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VETERANS' TAX EXEMPTION

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will receive complaints, conduct investigations, hold hearings, and make recommendations to the Supreme Court. To avoid the unfairness of publishing complaints of merely disgruntled litigants, proceedings before the commission will not be public, unless and until it recommends to the Supreme Court the removal or retirement of the judge. The record before the commission will then be a public record of the Supreme Court which will determine whether the judge in question shall be removed or retired.

This proposal will assure real protection against incompetency, misconduct or non-performance of duty on the Bench.

The amendment also strengthens the Judicial Council, which makes the rules of court procedure, by enlarging its membership to include two legislators and four lawyers, and authorizes it to appoint a Court Administrator to supervise the administrative work of the courts. Some 18 other States and the Federal Government have learned that such a Court Administrator performs an important function in increasing the efficiency of the courts and equalizing the workload of the judges.

Inasmuch as the measure provides that the State Bar shall appoint the four lawyer members

of the Judicial Council and the two lawyer members of the Commission on Judicial Qualifications, both of which are created by the State Constitution, it is thought advisable to include a provision giving the State Bar, which is now a statutory entity, the status of a constitutional body too. The Legislature, however, will continue to have power to regulate the administration of the State Bar by statute as it now does.

Finally, the amendment changes the name of the existing Commission on Qualifications, which is concerned with approving or rejecting the Governor's appointments of appellate judges, and with voluntary retirement of judges, to the more appropriate one of the "Commission on Judicial Appointments." This will prevent confusing it with the proposed new Commission.

This constitutional amendment should have your Yes vote.

EDWIN J. REGAN
Senator, 5th District
Trinity and Shasta Counties

JOSEPH A. RATTIGAN
Senator, 12th District
Sonoma County

VETERANS' TAX EXEMPTION. Senate Constitutional Amendment No. 13. Provides that residency requirement for veterans' tax exemption of \$1,000 means those who were residents at time of entry into armed forces or operative date of this amendment; survivor to be entitled to exemption must be survivor of qualified veteran and also resident at time of application. Extends exemption to widowers as well as widows; exemption denied to survivor owning property of value of \$10,000. Permits totally disabled veteran entitled to \$5,000 exemption on a home to transfer it to subsequently acquired home.

11

YES	
NO	

(For Full Text of Measure, See Page 10, Part II)

Analysis by the Legislative Counsel

This constitutional amendment would amend Section 1¼ of Article XIII. It would extend the present coverage of the veterans' tax exemption to include veterans of the Armed Forces of the United States, rather than merely those of the Army, Navy, Marine Corps, Coast Guard or Revenue Marine (Revenue Cutter) Service.

It would restrict the present exemption by making it applicable only to those veterans who were residents of this State at the time of their entry into the Armed Forces or who are residents on November 8, 1960, which will be the effective date of the amendment if it is adopted. Under the present constitutional provision a veteran need only be a resident of California at the time he makes application for the exemption.

In addition, the proposed amendment would use the word "spouse" instead of "wife" or "widow," thus extending the exemption to husbands and widowers. The measure would provide that a surviving spouse, father or mother of a deceased veteran may not own property of the value of \$10,000 or more, rather than \$5,000 or more, if they are to qualify for the exemption.

It would also restrict the exemption granted to a surviving spouse or parent of a veteran to situations in which such spouse or parent resided in

State and the deceased veteran was eligible for an exemption at the time of his death.

The proposed constitutional amendment also restates the last paragraph of Section 1¼ in the form of a new Section 1¼a. Under the present provisions of that paragraph the Legislature has authority to exempt from property taxes the homes of veterans of this State who are permanently and totally disabled due to the loss, or loss of use, of both lower extremities from specified causes. Present authority is limited, however, to exempting homes acquired with the assistance of the Federal Government. This constitutional amendment would extend the exemption to any home acquired and occupied by such a totally disabled veteran after disposing of the home acquired with Federal assistance, whether or not the new home is acquired with such assistance.

Proposition No. 3 also would amend Section 1¼ of Article XIII and would add a Section 1¼a to that article. The two measures are therefore in conflict and in the event that both are adopted by the voters, the one receiving the higher vote will prevail.

