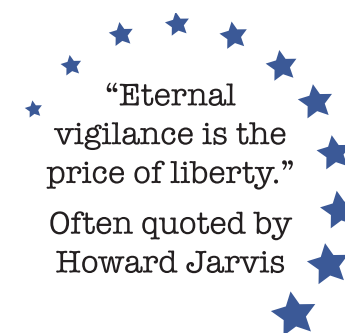


HJTA is the Taxpayers' Resource • www.hjta.org



Taxing Times



The Official Newsletter of the Howard Jarvis Taxpayers Association ★ Howard Jarvis, Founder ★ Vol. 47, Issue 3 ★ Fall 2021

BATTLE TO HALT PROP. 19 TAX HIKE

The Howard Jarvis Taxpayers Association is fighting to reverse one of the largest property tax increases in state history, a little-noticed provision of Proposition 19 that revoked the ability of parents to pass property to their children without any change to the property tax bill.

Proposition 19 passed narrowly in November 2020, and the provision affecting intergenerational transfers became effective on February 16, 2021, barely three months after the votes were counted.

Previously, parents could pass their home and up to \$1 million of assessed value of other property to their children, and that property was

excluded from reassessment. The property tax bill would not change as a result of the transfer. That was the law under Proposition 58, passed by more than 75% of voters in 1986. Ten years later, voters passed Proposition 193 to extend the same rules to transfers between grandparents and grandchildren if the children's parents are deceased.

But that all changed with the passage of Proposition 19, a measure that won a squeaker of a victory after a costly and deceptive advertising campaign that neglected to tell voters the whole story. Under Prop. 19, only a principal residence is eligible for an exclusion from reassessment,

and only if the children move in within one year and the home becomes their principal residence, permanently. Some family farms also qualify for an exclusion.

All other property will be reassessed to market value as of the date of transfer. Children who can't afford the new tax bill will be forced to sell the family property.

Your HJTA is fighting to reverse this tax increase. As an interim measure, we sponsored Senate Bill 668, introduced by Sen. Patricia Bates (R-Laguna Niguel), to extend until 2023 the effective date of this enormous change to the tax code. Sadly, others in the state Senate blocked this bill from



moving forward.

However, Sen. Bates has joined us in supporting Assembly Constitutional Amendment 9, introduced by Assembly Member Kevin Kiley (R-Rocklin), which would reinstate Propositions 58

Continued on page 11

HJTA PAC SAYS VOTE "YES" ON RECALL

More than 1.7 million California voters signed petitions seeking to remove Gov. Gavin Newsom from office. The HJTA Political Action Committee recommends a vote of "Yes" on question 1 in the September 14 recall election.

Ballots were mailed out to every registered voter in mid-August and may be returned by mail, no postage stamp needed,

or dropped off at an authorized location. Voters also have the option of casting their ballot in person. For locations of polling places, including early voting and drop-box options, contact the office of your county election official. You can call the secretary of state's toll-free Voter Hotline at (800) 345-VOTE (8683) for your county election official's contact

information. You can also check the website of the California secretary of state at www.sos.ca.gov/elections/voting-resources/county-elections-offices to find the information for your county.

The deadline to register to vote in the recall election was August 30 for voters who wished to receive ballot materials in the mail. However, from August 31

through Election Day, voters may register "conditionally" and vote provisionally at a county elections office, polling place or vote center. Provisional ballots are counted when verified by election workers.

Although Californians have had the right to recall elected officials since 1911, this is only

Continued on page 11

Taxing Times

Published by the Howard Jarvis Taxpayers Association (HJTA). Susan Shelley, Editor. ISSN: 1092-8766

Headquarters
621 S. Westmoreland Avenue, Suite 200
Los Angeles, CA 90005-3971
(213) 384-9656



State Budget Process Is Broken

See page 2

Fighting for Taxpayers in the State Capitol

See page 5

Can I Move to a New Home and Keep My Current Tax Bill?

See page 10



PRESIDENT'S MESSAGE

STATE BUDGET PROCESS IS BROKEN *By Jon Coupal*

Well, they did it again. Since the passage of Proposition 25 more than a decade ago, the California Legislature has passed what can only be described as fake budgets. The 2021–22 “budget” passed in June was no exception.

