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VALIDATING TAX DEEDS

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LEGISLATURE. EXPENSES OF MEMBERS. Assembly Constitutional Amendment No. 2. Adds section 23b to Article IV, Constitution, to provide that members of Legislature shall receive their expenses necessarily incurred in attending sessions of the Legislature, subject to rules of Legislature. Such allowance not to exceed expense allowance of other elective State officers.	YES	
	NO	

(For full text of measure, see page 8, Part II)

Argument in Favor of Assembly Constitutional Amendment No. 2

The only purpose of this measure is to authorize reimbursement to legislative members the actual necessary expense incurred by them for board and lodging, etc., while in actual attendance at regular or special sessions of the Legislature.

Members are required by law to leave their homes and live at Sacramento during general and special sessions. Their compensation as fixed by law is \$100 per month; however, due to the Federal withholding tax, they actually receive amounts ranging from \$88.40 for a single man to \$98.30 for a married man. These meager amounts are wholly inadequate to meet the present day cost of living, and as a result, a great hardship is placed upon conscientious members who faithfully serve their constituents in legislative matters.

All other elective State officers receive their actual necessary living expenses when away from home on official business. The same privilege should be accorded members of the Legislature.

Obviously the allowance of such necessary living expenses to members who must of necessity leave their homes and businesses and incur extra living expenses while at Sacramento is but fair and equitable. To deny such expenses imposes an unfair and inequitable burden upon citizens willing to make financial sacrifices in the interest of good government. Unless such expenses are authorized, the average ordinary citizen can not

afford to serve in the Legislature and the State is therefore deprived of the learning and ability of many outstanding persons who might otherwise serve in such capacity.

The equity and fairness of this amendment should appeal to every voter, and we urge its adoption in justice and fairness to legislators who serve the State without substantial remuneration, yet must respond to the call to meet at Sacramento at all general and special sessions.

Vote YES on Assembly Constitutional Amendment No. 2.

CHARLES W. LYON,
Speaker and Member of the
Assembly, Fifty-ninth District
ARTHUR W. CARLSON,
Member of the Assembly,
Sixteenth District.

Argument Against Assembly Constitutional Amendment No. 2

While it seems unfair that legislators, when attending either special or regular sessions of the Legislature, should have to pay their own expenses, it must be borne in mind that this provision has been the law of this State for almost 100 years. This seems a sufficient reason alone to defeat this amendment.

Vote NO on Assembly Constitutional Amendment No. 2.

WM. J. GREENE,
4341 Van Horne Ave.,
Los Angeles, Calif.

VALIDATING TAX DEEDS. Senate Constitutional Amendment No. 21. Adds section 5 to Article XIII, Constitution, to provide that all deeds issued by any taxing agency by reason of delinquency of taxes or assessments shall be conclusively presumed valid unless declared invalid by judicial decision in an action commenced within one year after date of deed or effective date of amendment, whichever is later. Provides for procedure to govern action.	YES	
	NO	

(For full text of measure, see page 9, Part II)

Argument in Favor of Senate Constitutional Amendment No. 21

The revenue laws of this State provide that after failure to pay taxes upon real property for a period of five years, such property shall be "deeded to the State" and subsequently sold at public auction to the highest bidder. Similar

provisions exist for tax deeds to other taxing agencies.

This orderly procedure to return taxable property to the assessment rolls and thereby reduce the amount of taxes of those who continue to pay, has been disrupted in the past by the inability of the taxing authorities to give good title to property thus sold at public auction. Thus

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over two hundred thousand parcels of property, "tax-deeded" property, are off the active assessment roll.

The courts have so strictly construed the revenue laws that it has been practically impossible to sell such tax-deeded lands and give a good and merchantable title. The result has been that such lands, if sold, have brought very low prices and have been purchased primarily for their nuisance value.

The purpose of the constitutional amendment is to provide that any person who buys tax-deeded property at public auction will receive a good, merchantable title. Many benefits will follow. Real property which does not now pay taxes will be restored to the assessment rolls, thereby decreasing the tax burden upon other property. It will give good and merchantable title to the buyer of such property, and lastly, a better price will be received by the State and other taxing agencies for such property at public auction, which also decreases the tax burden on other taxpayers. It will eliminate so called "tax sharas" and speculators who are now in this field.

The delinquent property owner is given by the amendment opportunity to test the procedure or steps of the taxing authorities leading to the deeding of the property to the State or other taxing agency. This offers sufficient protection against any possible injustice to the delinquent property owner.

The adoption of this amendment will increase the protection of property owners, strengthen the taxing procedure of the State, and restore thousands of parcels of property to the tax rolls and to economic purposes.

W. P. RICH,
Senator, Tenth District.

Argument Against Senate Constitutional Amendment No. 21

This constitutional amendment is a typical example of a bad practice, a result of which has been cluttering our State Constitution with unnecessary statutory provisions for a number of years so that it is now a hodgepodge of procedural, administrative and statutory law instead of the framework of Government originally intended. Every legitimate purpose sought to be accomplished by this amendment has been, or can be, done by act of the Legislature without constitutional amendment. Therefore, the real purpose of the amendment must be to freeze, or fix, into the Constitution a rule of law which will benefit its sponsors and which can not be changed except by the very expensive, difficult and cum-

bersome method of constitutional amendment. Every voter should challenge the necessity of this constitutional amendment.