Argument in Favor of Senate Constitutional Amendment No. 13

This proposition relates to the Veterans Tax Exemption. There are five changes contained in Proposition 11:

1. Eligibility for exemption is limited to:

- A. Residents of California at the time they entered military service; or**
B. Veteran residents of California in November, 1960.

One who by action and intent indicates that he will remain in California indefinitely, is a resident. It is not necessary to live here any specified time to establish residence.

About 40% of all veterans in California today entered the service elsewhere. This would not affect these people. But thousands of new veterans are arriving every year. The total annual cost to local governments of this exemption now exceeds \$60,000,000, is growing yearly, and is shifted to other taxpayers, including veterans. Additional exemptions reduce the value of the exemption to those now claiming it.

There is ample precedent for this restriction. CALVET Farm and Home Loans are limited to those who entered service from California. And all states which grant veterans bonuses limit them to veterans who entered service from those states.

Yet at present a veteran can collect the bonus in his own state, then move to California and receive our exemption the rest of his life.

It should be emphasized that no veteran who is eligible today will lose the exemption under Proposition 11.

2. Veterans' widows. To be eligible today the veteran cannot own more than \$5,000 in property. This means \$10,000 in community property for the married veteran.

When the veteran dies, his widow loses community property status, goes back under the \$5,000 rule and may lose the exemption from which she has benefited for years at a time when she needs it most.

Proposition 11 changes the property limitation for widows to \$10,000.

The reference to widows is broadened to include widowers—in 1911 the voters could not foresee the number of women who would enter military service.

3. "Wife" is changed to "spouse" granting a broader benefit to women veterans.

Specifically, a veteran is now permitted exemption on property worth \$1,000, or "lacking such amount of property . . . so much of the property of the wife . . . necessary to equal such amount". Female veterans have been denied a similar benefit on their husband's property. This proposition corrects this situation.

4. Liberalization of benefits for permanently disabled paraplegics, corrects a previous oversight. This provision, and arguments for it, are identical to Proposition 3, and passage will not conflict with Proposition 3.

5. Language changes for clarification only.

Compensation or reward for military service is primarily a national responsibility, since the veteran served the nation, not just one state—this is recognized in the federal veterans' program. State veterans' benefits are a further expression of gratitude to those who entered service from that state.

Other states limit their programs to such veterans. This proposition would make California's exemption conform for those moving here in the future, but no veteran now eligible would lose exemption.

This proposition also liberalizes the provisions for widows, women veterans and paraplegics.

Vote "Yes" on Proposition 11.

LUTHER E. GIBSON
 Senator for Solano County

JAMES J. McBRIDE
 Senator for Ventura County

Argument Against Senate Constitutional Amendment No. 13

This Constitutional Amendment will permit widowers of female veterans the same exemption as widows of male veterans and will allow veterans permanently disabled in military service who have received a home from the federal government to transfer their exemption if they sell their home and buy a different one. However, it also will cut off any exemption for those veterans who may take up residence in California hereafter, who were not resident in California at the time of their entry into the military service. This will have the effect of setting up two classes of veterans even though their service may have been equal in danger and equal in length. In effect it will greatly reduce the number of veterans eligible in future years.

Restricting the number of veterans eligible for this exemption of a portion of their property will not materially increase the funds of the p school districts because the state provides a specified foundation program and will provide proportionately less state funds to equal the added tax to be paid by veterans.

It should be borne in mind that only property to the assessed valuation of One Thousand Dollars or less is exempted and veterans pay the full tax rate on all assessed valuation over that amount.

Also when the value of property owned by a veteran amounts to five thousand dollars or over, he loses any and all exemption and pays the full tax on the full assessed value of his property. Many veterans lose their exemption in a very few years by reason of savings or the purchase of a home and the assessment of their possessory interest. Many homes are assessed at Five Thousand or over now and bar the veteran from eligibility for any partial exemption whatever.

The world-wide Communist conspiracy is trying to weaken patriotism and the defense of the free countries. Anything that we do to lessen our appreciation of the war time service of our youth in the army, navy, and air force may be made use of by subversives in the cold war.

This proposal should be divided so the separate parts can be voted on separately at a future election. We ask a 'No' vote.