Despite the self-congratulatory preening of Democratic leadership, the “on time” budget was neither on time nor was it a real budget. The bill laughingly labeled the budget bill (AB 128) was not a true annual spending plan for the state, as it left many issues unresolved.

And how were those unresolved issues resolved? Through open public hearings with input from all members of the Legislature? Of course not. Substantial provisions of the budget were negotiated behind closed doors among just three people: the two Democratic legislative leaders and Governor Gavin Newsom. Republicans, the media and the public were shut out of providing any comment or input.

Longtime political writer Dan Walters called it “a self-serving sham budget.” *The Sacramento Bee* hit the nail on the head

regarding the real reason the budget bill was passed with the headline, “California lawmakers pass budget that ensures they get paid — but still need deal with Newsom.”

This perverted process came about thanks to the biggest bait-and-switch campaign ever

*More and more,
voters are
comprehending
that something very
corrupt is happening
in Sacramento.*

perpetrated on California voters. Proposition 25, entitled the “On-Time Budget Act of 2010,” contained three separate lies. First, voters were told that budgets would be passed on time, meaning by June 15 each year. Second, the measure would increase budget transparency. Third, legislators

would forfeit their pay if the budget were not passed on time. Each of those representations are so contrary to the truth that even Pinocchio would blush.

Ever since Proposition 25 became law, dozens of bills have been designated as “budget related,” even though they have nothing to do with the budget, just to take advantage of Prop. 25’s easier rules for passing bills.

The majority party uses the “budget trailer bill” label to get around constitutional requirements for legislation. Some bills that would otherwise require a two-thirds vote can suddenly become an “amendment” to a budget bill, and then they can be passed with only a simple majority. There’s no requirement for a hearing in the legislative committee that has jurisdiction over that area of policy, and the public has no opportunity to submit public comments or to question their representatives about their votes for the bill.

Newly enacted laws typically take effect at some point in the future, but if an “urgency” is declared, a two-thirds vote in the legislature allows a new law to

take effect immediately. Here’s the trick with budget trailer bills: They always take effect immediately, and they require only a simple majority vote. So a controversial law can be slipped into a budget bill, and before you know it happened, you could be in trouble for violating it.

The sad reality is that currently California has no budget process. The “budget bill,” which is supposed to be a comprehensive spending plan for the fiscal year reflecting the policy priorities of the state, has now morphed into an ongoing legislative process that has no beginning and no end. “Budget bills” are now being enacted nearly a year after the June 15 deadline, despite legislators having collected their paychecks in the meantime.

More and more, voters are comprehending that something very corrupt is happening in Sacramento. The pandemic has awakened more citizens to the dysfunction and dishonesty that defines California politics. Luckily, the more they know, the sooner they can take corrective action at the ballot box.

Howard Jarvis
XIII Taxpayers Association

BOARD OF DIRECTORS



Gloria Phillips Bill Kelso
Craig Mordoh Gary Holme
Trevor Grimm
In Memoriam – 1938–2019

PRESERVE THE BENEFITS OF PROPOSITION 13

At the Howard Jarvis Taxpayers Association, we have received a number of inquiries from those wishing to help us preserve the benefits of Proposition 13 for their children, grandchildren and heirs. If you would like more information about making an endowment to the Howard Jarvis Taxpayers Association or the Howard Jarvis Taxpayers Foundation, visit www.hjta.org and click on “Take Action,” then click on “Heritage Society,” write to us at 621 S. Westmoreland Ave., Suite 200, Los Angeles, CA 90005, e-mail us at info@hjta.org, or call us at 213-384-9656.

Howard Jarvis
XIII Taxpayers Association

Heritage Society

**We thank and appreciate the following
for their generous donations:**

The Selck Family,
in the name of Lester John Selck and Jane Selck

The Gardner Grout Foundation

The Benson Foundation

The Allan W. and Elizabeth A. Meredith Trust

Baker Family Donor Advised Fund
at the Rancho Santa Fe Foundation

The Stanley E. Corbin Trust

The V. Lorel Bergeron Trust

A big “Thank You” to the Members of the *Heritage Society* who help make our work on behalf of taxpayers possible!

