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DISABLED VETERANS TAX EXEMPTION

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of government programs, based on the need of the recipient, which in turn can only be judged by his revealing his income, assets and general ability to provide for himself.

If a person on welfare has his privacy protected to the point where he need not reveal his assets and outside income, for example, how could it be determined whether he should be given welfare at all?

Suppose a person owned a house worth \$100,000 and earned \$50,000 a year from the operation of a business, but had his privacy protected to the point that he did not have to reveal any of this, and thus qualified for and received welfare payments. Would this be fair either to the taxpayers who pay for welfare or the truly needy who would be deprived of part of their grant because of what the wealthy person was receiving?

Our government is helping many people who really need and deserve the help. Making privacy an inalienable right could only bring chaos to all government benefit programs, thus depriving all of us, including those who need the help most.

And so because it is unnecessary, interferes with the work presently being done by the Constitution Revision Commission and would emasculate all government programs based on recipient need, I urge a "no" vote on Proposition 11.

JAMES E. WHETMORE
State Senator, 35th District

Rebuttal to Argument Against Proposition 11

The right to privacy is much more "unnecessary wordage". It is fundamental in any free society. Privacy is not now guaranteed by our State Constitution. This simple amendment will extend various court decisions on privacy to insure protection of our basic rights.

The work of the Constitution Revision Commission cannot be destroyed by adding two words to the State Constitution. The Legislature actually followed the Commission's guidelines in drafting Proposition 11 by keeping the change simple and to the point. Of all the proposed constitutional amendments before you, this is the simplest, the most understandable, and one of the most important.

The right to privacy will not destroy welfare nor undermine any important government program. It is limited by "compelling public necessity" and the public's need to know. Proposition 11 will not prevent the government from collecting any information it legitimately needs. It will only prevent misuse of this information for unauthorized purposes and preclude the collection of extraneous or frivolous information.

KENNETH CORY
Assemblyman, 69th Distr.

12 **DISABLED VETERANS TAX EXEMPTION. Legislative Constitutional Amendment.** Permits Legislature to extend disabled veterans tax exemption to totally disabled persons suffering service-connected loss of both arms, loss of arm and leg, or blindness in both eyes and loss of either arm or leg. Extends exemption to either surviving spouse. Financial impact: Nominal decrease in local government revenues.

YES

NO

(For Full Text of Measure, See Page 11, Part II)

General Analysis by the Legislative Counsel

A "Yes" vote on this legislative constitutional amendment is a vote to authorize the Legislature to exempt from property taxation, up to \$10,000 of the value of homes of qualified veterans (1) who have lost, or lost the use of, both arms; or (2) are blind and have lost, or lost the use of, one leg or one arm; or (3) have lost, or lost the use of, one arm and one leg.

A "No" vote is a vote to continue the authorization only as to homes of veterans who have lost, or lost the use of, both legs.

For further details, see below.

Detailed Analysis by the Legislative Counsel

The Constitution now authorizes the Legislature to exempt up to \$10,000 of the assessed value of the home of each qualified

(Continued on page 29, column 1)

Cost Analysis by the Legislative Analyst

The California Constitution presently authorizes the Legislature to exempt from property taxation the home of any resident of this state who, as a result of military or naval service, has lost the use of both legs. The constitution limits this exemption to a maximum of \$10,000 of assessed value and restricts the exemption to veterans who have received assistance from the federal government in the acquisition of a home. This exemption for disabled veterans—unlike the \$1,000 exemption for other veterans—is available regardless of the amount of the claimant's assets.

This constitutional amendment authorizes the Legislature to extend this \$10,000 exemption to the following:

- (1) Veterans who have lost the use of both arms.

(Continued on page 29, column 2)

Detailed Analysis by the Legislative Counsel
(Continued from page 28, column 1)

California veteran who by reason of permanent and total service-connected disability incurred in the military or naval service has lost, or lost the use of, both legs because of amputation, ankylosis, progressive muscular dystrophies, or paralysis.

This measure would authorize the Legislature to exempt, in addition, up to \$10,000 of the assessed value of the home of a qualified California veteran in the following circumstances:

1. In cases where, by reason of permanent and total service-connected disability, an individual has suffered the loss, or loss of use, of both arms as the result of amputation, ankylosis, progressive muscular dystrophies, or paralysis.

