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VALUATION OF SINGLE-FAMILY DWELLINGS FOR TAX PURPOSES

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logic. The effect of Assembly Constitutional Amendment 21 is to make a very minor change in the law and really does not justify the expense and time of submitting the matter to the voters. The change would eliminate the Constitutional provision which requires a naturalized citizen to be a naturalized citizen for 90 days prior to becoming eligible to vote. By taking this provision out of the Constitution, the Legislature would be authorized to put in place of the 90 days a change which would probably be to allow such a person to register and vote literally at the whim of the Legislature. County officers need a reasonable period of time to process the registration of these cases; there has never been any difficulty with the existing 90-day period for this purpose.

CLARK L. BRADLEY
State Senator, 14th District

Rebuttal to Argument Against Proposition 6

Contrary to what is set forth in the argument urging a NO vote, this measure has

nothing to do with the procedures of registration and voting. It merely permits a naturalized citizen to vote immediately after becoming a U.S. citizen and not having to wait the present 90-day period.

This amendment makes no change whatsoever in proof of citizenship, nor does it make any change in the period of time county officers have to process the registration of these cases. This period of time is the same as for other U.S. citizens—presently 54 days before an election. So, the NO argument along these lines is inapplicable to this amendment.

The opposition indicates that the issue involved in Proposition 6 is unimportant. But, to new citizens awaiting the chance to exercise their right to vote, the issue is very important this year.

There was overwhelming support for this amendment in the Legislature. The Assembly vote was 62-0 and the Senate vote 27-4. Vote YES on Proposition 6.

DAVID A. ROBERTI
State Senator, 27th District

VALUATION OF SINGLE-FAMILY DWELLINGS FOR TAX PURPOSES. Legislative Constitutional Amendment. Provides that Legislature may prohibit the valuation of single-family dwellings for purposes of property taxation at any value greater than that which would reflect use of property as site for single-family dwelling.

YES

NO

(For full text of measure, see page 7, Part II)

General Analysis by the Legislative Counsel

A "Yes" vote on this measure is a vote to authorize the Legislature to prohibit the valuation of owner-occupied single-family dwellings for purposes of property taxation at any value greater than that reflecting such use of the property.

A "No" vote is a vote to deny this power to the Legislature and to continue the present practice of valuation of a single-family dwelling.

For further details, see below.

Detailed Analysis by the Legislative Counsel

The State Constitution now requires the valuation of property for general property taxation on the basis of its full cash value, which courts have construed to mean the value determined by its "highest and best use." Thus, a single-family dwelling, and the land on which it is situated, would be taxed at a higher value if the property were suitable for some other higher and better use, such as a site for a commercial establishment.

This measure would authorize the Legislature to prohibit the valuation of a single-family

(Continued on next column)

Cost Analysis by the Legislative Analyst

Adoption of this amendment to the Constitution would not have a direct cost or revenue effect. This is because it only authorizes the Legislature to act. If the authority is implemented by legislation, the effect would be to reduce to some extent, probably not of major proportions, the assessed valuation of certain single family owner-occupied homes. To produce the equivalent property tax revenues would require a shift in the tax burden to other types of property.

(Continued from column 1)

ily dwelling, and its necessary land, at any value greater than that reflecting such use of the property, if the following two requirements were satisfied:

First, the dwelling must be occupied by an owner on the lien date, the first day of March preceding the fiscal year for which the property taxes will be levied.

Second, the dwelling must be situated on land zoned exclusively for single-family home use or zoned for agricultural use where single-family homes are permitted.

Argument in Favor of Proposition 7

Voters—Here's a chance to protect your right to live in your own home.

THE PROBLEM—The Constitution gives the local tax assessor the authority to put extremely high assessed values on single family homes if he believes them warranted. This occurs because the assessor puts a value on the property which reflects its potential use as a gas station or an apartment house for example. He may do this even though the home is zoned for single family home use.

The Legislature has conducted an intensive investigation into the overassessment of homes. It discovered many instances, especially in Los Angeles County, where the homes that would normally sell for between \$15,000 and \$20,000 were being valued by assessors for as much as \$80,000. This obviously forces homeowners out of their homes because they can't afford to pay the taxes caused by the astronomical assessment.

THE SOLUTION—To prevent this unfair treatment of homeowners, it is necessary to amend the Constitution to allow the Legislature to specify by law that, if a home is in an area zoned for single family homes or in an agricultural area, it can only be valued by the assessor as a home. This will prevent people from being forced out of their homes by inequitable assessment practices.

While your home may be correctly assessed this year, you have no guarantee that assessments won't skyrocket next year if your assessor changes his opinion on the value of your property. Happiness is peace of mind in knowing that the assessor cannot force you out of your home by assessing it on the basis of a higher potential use.