TAXFIGHTER OF THE YEAR

HJTA HONORS SACTAX PRESIDENT BRUCE LEE

By Debra Desrosiers

The Howard Jarvis Taxpayers Association honored W. Bruce Lee, president of the Sacramento Taxpayers Association, as HJTA's 2020 Taxfighter of the Year.

Despite all the challenges of the pandemic in 2020, many taxpayer watchdog groups were still out there fighting for taxpayers. Limitations on physical access to public meetings and ever-changing guidelines did not stop the Sacramento Taxpayers Association, led by Bruce Lee.

Pinpointed targets were the key for the group, and they accomplished six major wins:

1. **Measure A** – Sacramento County's proposed 40-year half-cent sales tax increase – **DEFEATED**.
2. **Measure M** – City of Citrus Heights's proposed one-cent sales tax increase – **DEFEATED**.
3. **Proposition 15** – Statewide split-roll property tax – **DEFEATED**.
4. **Proposition 21** – Increased local rent control authority – **DEFEATED**.
5. **Attempt to change the local Election Cycle** for County Sheriff, District Attorney and Tax Assessor – **DEFEATED**.
6. **Attempt to impose \$10,000 fines** on businesses for COVID-19 guidance violations – **DEFEATED**.

Bruce has been a longtime community advocate for taxpayers and responsible government. He has held many positions over the years, such as mayor of the City of Loomis, chairman of the Placer County Flood Control District and treasurer of the Sierra Economic Development District, among many other board positions.

HJTA President Jon Coupal presented the award to Bruce in June during the annual Sacramento Taxpayers Association member meeting. "Bruce is such a dedicated guy that has accomplished so much in such a short period of time," he said.

Bruce has been president of the Sacramento Taxpayers Association since March 2020.

The Taxfighter of the Year Award is presented annually to honor an individual or group that has shown exceptional dedication to protecting taxpayers. Their accomplishments frequently require the investment of a great deal of personal time and energy. Howard Jarvis often said the successful passage of Proposition 13 could be summed up in three words: "and then some."



HJTA President Jon Coupal presented the 2020 Taxfighter of the Year award to Bruce Lee, president of the Sacramento Taxpayers Association. (Photo by HJTA friend Bill Cardoza.)

HJTA IN ACTION



HJTA's Debra Desrosiers was honored by the Sacramento Taxpayers Association for her work protecting taxpayers.

SO MANY PETITIONS, AND WHICH ARE WHICH?



Petitions signed by HJTA Members urging lawmakers to protect Proposition 13 are sorted and ready for delivery to the Capitol.

California voters have had the tools of direct democracy — the initiative, the referendum and the recall — since 1911, and they're used frequently. Sometimes a voter will sign a petition and later be asked to sign something similar again. It can cause confusion.

Voters may be asked to add their signatures to online petitions, to petitions circulated by volunteers and to petitions circulated by professional signature-gatherers. It's important to know which petitions are part of the legal process to qualify a recall, initiative or referendum for the ballot, and which are not.

Electronic online petitions never count toward qualifying a ballot measure. They are used for organizing, building mailing lists and demonstrating a level of support. Signatures

on an electronic online petition cannot be submitted to a city, county or state elections office. They do not count for the purpose of getting an initiative, referendum or recall on any ballot, whether state or local.

All official petitions are on paper and include an official description of the proposed ballot measure.

Very often, the proponents of a ballot measure will have official petitions available for download from their website. These will count toward qualifying a measure for the ballot, even if printed at home, as long as they are completed correctly by the voter and circulator and sent back to the proponents' correct address before the deadline. (If you

Continued on page 5



THE LEGAL FRONT

AARP SIDES WITH GOVERNMENT OVER RETIREES

By Tim Bittle, Director of Legal Affairs

If the fish that I'm currently dipping in tartar sauce had known that a sharp hook was hidden inside the fly floating on the sunny surface of the water, he would not have swallowed it.