2. In cases where, by reason of permanent and total service-connected disability, an individual is blind in both eyes with a visual acuity of 5/200 or less and has suffered the loss, or loss of use, of one arm or one leg as the result of amputation, ankylosis, progressive muscular dystrophies, or paralysis.

3. In cases where, by reason of permanent and total service-connected disability, an individual has suffered the loss, or loss of use, of both an arm and a leg as a result of amputation, ankylosis, progressive muscular dystrophies, or paralysis.

The Legislature would also be authorized to extend the exemption to the homes of surviving husbands, as well as to surviving wives, of deceased disabled veterans, until such time as the surviving husband or wife remarries.

Conflicting Measures

The authority granted by this measure would conflict with the limitations proposed
(Continued in column 2)

Argument in Favor of Proposition 12

Your vote for Proposition 12 will extend to severely disabled veterans a tax exemption in recognition of their great personal sacrifices.

There are striking inequities in the present constitutional provisions concerning our disabled veterans. Proposition 12 will help correct these inequities.

Under present law, a veteran who has lost both of his legs may qualify for a \$10,000 tax exemption on his home, but one who has lost an arm and a leg is treated as though he is not disabled. The same treatment is also accorded the person who returns from the service with both arms missing. The blinded veteran may qualify for a \$5,000 exemption but no additional consideration is given him if he has also lost an arm or a

Cost Analysis by the Legislative Analyst

(Continued from page 28, column 2)

- (2) Veterans who are blind in both eyes and who have lost the use of either an arm or a leg.
- (3) Veterans who have lost the use of both an arm and a leg.

The amendment continues the requirement that the exemption be granted only to veterans who became disabled as a result of military or naval service.

The number of persons eligible for this exemption is about 700. If the amendment is adopted and the Legislature enacts implementing legislation, the exemption will cause a small decrease in the assessed value of property in jurisdictions in which a claimant's property is located and a small increase in the proportion of property taxes paid by taxpayers who do not receive this exemption. Because few exemptions will be claimed in any single jurisdiction, the revenue effect of the exemption will not be noticeable.

(Continued from column 1)

in Proposition No. 14. If both are approved the one receiving the highest vote will prevail.

Statutes Contingent Upon Adoption of Above Measure

If this measure is approved by the voters, Chapter 899 of the Statutes of 1972 will amend Section 205.5 of the Revenue and Taxation Code. The text of Chapter 899 of the Statutes of 1972 is on record in the office of the Secretary of State in Sacramento and will be contained in the 1972 published statutes. A digest of that chapter is as follows:

Grants the \$10,000 exemption for the homes of all the above-described veterans and their surviving spouses.

For many years the State of California has recognized the sacrifices made by the veteran who returns from war. He receives assistance from the State in purchase of a home, in continuing his education, and in the often difficult job of readjusting to civilian life. Our Constitution also provides for a property tax exemption for all veterans until they reach a certain level of property ownership. However, regardless of the efforts made to rehabilitate the severely disabled, there is no doubt that their earning capacity has been severely curtailed. Under these circumstances it seems harsh indeed to demand their full payment of property tax.

By voting for Proposition 12, you will extend the \$10,000 exemption to blinded veterans who have lost an arm or a leg and to veterans who have lost an arm and a leg, or who have been deprived of both arms.

You can help these courageous citizens in their uphill fight to reestablish themselves as contributing members of our society. Your vote for Proposition 12 will convince our disabled veterans that we do care and that

we do appreciate the personal sacrifices they have made on our behalf.

JOHN W. HOLMDAHL
State Senator, 8th District

MARCH K. FONG
Assemblywoman, 15th District

13 WORKMEN'S COMPENSATION. Legislative Constitutional Amendment. Gives Legislature power to provide for payment of workmen's compensation award to state on death, arising out of and in course of employment, of employee without dependents. Permits such awards to be used for extra subsequent injury compensation. Financial impact: If implemented, would decrease state costs approximately \$1,800,000 per year.	YES	
	NO	

(For Full Text of Measure, See Page 12, Part II)

General Analysis by the Legislative Counsel

A "Yes" vote on this legislative constitutional amendment is a vote to grant the Legislature the power to provide for the payment to the state of workmen's compensation awards on the death of employees injured in the course of their employment who have no dependents, and to permit such awards to be used to pay extra compensation for "subsequent injuries," which is now paid from the General Fund.

A "No" vote is a vote against such proposal.

For further details, see below.

