

California Commentary

Widely Diverse Coalition Opposes Proposition 88

By Jon Coupal

If David and Goliath were alive today, they would likely take time out from their battle to cast a ballot against Proposition 88. So, too, would the feuding Hatfields and McCoys. Such is the diversity and unanimity of opposition to this ill-conceived tax increase.

Proposition 88 on the November ballot will raise property taxes. This tax would be imposed by the *State* and would be *in addition* to any fees, assessments, bonds, and the local property tax regulated by Proposition 13 that homeowners already pay.

Considering that 10 million property owners would face higher property taxes if Proposition 88 passes, it's easy to understand why the Howard Jarvis Taxpayers Association, the California Taxpayers Association, and a score more taxpayer advocacy groups oppose Proposition 88.

But there's more, *much* more.

Proposition 88 creates a whole new kind of *statewide* property tax. Currently, all real property taxes are collected locally and are used for local services, such as improving local schools, reducing traffic congestion, improving health care, increasing fire fighting, paramedic, and law enforcement capabilities.

The Proposition 88 property parcel tax goes to the state. Maybe this is one of the reasons why the League of Women Voters recommends voting "No."

The wealthy promoters of Proposition 88 claim it will help education, but the non-partisan state legislative analyst says only one percent of noncharter schools and one quarter of charter schools will be eligible to apply for facilities grants from the measure's proceeds.

Proposition 88 would be administered by a costly new state bureaucracy for a program which forever bans facilities grants to more than 95 percent of our kid's schools. This helps explain why education interests like the State PTA, the California Federation of Teachers, and the California School Boards Association *oppose* Proposition 88.

To start, Proposition 88 would impose a uniform \$50 parcel tax on all parcels of property *regardless of value or the ability of the owner to pay*. Additionally, Superintendent of Public Instruction Jack O'Connell has already declared his support for *doubling* the tax in four years and *adding another \$50 dollars every four years* after that. This helps explain why the California Labor Federation (AFL-CIO), the California Republican Party, and the California Democratic Party say "No" to Proposition 88.

California is already a high tax state. Proposition 88 would increase the burden on taxpayers and start a new California "Gold Rush" as tax-and-spend advocates charge forward with plans for new state property taxes for public safety, flood and levee repairs, transportation, public health care, pensions, you name it.

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These new taxes would not only injure taxpayers, but would make California businesses less competitive. This could fuel an exodus of jobs and taxpayers, and severely damage the state economy and state tax revenues.

California businesses are not taking this threat lightly. The California Chamber of Commerce, California Manufacturers and Technology Association, the Small Business Action Committee, and the California Business Properties Association are urging rejection of Proposition 88.

They say politics makes strange bedfellows, and when you have Democrats and Republicans, business and labor, education and taxpayers all opposing Proposition 88 it shows that these diverse interests do, in fact, share many common values. Just like all Californians, they want better schools for our children, good value for taxes paid, and fairness in taxation. And on each count, Proposition 88 is an *abysmal failure*.

And those in favor of Proposition 88? In addition to Jack O'Connell, there are only two ultrawealthy, elitist, Silicon Valley charter school advocates. Reed Hastings, whose company Netflix, rents DVDs over the internet, and John Doerr, a billionaire venture capitalist — have put up \$9 million to advance their effort to raise taxes that will fall *disproportionately on homeowners of modest means*. The added tax burden on the mansions of Hastings, Doerr, and their wealthy friends will be *no higher* than that which will fall on a couple buying a starter home.

If Proposition 88 passes, it will compel Californians to pay to advance the public policy visions of these tax raising dilettantes. While most property owners may be able to pay the \$50 tax Proposition 88 will impose in the *first* year, will they want to open the door to all the new state property taxes that would *follow*?

Promoters of Proposition 88 must think we're stupid.

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