Proposition 19, which appeared on the November 2020 statewide ballot, is another example of unsuspecting victims discovering

for purposes of calculating my property tax is roughly \$300,000, thanks to Proposition 13, even though it would sell for more on the open market. Normally, when property changes ownership, the purchase price becomes the new enrolled value for property tax purposes. But under Proposition 19, I could move to Lake County and transfer the \$300,000 enrolled value from my old house to a comparable new house that I buy for \$500,000. In other words, my property taxes would stay the same.

This feature of Proposition 19 is called the Portability Provision. Portability is a policy that HJTA has supported for a long time because it benefits homeowners who are retired or disabled and want to move closer to children or caregivers who can provide needed assistance. It also benefits fire victims who do not want to rebuild in fire-prone areas. The Portability Provision is what the proponents touted in the Yes on 19 campaign.

Hidden in the fine print of Proposition 19, however, was a hook. Proposition 19 mostly repealed the right of seniors to transfer their enrolled values to their children or grandchildren.

Prior to Proposition 19, parents could transfer their primary residence and up to \$1 million of additional property to their children, before or after death, and the children would inherit their parents' enrolled value. If the parents were deceased, then grandparents could do the same thing. This right enabled families to keep legacy properties in the family, such as a homestead or family business.

Now, under Proposition 19, children can *only* keep the enrolled value of their parents' *primary* residence, and only if it is *their* primary residence after the transfer. Most property transfers from one generation to the next occur upon death, and the children by then are usually adults living in

their own homes with no intention, or no ability, to move into Mom and Dad's old house. As a result of Proposition 19, then, most Californians grieving the loss of a parent will also be hit with a significant tax increase that may force them to sell their inherited home or business.

We at Howard Jarvis Taxpayers Association have been inundated with calls and e-mails from distressed seniors who, in their will or trust, planned to pass property to their children as a source of income, but are now realizing that their children will



lobby for the passage of these bills, we contacted AARP, the American Association of Retired Persons. If ever there was a natural ally, we thought, it would be AARP since its membership includes millions of California seniors who would not want their children to face a death tax.

AARP supports or opposes many bills that move through the California Legislature that have no special connection to the retirees AARP supposedly represents. These include bills regarding climate change, mapping congressional districts, and electric vehicle subsidies.

Yet when we asked AARP to take a position that supported our bills, it declined. AARP believes that the government's need for more tax revenue outweighs the desire of its members to pass their property down to their children without the children incurring a tax hike that forces them to sell the property.

If you are an AARP member, and you think AARP made the wrong call, we urge you to let them know. As for me, I plan to cancel my AARP membership. □

Proposition 19, which appeared on the November 2020 statewide ballot, is another example of unsuspecting victims discovering too late that a harmful hook was hidden inside attractive bait.

too late that a harmful hook was hidden inside attractive bait.

Proposition 19 had an attractive title: the Home Protection for Seniors, Severely Disabled, Families and Victims of Wildfire or Natural Disasters Act. What voter wouldn't want to protect the homes of seniors, disaster victims and the disabled?

The proponents who bankrolled the campaign promoted its laudable components and kept its sharp hook hidden.

On the laudable side, Proposition 19 allows homeowners who are over 55, disabled or displaced by a natural disaster to transfer the enrolled (i.e., taxable) value of their primary residence to a newly purchased or newly constructed replacement primary residence in any of California's 58 counties.

For example, I am 65 and live in Solano County. I bought my house in 1992. Its enrolled value

AARP believes that the government's need for more tax revenue outweighs the desire of its members to pass their property down to their children without the children incurring a tax hike that forces them to sell the property.

not be able to afford the Prop. 19 tax increase.

To fix this problem, HJTA sponsored two bills in the Legislature — SB 668 and ACA 9. ACA 9 is a proposed constitutional amendment that would restore the right that parents and grandparents had before Proposition 19 to transfer their enrolled values to the next generation. SB 668 would suspend the effect of Proposition 19, as a stopgap measure, until the voters had a chance to vote on ACA 9.