**Detailed Analysis by the
Legislative Counsel**

The Constitution now authorizes the Legislature to enact a complete system of workmen's compensation. Generally, under the present system, an employee is compensated for an industrially-caused injury. An award is made to his surviving dependents in case of death resulting from such injuries; but no award is payable if he has no surviving dependents.

As a part of this present system, General Fund money is appropriated to pay additional workmen's compensation for "subsequent injuries," that is, payments to an employee with a pre-existing partial permanent disability who thereafter sustains an industrially-caused partial permanent disability. The additional payment is for that portion of the combined disability in excess of the percentage attributable to the later injury for which the employer is liable.

However, the Constitution does not permit the Legislature to require that funds of one employer be used to pay compensation to employees of another employer.

This measure would permit the Legislature to require that on the industrially-caused death of an employee who leaves no surviving dependents, the employer shall pay a death benefit to the state to be used for payments of additional compensation to workmen, including those not employed by such employer, for "subsequent injuries."

Cost Analysis by the Legislative Analyst

Present California state law provides that an employee who is disabled by an injury arising "out of and in the course of" his employment is entitled to workmen's compensation benefits, including medical treatment, temporary disability payments, permanent disability compensation and a death benefit if the workman dies leaving dependent survivors. The amount of the weekly temporary and permanent disability benefit payments is based upon the severity of the disability. Where the injury causes death, the employer is liable for reasonable burial expenses not exceeding \$1,000 and a death benefit of \$25,000 for one dependent or \$28,000 for surviving widow and one or more dependent minor children, payable in installments.

California law also provides that when a worker with a pre-existing permanent disability or impairment suffers a subsequent industrial injury resulting in a combined total permanent disability of 70 percent or more, the employer is responsible only for that degree of permanent disability arising from the subsequent injury. The balance of the disability benefit obligation is assumed by the Subsequent Injury Fund which is supported from the state's general tax revenues in the General Fund. State costs for this program have increased from \$775,000 in 1964-65 to an estimated \$2,000,000 in fiscal year 1972-73.

This constitutional amendment would permit the Legislature to require that when an employee dies as the result of an industrial injury and leaves no dependent heirs, the death benefit of \$25,000 which otherwise would have been paid to a surviving dependent shall be paid to the state instead. Such payments would be used by the state to finance the workmen's compensation disability payments under the Subsequent Injuries program, and thereby eliminate or reduce the cost of this program to the General Fund.

The annual number of job-related deaths in California over the past six years has remained fairly constant at about 725. Approximately 10 percent of these persons leave no dependents. Thus, based on an estimated 72

(Continued on page 31, column 2)

10	ND VETERANS TAX EXEMPTION. Legislative Constitutional Amendment. Permits Legislature to increase property tax exemption from \$5,000 to \$10,000 for veterans who are blind due to service-connected disabilities. Financial impact: Nominal decrease in local government revenues.	YES	
		NO	

(This amendment proposed by Senate Constitutional Amendment No. 23, 1972 Regular Session, expressly amends an existing section of the Constitution; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** are printed in **STRIKEOUT TYPE**; and **NEW PROVISIONS** proposed to be **INSERTED** are printed in **BOLDFACE TYPE**.)

**PROPOSED AMENDMENT TO
ARTICLE XIII**

Sec. 1¼b. 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 1¼ 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 is blind in both eyes with visual acuity of

5/200 or less; except that such exemption shall not extend to more than one home nor exceed ~~five ten~~ thousand dollars ~~(\$5,000)~~ **(\$10,000)** 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 1¼ of this article.

Where such blind 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.

The exemption provided by this section shall apply to the home of such a person which is owned by a corporation of which he is a shareholder, the rights of shareholding in which entitle him to possession of a home owned by the corporation.

~~This section shall apply to such property for the 1965-1966 fiscal year in the manner provided by law.~~

11	RIGHT OF PRIVACY. Legislative Constitutional Amendment. Adds right of privacy to inalienable rights of people. Financial impact: None.	YES	
		NO	

(This amendment proposed by Assembly Constitutional Amendment No. 51, 1972 Regular Session, expressly amends an existing section of the Constitution; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** are printed in **STRIKEOUT TYPE** and **NEW PROVISIONS** proposed to be **INSERTED** are printed in **BOLDFACE TYPE**.)

