector shall have the right to vote on any question of incurring any bonded indebtedness of this state or of any county, city and county, municipality, or other political subdivision of this state, unless he shall be the owner of property liable to be taxed for the payment of such indebtedness and assessed to him on the last assessment roll.

ARGUMENT IN FAVOR OF QUALIFICATION OF VOTERS AT BOND ELECTIONS.

Every man, woman and child in California is mortgaged for \$40.00, for an average period of thirty years.

The annual burden of taxation for interest and sinking fund is approximately \$3.00 per capita.

The voting of public bonds has become a political matter, and it is the purpose of the California State Realty Federation in advocating the foregoing constitutional amendment to remove it from the sphere of politics and make it an economic matter.

There are in California 879,242 taxpayers. The property of every taxpayer would enhance in value if the law confined the creating of public debts to the property owners affected. More people would buy homes in California instead of investing their earnings in other ways. Voting of bonds in reclamation and irrigation districts

in California is confined to the property owners affected, and the limitation has operated with great success. Investigation has confirmed the fact that such bond issues are more economic to the taxpayers than are those of the cities and counties of the state.

This matter is essentially a practical one, and the experience of other states is the best practical guide to its solution.

The state of New York furnishes the best illustration of the advantages of a property qualification. See New York Consolidated Laws of 1909, page 1402, which require upon public bonds issued thereunder, substantially the following recital: "The issue of this bond is duly authorized by a vote of the taxpayers." Public bonds in New York are issued with an interest rate of 3½ per cent, notwithstanding the fact that that state has the heaviest per capita indebtedness of any state in the union, while in California, with practically one half the per capita indebtedness of New York, our public bonds can not be sold at an interest rate of less than 6 per cent except in exceptional cases.

Arizona, the most recent acquisition to the union, provides (see Constitution of 1912):

"Section 13. Questions upon bond issues shall be submitted to the vote of property taxpayers, who shall also in all respects be qualified electors of the state affected by such question."

There are altogether forty-two states in the union which require property qualifications in bond elections.

The advantages of adopting this amendment may be summarized as follows:

First—General merit of restricting vote to electors affected.

Second—Definite electorate with which to deal on all questions involving bond issues.

Third—Elimination of incentive to politicians, demagogues, newspapers, etc., to appeal to class prejudice in economic matters.

Fourth—Reduction in taxation by preventing unnecessary and extravagant bond issues, and the introduction of business methods in public bond issues.

Fifth—Promotion of stability of California credit.

Sixth—Prevent the depreciation of California property