Protect your home and family—

VOTE YES

ROBERT MORETTI
Speaker of the Assembly

JOE A. GONSALVES
Chairman, Assembly Committee
on Revenue and Taxation

Rebuttal to Argument in Favor of Proposition 7

ACA 44 would authorize the Legislature to prohibit assessment of some 5 percent owner-occupied, single family dwellings on the basis of such use only, rather than on fair market value. The following groups would receive **NO** benefit from ACA 44:

1. Renters.
2. Owners of duplexes or any other type of multiple residential property.
3. More than 80 percent of the owners of single family dwellings, since their properties are NOW assessed for that use.

4. Owners of all other types of real property.
5. **THUS, WHILE 5 PERCENT OR LESS OF CALIFORNIANS ARE POTENTIAL BENEFICIARIES OF ACA 44 (MOST OF THEM IN EXTREMELY MODEST AMOUNTS), EVERY OTHER CALIFORNIAN WOULD BE IMPACTED BECAUSE OF THE TAX SHIFTING FROM THE BENEFITED PROPERTIES TO THEIR PROPERTIES.**

Beneficiaries of ACA 44 are the few owners of single family dwellings which sites are worth more than their present use (for example, the land could reasonably be sold for commercial or industrial use) or those who would achieve a significant capital gain by sale of their residence but who have maintained single family zoning.

ACA 44 represents a tax classification and a departure from the California constitutional standard that all property be assessed uniformly according to value which the property would bring in the open market. Experience in other states indicates that tax classifications which favor a few, once established, are sought by other groups with resulting tax chaos.

Vote "No" on ACA 44.

CLARK L. BRADLEY
State Senator

Argument Against Proposition 7

This is another pie in the sky plan which is thrown out to you as property tax relief which would benefit less than 5% of all Californians—and that at the expense of all other property owners. It should be opposed.

Do you remember proposition 1-A in 1968 which you were told would give you property tax relief but which turned out to be a cruel mirage? ACA 44 offers even less, would accomplish even less, and would do it without any replacement revenues to eliminate a shift of taxes to other property taxpayers.

ACA 44 would authorize the Legislature (in a form which is not of course now known) to prohibit assessment of some owner-occupied, single family dwellings on the basis of such use only, rather than on their fair market value. The following groups would receive **NO** benefit from ACA 44:

1. Renters.
2. Owners of duplexes or any other type of residential property other than an owner-occupied single family dwelling.
3. More than 80% of the owners of single family dwellings, since their properties are NOW classified for assessment purposes at that use and therefore cannot achieve no benefit from this measure.

4. Owners of all other types of real property.

5. **THUS, WHILE 5% OR LESS OF CALIFORNIANS ARE POTENTIAL BENEFICIARIES OF ACA 44 (AND MOST OF THEM IN EXTREMELY MODEST AMOUNTS) EVERY OTHER CALIFORNIAN WOULD BE IMPACTED BECAUSE OF THE TAX SHIFT WHICH WOULD RESULT FROM THE BENEFITED PROPERTIES TO THEIR PROPERTIES.**

Beneficiaries of ACA 44 are the less than 5% of Californians who are owners of single family dwellings, the site of which is worth more than its present use for a dwelling (for example, the land could reasonably be sold for commercial or industrial use) or those who expect to achieve a significant capital gain by the sale of their residence, but who have managed to maintain single family zoning.

ACA 44 represents a tax classification and a departure from the California constitutional standard that all property shall be assessed uniformly according to value which the property would bring in the open market if sold. Experience in other states indicates that tax classifications which favor a few, once established, are sought by other groups with resulting tax chaos.

While this measure may attempt to bring a small modicum of relief to a few taxpayers, it will be an illusory and temporary palliative. What is needed is genuine property tax relief for all property taxpayers to benefit renters as well as owners.

Since ACA 44 will bring relief to only a few at the expense of all others, since it departs from the equitable constitutional standard of assessing all property on the basis of its fair market value, and since it is an inadequate and piecemeal approach which does not confront the real problem of producing property tax relief, it must be opposed.

Vote "NO" on ACA 44.

CLARK L. BRADLEY
State Senator

Rebuttal to Argument Against Proposition 7

The opposition arguments are a smoke-screen. The issue is: Should the assessor be allowed to assess a home, zoned for such use, as a site for a gas station?

The opposition's arguments do not go to the issue's merits. The amendment is not designed to be a substitute for a tax relief measure or a property tax reform program. It is designed to cure an inequity and protect homeowners from the assessor.