In seeking allies to help us

**STAY
CONNECTED!**

**Sign up for e-mail
alerts at HJTA.org.**



FIGHTING FOR TAXPAYERS IN THE STATE CAPITOL

By Scott Kaufman, Legislative Director

With the Legislature working its way back to a more normal schedule after the extended lockdown, the Howard Jarvis Taxpayers Association has been busy in the Capitol, engaging with lawmakers and legislative staff on the policies and proposals that are most important to taxpayers. Here's a rundown:

Restoring Proposition 13 for our children

As voters discover the provision in Proposition 19 that requires the reassessment to market value of properties transferred within families — with only limited exceptions — anger is growing. Our office has received a steady stream of calls and e-mails since Election Day from concerned parents and children. We heard you. You want something done and we worked with our allies in the State Legislature to bring forward Senate Bill 668 and Assembly Constitutional Amendment 9.

Senate Bill 668 by Sen. Patricia Bates, R-Laguna Niguel (HJTA Legislative Report Card: 100 – **A**), would have simply given families more time to plan for transfers of property by temporarily redefining the change-in-ownership inheritance exclusion made by Proposition 19 until February 16, 2023.

“Unfortunately, even a two-year delay was a bridge too far for the Legislature’s majority party. The Senate Governance and Finance Committee heard SB 668 on May 7, 2021, but did not vote on it. The committee’s chair pledged to work with me on addressing the issues that many families are facing due to Prop. 19,” Sen. Bates wrote in a letter to her constituents. “The committee’s chair and I were unable to come to an agreement and SB 668 is essentially dead due to a lack of support from Senate Democrats.”

Next is **Assembly Constitutional Amendment 9** by Assembly Member Kevin Kiley, R-Rocklin (HJTA Legislative Report Card: 96.88 – **A**). ACA 9 would allow voters to reinstate Proposition 58 and Proposition 193, restoring what Proposition 19 took away: the constitutional exclusion from reassessment when certain property is transferred between parents and children, or grandparents and grandchildren.

As of this writing, ACA 9 has not yet been sent to a committee, but we will continue to pressure the Legislature to give it a fair hearing while we also explore other options to reinstate Props. 58 and 193 if our legislative efforts are not productive.

Election interference

The Democrats run Sacramento, but that doesn't mean they are above messing with the electoral process to further swing things in their favor.

Simply put, **Senate Constitutional Amendment 1** by Sen. Bob Hertzberg, D-Van Nuys (HJTA Legislative Report Card: 34.38 – **F**),

would make yes mean no and no mean yes. In a referendum, a yes vote approves the law and a no vote rejects it. SCA 1 would reverse this, so that a yes vote would reject the law and a no vote would mean yes to the law.

This seems like such an obvious attempt to confuse voters that it can only be seen as an effort to undercut the people's power of initiative and referendum.

To undercut the power of recall, **Senate Constitutional Amendment 3** by State Sen. Ben Allen, D-Santa Monica (HJTA Legislative Report Card: 37.50 – **F**), would allow the officeholder being recalled to also appear on the recall ballot as one of the replacements. This would allow a governor to be recalled and reelected on the same ballot.

Senate Bill 660 by Sen. Josh Newman, D-Fullerton, would prohibit pay-per-signature incentives in the collection of signatures for qualifying state or local initiatives.

Newman claims, without compelling evidence, that the bill's purpose is to prevent fraud. In reality, all SB 660 would do is drive up the cost of getting measures on the ballot. This favors wealthy and entrenched interests.

The once and future attack on Prop. 13

Assembly Constitutional Amendment 1 by Assembly Member Cecilia Aguiar-Curry, D-Winters (HJTA Legislative Report Card: 28.13 – **F**), remains active. ACA 1 repeals one of the most important protections in Proposition 13 by lowering the existing two-thirds vote threshold for both local bonds and special taxes to 55 percent for a myriad of purposes. This direct attack on Prop. 13 is the camel's nose under the tent and part of a long-term strategy to strip away all the two-thirds protections on tax increases.

If that sounds familiar, it's because I talked about it in this space last issue. It is a perennial attack on Prop. 13 that we have seen come forward over the last few legislative sessions. It has been defeated every time, and we are working hard to make sure that it will be defeated again this year. While ACA 1 was referred to the Assembly Committee on Local Government in April, as of this writing it has not been scheduled for a hearing, which shows the Legislature's trepidation with touching the issue again — even in a committee run by the author of the bill!