The amendment is an unnecessary, idle act for another reason. It is designed to provide a short statute of limitations on tax deeds so that these deeds will convey a clear title to the purchaser. Assuming that the end result would be desirable and that the means used are fair and proper, the amendment still fails to eliminate the test of constitutionality under the Constitution of the United States. Both the Federal and State Constitutions prohibit the taking or impairment of a property right without due process of law. The courts have repeatedly held tax deeds to be invalid in spite of the short statute of limitations where the proceedings leading up to the issuance of the deed have failed to comply with the due process clauses of the Federal and State Constitutions, such as the lack of notice to the landowner, failure of assessment, improper assessment, and others.*

Amendment of the State Constitution will in no way limit the protection afforded the property owner by the Federal Constitution and will, therefore, be a useless, idle act unless the Federal Constitution is also amended.

This amendment also presents a practical problem of land titles to every landowner in California in that it is a potential threat of dispossession by a tax sale even though the landowner was in fact unaware of his danger. The amendment makes valid the deed to the State or taxing agency instead of the deed from the State taxing agency to the purchaser at the tax sale. This simple, but deadly provision deprives the landowner of any notice he would receive by reason of the possession of the purchaser at the tax sale.

Public officials make mistakes, most of which are unintentional. If the taxing officials should mistakenly fail to give the proper notice or should act erroneously so that the landowner did not get his notice, then, under this amendment, it is possible for the landowner to be dispossessed of his property without even knowing the nature of his default until the deed to the State or taxing agency had become valid. Such a possibility should not be permitted.

Voters, keep your Constitution inviolate and protect your property rights.

OLIVER J. CARTER,
State Senator,
Fifth District.

* (NOTE.—See 51 Am. Jur. 996-998; 26 R. C. L. 442-444; also cases collected under *Lind v. Stubeifield*, 138 Okla. 280, 282 P. 365.)

8 VALIDATING TAX DEEDS. Senate Constitutional Amendment No. 21. Adds section 5 to Article XIII, Constitution, to provide that all deeds issued by any taxing agency by reason of delinquency of taxes or assessments shall be conclusively presumed valid unless declared invalid by judicial decision in an action commenced within one year after date of deed or effective date of amendment, whichever is later. Provides for procedure to govern action.	YES	
	NO	

Senate Constitutional Amendment No. 21—A resolution to propose to the people of the State of California to amend the Constitution of the State, by adding Section 5 of Article XIII thereof, relating to property taxation.

Resolved by the Senate, the Assembly concurring, That the Legislature of the State of California at its Fifty-fifth Regular Session commencing on the fourth day of January, 1943, two-thirds of the members elected to each of the two houses of the Legislature voting therefor, hereby proposes to the people of the State of California that Section 5 of Article XIII of the Constitution be added, to read as follows:

(This proposed amendment does not expressly amend any existing section of the Constitution but adds a new section thereto; therefore, the provisions thereof are printed in BLACK-FACED TYPE to indicate that they are NEW.)

PROPOSED AMENDMENT TO THE CONSTITUTION.

Sec. 5. All deeds heretofore and hereafter issued to the State of California or to any taxing agency by reason of delinquency of property taxes or assessments levied by any taxing agency or revenue district, shall be conclusively presumed to be valid unless held to be invalid in an appropriate proceeding in a court of competent jurisdiction to determine the validity of said deed commenced within one year after the execution of said deed, or within one year after the effective date of this section, whichever be later. Such proceedings may be prosecuted within the time limits above specified in the manner and subject to the provisions of Sections 3618 to 3636 of the Revenue and Taxation Code, as said sections now exist or may hereafter be amended, or in any other appropriate proceeding now or hereafter provided for by the Legislature.

9 FUNDS FOR ELEMENTARY SCHOOLS. Initiative Constitutional Amendment. Amends Constitution, Section 15 of Article XIII, to increase the amount of revenue required to be raised and apportioned by the Legislature for public elementary schools from one hundred per cent to one hundred and sixty-six and two-thirds per cent of the entire amount otherwise required to be raised by counties for the support of public day and evening elementary schools. Leaves unchanged the amount to be raised and apportioned for public day and evening secondary and technical schools. Amendment effective from June 30, 1945.	YES	
	NO	

Sufficient qualified electors of the State of California have presented to the Secretary of State a petition and request that the proposed amendment to the Constitution hereinafter set forth be submitted to the people of the State of California for their approval or rejection at the next ensuing general election or as provided by law. The proposed amendment to the Constitution is as follows:

(This proposed amendment expressly amends an existing section of the Constitution; therefore, EXISTING PROVISIONS proposed to be DELETED are printed in STRIKE-OUT TYPE; and NEW PROVISIONS proposed to be INSERTED are printed in ACK-FACED TYPE.)

PROPOSED AMENDMENT TO THE CONSTITUTION.

Section 15 of Article XIII of the Constitution of the State of California is hereby amended to read as follows:

Section 15. Out of the revenue from State taxes for which provision is made in this article, together with all other State revenues, there shall first be set apart the moneys to be applied by the State to the support of the public school system and the State university. The Legislature shall provide for the raising of revenue by any form of taxation not prohibited by this Constitution in amounts sufficient to meet the expenditures of this State not otherwise provided for and in amounts sufficient to apportion, and shall apportion,