PROPOSED AMENDMENT TO ARTICLE I

SECTION 1. All ~~men~~ **people** are by nature free and independent, and have certain inalienable rights, among which are those of enjoying and defending life and liberty; acquiring, possessing, and protecting property; and pursuing and obtaining safety, ~~and~~ happiness, ~~and~~ **privacy**.

12	DISABLED VETERANS TAX EXEMPTION. Legislative Constitutional Amendment. Permits Legislature to extend disabled veterans tax exemption to totally disabled persons suffering service-connected loss of both arms, loss of arm and leg, or blindness in both eyes and loss of either arm or leg. Extends exemption to either surviving spouse. Financial impact: Nominal decrease in local government revenues.	YES	
		NO	

(This amendment proposed by Senate Constitutional Amendment No. 59, 1972 Regular Session, expressly amends an existing section of the Constitution; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** are printed in **STRIKEOUT TYPE**; and **NEW PROVISIONS** proposed

to be **INSERTED** are printed in **BOLDFACE TYPE**.)

**PROPOSED AMENDMENT TO
ARTICLE XIII**

Sec. 1¼a. The Legislature may exempt from taxation, in whole or in part, the property, constituting a home, of:

(a) every resident of this state who, by reason of his or her military or naval service, is qualified for the exemption provided in 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 wife or her 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, and (b) the home of the widow of every such person if the home was acquired as described in subdivision (a); or:

(b) every resident of this state who, by reason of his or her military or naval service, is qualified for the exemption provided in 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 or her spouse, and who, by reason of a permanent and total service-connected disability incurred in such military or naval service (1) has suffered the loss, or loss of use of both arms, as the result of amputation, ankylosis, progressive muscular dystrophies, or paralysis, or (2) is blind in both eyes with a visual acuity of 5/200 or less and has suffered the loss or loss of use, as the result of

amputation, ankylosis, progressive muscular dystrophies, or paralysis, of one lower extremity or one arm or (3) has suffered loss or loss of use, as a result of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both an upper and lower extremity, or:

(c) the surviving spouse of every such person qualifying for an exemption under subdivision (a) or (b), if the home was acquired as described in subdivision (a) or (b); except that such exemption shall not extend to more than one home nor exceed ten thousand dollars (\$10,000) for any person, for any person and his or her spouse, or for his widow the surviving spouse of such person. This exemption shall be in lieu of the exemption provided in Section 1 $\frac{1}{4}$ of this article.

Where such totally disabled person, such person and his or her spouse, or his widow the surviving spouse of such 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, such person and his or her spouse, or his widow the surviving spouse of such person, occupies habitually as a home, the exemption allowed pursuant to the first paragraph of this section shall be allowed to such other property.

This section shall not apply to a surviving spouse upon his or her remarriage.

13 **WORKMEN'S COMPENSATION.** Legislative Constitutional Amendment. Gives Legislature power to provide for payment of workmen's compensation award to state on death, arising out of and in course of employment, of employee without dependents. Permits such awards to be used for extra subsequent injury compensation. Financial impact: If implemented, would decrease state costs approximately \$1,800,000 per year.

YES

NO

(This amendment proposed by Senate Constitutional Amendment No. 20, 1972 Regular Session, expressly amends an existing section of the Constitution; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** are printed in **STRIKEOUT TYPE**; and **NEW PROVISIONS** proposed to be **INSERTED** are printed in **BOLDFACE TYPE**.)

**PROPOSED AMENDMENT TO
ARTICLE XX**

SEC. 21. The Legislature is hereby expressly vested with plenary power, unlimited by any provision of this Constitution, to create, and enforce a complete system of workmen's compensation, by appropriate legislation, and in that behalf to create and enforce a liability on the part of any or all persons to compensate any or all of their workmen for injury or disability, and their dependents for death incurred or sustained

by the said workmen in the course of their employment, irrespective of the fault of any party. A complete system of workmen's compensation includes adequate provisions for the comfort, health and safety and general welfare of any and all workmen and those dependent upon them for support to the extent of relieving from the consequences of any injury or death incurred or sustained by workmen in the course of their employment, irrespective of the fault of any party; also full provision for securing safety in places of employment; full provision for such medical, surgical, hospital and other remedial treatment as is requisite to cure and relieve from the effects of such injury; full provision for adequate insurance coverage against liability to pay or furnish compensation; full provision for regulating insurance coverage in all its aspects, including the establishment and management of