NELSON S. DILWORTH
 Senator, Thirty-seventh District
 Riverside County

subdivision (iii) ceases to be a member of the commission or becomes a justice or judge of any court or a member of the State Bar, his membership shall forthwith terminate and the Governor shall appoint a successor for a four-year term. No member of the commission shall receive any compensation for his services as such, but shall be allowed his necessary expenses for travel, board and lodging incurred in the performance of his duties as such.

No act of the commission shall be valid unless concurred in by a majority of its members. The commission shall select one of its members to serve as chairman.

Third—That Section 1c is added to Article VI, to read:

Sec. 1c. The State Bar of California is a public corporation with perpetual existence and succession. Every person admitted and licensed to practice law in this State is and shall be a member of the State Bar except while holding office as a justice or judge of a court of record.

Fourth—That Section 10b is added to Article VI, to read:

Sec. 10b. A justice or judge of any court of this State, in accordance with the procedure prescribed in this section, may be removed for willful misconduct in office or willful and persistent failure to perform his duties or habitual intemperance, or he may be retired for disability seriously interfering with the performance of his duties, which is, or is likely to become, of a permanent character. The Commission on Judicial Qualifications may, after such investigation as the commission deems necessary, order a hearing to be held before it concerning the removal or retirement of a justice or a judge, or the commission may in its discretion request the Supreme Court to appoint three special masters, who shall be justices or judges of courts of record, to hear and take evidence in any such matter, and to report thereon to the commission. If, after hearing, or after considering the record and report of the masters, the commission finds good cause therefor, it shall recommend to the Supreme Court the removal or

retirement, as the case may be, of the justice or judge.

The Supreme Court shall review the record of the proceedings on the law and facts and in discretion may permit the introduction of additional evidence and shall order removal or retirement, as it finds just and proper, or wholly reject the recommendation. Upon an order for retirement, the justice or judge shall thereby be retired with the same rights and privileges as if he retired pursuant to statute. Upon an order for removal, the justice or judge shall thereby be removed from office, and his salary shall cease from the date of such order.

All papers filed with and proceedings before the Commission on Judicial Qualifications or masters appointed by the Supreme Court, pursuant to this section, shall be confidential, and the filing of papers with and the giving of testimony before the commission or the masters shall be privileged; but no other publication of such papers or proceedings shall be privileged in any action for defamation except that (a) the record filed by the commission in the Supreme Court continues privileged and upon such filing loses its confidential character and (b) a writing which was privileged prior to its filing with the commission or the masters does not lose such privilege by such filing. The Judicial Council shall by rule provide for procedure under this section before the Commission on Judicial Qualifications, the masters, and the Supreme Court. A justice or judge who is a member of the commission or Supreme Court shall not participate in any proceedings involving his own removal or retirement.

This section is alternative to, and cumulated with, the methods of removal of justices and judges provided in Sections 10 and 10a of this article, Sections 17 and 18 of Article IV, and Article XXIII, of this Constitution.

Fifth—That Section 26a is added to Article VI, to read:

Sec. 26a. The "Commission on Qualifications" created by Section 26 of this article is renamed and henceforth shall be known as the "Commission on Judicial Appointments."

VETERANS' TAX EXEMPTION. Senate Constitutional Amendment No. 13. Provides that residency requirement for veterans' tax exemption of \$1,000 means those who were residents at time of entry into armed forces or operative date of this amendment; survivor to be entitled to exemption must be survivor of qualified veteran and also resident at time of application. Extends exemption to widowers as well as widows; exemption denied to survivor owning property of value of \$10,000. Permits totally disabled veteran entitled to \$5,000 exemption on a home to transfer it to subsequently acquired home.

YES

NO

(This proposed amendment expressly amends an existing section of the Constitution, and adds a new section thereto; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** are printed in **STRIKEOUT TYPE**, and **NEW PROVISIONS** proposed to be **INSERTED** or **ADDED** are printed in **BLACK-FACED TYPE**.)