SO MANY PETITIONS, AND WHICH ARE WHICH? *Continued from page 3*

print an official petition at home, you may sign it as the circulator as well as the registered voter.)

Another type of petition is simply used to send a message to lawmakers. HJTA often asks Members to sign petitions urging elected officials to protect

Proposition 13. When you sign and return those to us, we deliver them to your representatives in the Capitol. These petitions are a way of making sure lawmakers know how many of their own constituents support Proposition 13.

A number of proposed statewide

initiatives may be headed for the November 2022 ballot. HJTA will keep you informed about which ones are beneficial to taxpayers and where you can sign an official petition. For the fastest updates, go to www.hjta.org and sign up for e-mail alerts. □

HJTA.ORG

Your source for everything Proposition 13 and for information valuable to California taxpayers

HJTA JOINED BY VICTOR DAVIS HANSON FOR 2021 TAXPAYER CONFERENCE

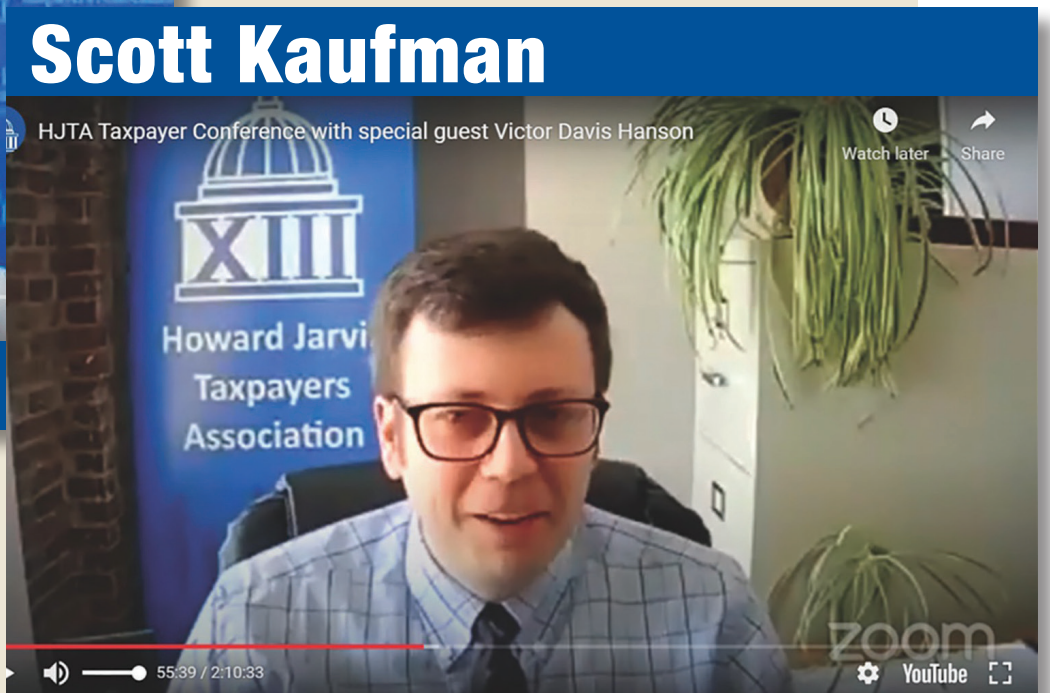
HJTA wasn't going to let a pandemic get in the way of informing Members about important issues in California. That's why we held our 2021 Taxpayer Conference online, streamed live on YouTube, Facebook and our own www.hjta.org website.

The May 20 conference featured HJTA President Jon Coupal along with Director of Legal Affairs Tim Bittle and Legislative Director Scott Kaufman. We

were especially honored to be joined by a special guest, author Victor Davis Hanson, who spoke on the topic "Saving California."

If you missed it, no worries. You can view the recording of the conference online at your convenience. Go to taxpayerconference.hjta.org/welcome to watch it, and tell a friend!





A promotional banner with a red background. On the left is an image of the Florida State Capitol building. The text reads: "DID YOU MISS IT?" in large white letters, "HJTA TAXPAYER CONFERENCE" in large white letters, "featuring Victor Davis Hanson" in smaller white letters, and "WATCH ONLINE @ HJTA.org" in large white letters on a yellow background at the bottom right.