Even if the number of homes which are overassessed now is a small number, all people are protected against overassessments in the future.

Senator Bradley's argument is akin to saying you don't help the person who has been "mugged in the street", just because you haven't been mugged, too.

It is disappointing that the opposition would try to appeal to selfish, self-seeking motives. We believe voters to be motivated by feelings of compassion and fairness. If we recognize a situation where a small number of people are being treated unfairly, it is our responsibility to correct this unfairness, even though there may not be any personal gain for us.

The negative arguments seek to perpetuate the status quo where the assessor, through the use of high assessments, can force the homeowner to sell out to the developers on the developer's terms.

If this amendment is defeated, the assessor will continue to have the power to put high assessments on homes which force the owners to leave because they can't afford high taxes.

For fairness and equity—VOTE YES.

ROBERT MORETTI
Speaker of the Assembly

JOE A. GONSALVES
Chairman, Assembly Committee
on Revenue and Taxation

7	VALUATION OF SINGLE-FAMILY DWELLINGS FOR TAX PURPOSES. Legislative Constitutional Amendment. Provides that Legislature may prohibit the valuation of single-family dwellings for purposes of property taxation at any value greater than that which would reflect use of property as site for single-family dwelling.	YES	
		NO	

(This amendment proposed by Assembly Constitutional Amendment No. 44, 1971 Regular Session, expressly amends an existing article of the Constitution by adding a new section thereto; therefore, **NEW PROVISIONS** proposed to be **ADDED** are printed in **BOLDFACE TYPE**.)

**PROPOSED AMENDMENT TO
ARTICLE XIII**

Sec. 2.5. The Legislature may by law prohibit the valuation of single-family dwellings for purposes of property taxation at any

value greater than that which would reflect the use of the property as a site for a single-family dwelling.

As used in this section, "single-family dwelling" means a single-family dwelling occupied by an owner thereof on the lien date and so much of the land on which it is situated as may be required for the convenient use and occupation of such dwelling, if such dwelling is on land which is zoned exclusively for single-family home use or which is zoned for agricultural use where single-family homes are permitted.

8	CHIROPRACTORS. Legislative Amendment. Amends several sections of the Chiropractic Initiative Act. Provides that members of the Board of Chiropractic Examiners shall be citizens of the United States and have resided and been licensed Chiropractors in California for at least five years. Deletes provision that District Attorneys are required to prosecute violations of the Chiropractic Act. Revises examination procedure. Makes other nonsubstantive changes in that Act. Financial impact: This measure does not involve any significant cost or revenue considerations.	YES	
		NO	

(This law proposed by SB 1561 (Ch. 1755), 1971 Regular Session, expressly amends existing sections of the law; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** or **REPEALED** are printed in **STRIKEOUT TYPE**; and **NEW PROVISIONS** proposed to be **INSERTED** or **ADDED** are printed in **BOLDFACE TYPE**.)

**PROPOSED AMENDMENTS TO
INITIATIVE ACT**

An act . . . † to amend an initiative act entitled "An act prescribing the terms upon which licenses may be issued to practitioners of chiropractic, creating the state board of chiropractic examiners **State Board of Chiropractic Examiners** and declaring its powers and duties, prescribing penalties for violation hereof, and repealing all acts and parts of acts inconsistent herewith" approved by electors November 7, 1922 by amending Sections 1, 2, 3, 6, 9, 14, and 17 thereof, by amending and renumbering Section 8.1 thereof, and by repealing Sections 8 and 11 thereof, said amendment to take effect upon the approval thereof by the electors, and providing for the submission thereof to the electors pursuant to subdi-

vision (c) of Section 24 of Article IV of the State Constitution, relating to healing arts.

SECTION 1. * * * †

SEC. 2. Section 1 of the act cited in the title is amended to read:

Section 1. A board is hereby created to be known as the "State Board of Chiropractic Examiners," hereinafter referred to as the board, which shall consist of five members, citizens of the **State of United States**, with **at least five years residence in California**, appointed by the Governor. **Each member shall be of good moral character and shall have had at least five years of licensure in this state prior to appointment.** Each member must have pursued a resident course in a **regularly incorporated an approved** chiropractic school or college, and must be a graduate thereof and hold a diploma therefrom.

Each member of the board first appointed hereunder shall have practiced chiropractic in the State of California for a period of three years next preceding the date upon which this act takes effect, thereafter appointees shall be licentiates hereunder.

Not more than two persons shall serve simultaneously as members of said board, whose first diplomas were issued by the same school or college of chiropractic, nor shall more than two members be residents of any

† 3. 1561 (Ch. 1755), 1971 Regular Session, also amends Labor Code Section 4601.