PROPOSED AMENDMENTS TO ARTICLE XIII

First—That Section 1¼ of Article XIII be amended to read:

Sec. 1¼. (a) The property to the amount of one thousand dollars (\$1,000) of every resident of this State who has served in the ~~Army, Navy, Marine Corps, Coast Guard or Revenue Marine (Revenue Cutter) Service~~ **Armed Forces** of the United States (1) in time of war, or (2) in time of peace, in a campaign or expedition for service in which a medal has been issued by, or under the authority of, the Congress of the United States and in either case has received an honorable charge therefrom, or who after such service of the

United States under such conditions has continued in such service, or who in time of war is in such service, or (3) who has been released from active service because of disability resulting from such service in time of peace or under other honorable conditions; or lacking such amount of property in his own name, so much of the property of the wife or spouse of any such person as shall be necessary to equal said amount, shall be exempt from taxation; provided, this exemption shall not apply to any person described herein owning property of the value of five thousand dollars (\$5,000) or more, or where the spouse of such person owns property of the value of five thousand dollars (\$5,000) or more; and the

(b) The property to the amount of one thousand dollars (\$1,000) of the widow surviving resident spouse in this State, or if there be no such widow surviving spouse, of the widowed mother resident in this State, of every person who has so served and has died either during his term of service or after receiving an honorable discharge from said service, or who has been released from active duty because of disability resulting from such service in time of peace or under other honorable conditions, and the property to the amount of one thousand dollars (\$1,000) of pensioned widows surviving spouses, fathers, and mothers, resident in this State, of soldiers, sailors and marines who served in the Army, Navy, Marine Corps, Coast Guard or Revenue Marine (Revenue Cutter) Service of the United States persons described herein who have so served in the Armed Forces of the United States, shall be exempt from taxation; provided, this exemption shall not apply to any person named herein owning property of the value of five thousand dollars (\$5,000) or more; or where the wife of such soldier or sailor owns property of the value of five thousand dollars (\$5,000) or more; any surviving spouse, father or mother described in this subdivision owning property of the value of ten thousand dollars (\$10,000) or more. No exemption shall be made under the provisions of this section of the property of a person who is not legal resident of the State; provided, however, all

(c) All real property owned by the Ladies of the Grand Army of the Republic and all property owned by the California Soldiers Widows Home Association shall be exempt from taxation.

The Legislature may exempt from taxation, in whole or in part, the property, constituting a home, of every resident of this State who, by reason of his military or naval service, is qualified for the exemption provided in the first paragraph of this section, without regard to any limitation contained therein on the value of property owned by such person or his wife, and who, by reason of a permanent and total service-connected disability incurred in such military or naval service due to the loss, or loss of use, as the result of amputation, ankylosis, progres-

sive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair, has received assistance from the Government of the United States in the acquisition of such property; except that such exemption shall not extend to more than one home nor exceed five thousand dollars (\$5,000) for any person or for any person and his spouse. This exemption shall be in lieu of the exemption provided in the first paragraph of this section.

No person described herein who has served in the Armed Forces of the United States shall be eligible for such exemption unless he was a resident of California at the time of his entry into such Armed Forces, or unless he was a resident of California at the effective date of the amendment of this section as proposed at the 1959 Regular Session of the Legislature.

No surviving spouse, father or mother of such person described herein who has served in the Armed Forces of the United States shall be eligible for such exemption unless such described person was eligible for such exemption at the time of his death, and unless such surviving spouse, father or mother of such described person was a resident at the time of the application for such exemption.

Second—That Section 1 $\frac{1}{4}$ a be added to Article XIII, to read:

Sec. 1 $\frac{1}{4}$ a. The Legislature may exempt from taxation, in whole or in part, the property, constituting a home, of every resident of this State who, by reason of his military or naval service, is qualified for the exemption provided in subdivision (a) of Section 1 $\frac{1}{4}$ of this article, without regard to any limitation contained therein on the value of property owned by such person or his spouse, and who, by reason of a permanent and total service-connected disability incurred in such military or naval service due to the loss, or loss of use, as the result of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair, has received assistance from the Government of the United States in the acquisition of such property; except that such exemption shall not extend to more than one home nor exceed five thousand dollars (\$5,000) for any person or for any person and his spouse. This exemption shall be in lieu of the exemption provided in subdivision (a) of Section 1 $\frac{1}{4}$ of this article.

Where such totally disabled person sells or otherwise disposes of such property and thereafter acquires, with or without the assistance of the Government of the United States, any other property which such totally disabled person occupies habitually as a home, the exemption allowed pursuant to the first paragraph of this section shall be allowed to such other property.