FOUNDATION REPORT



FPPC OPENS DOOR TO TAXPAYER-FUNDED ELECTIONS

By Jon Coupal, HJTA President

A common complaint among the taxpaying public is that the government spends taxpayer dollars for political ads. In theory, this is supposed to be illegal, but it still happens all too frequently.

Up until now, the Fair Political Practices Commission has been an aggressive enforcer against these expenditures.

For example, the FPPC imposed a \$1.3 million fine against Los Angeles County for using taxpayer funds for political ads touting Measure H, a sales tax increase on the ballot in 2017. The FPPC also created an “ad watch” program by which citizens can report government-financed communications that they suspect cross the line into political advocacy.

The big fine against L.A. County was precipitated by a complaint filed by the Howard Jarvis Taxpayers Association. It was hoped that the fine levied by FPPC would serve as a warning to government entities in California that they must obey all state laws and regulations relating to both reporting campaign expenditures as well as providing disclosures on campaign advertising.

The Fair Political Practices Commission’s opinion will no doubt tempt government entities to push the envelope in the use of taxpayer dollars to influence election outcomes.

But it now appears that the FPPC has backtracked.

No doubt frightened by the big fine against L.A. County, the California State Association of Counties and the California School Boards Association sent a letter to the FPPC asking for clarification, or perhaps for a loophole.

The organizations asked if the Political Reform Act and FPPC’s own regulations actually created “a per se reportable campaign expenditure whenever public agencies engage in communications regarding ballot measures through the means of television,

radio, and electronic media (including social media), regardless of the content of the communications.”

HJTA, given its interest in this issue, filed formal comments arguing that the FPPC’s own regulations as well as case law and statutory law were unambiguous: Election season communications regarding ballot measures via

We have little doubt that, as we enter the 2022 election cycle, cities, counties and special districts will use public funds for political advocacy.

paid television, radio and electronic media ads constitute campaign expenditures subject to reporting and disclosure requirements.

Our reasoning is that counties and school boards do not use television or radio ads or paid social media ads as a routine method of communicating with citizens or parents but rather have relied on low-cost traditional governmental means of communication, such as e-mail, cell phone texts, banners on county websites, on-hold recordings on county phones, posts on county social media accounts and printed inserts in billing envelopes.

The only time government entities spend money on radio, television or paid social media advertising is when they are trying to influence the outcome of an election.

Unfortunately, the FPPC commissioners decided that whether TV, radio and electronic media advertising is reportable to the public will depend on the content of the communication. To be reportable, it must “unambiguously urge a particular election result.”

Irrespective of how rigorously the FPPC applies this standard, the commission’s opinion will no doubt tempt government entities to push the envelope in the use of taxpayer dollars to influence election outcomes. We are certain to see big dollars spent — of your money — to influence voters to raise taxes even higher.

But taxpayers are not without alternative

remedies. While the FPPC’s jurisdiction is limited to enforcing the disclosure of campaign spending and the timely reporting of those expenditures, the courts — both federal and state — are not so limited.

Taxpayers have the right to bypass the FPPC when it fails to act and proceed directly to the superior court for claims asserted under the First Amendment of both the U.S. and California Constitutions. The free speech clauses of the federal and state constitutions prohibit the use of governmentally compelled monetary contributions (including taxes) to support or oppose political campaigns because, as noted by the California Supreme Court, “Such contributions are a form of speech, and compelled speech offends the First Amendment.”

Moreover, “use of the public treasury to mount an election campaign which attempts to influence the resolution of issues which our Constitution leaves to the ‘free election’ of the people (see Const., art. II, § 2)...presents a serious threat to the integrity of the electoral process.”

We have little doubt that, as we enter the 2022 election cycle, cities, counties and special districts will use public funds for political advocacy.

Fortunately, prosecuting such violations of law was the very reason the Howard Jarvis Taxpayers Association created the new Public Integrity Project, which will be run by HJTA’s

HJTF’s Public Integrity Project has already proven to be an additional enforcement tool against illegal expenditures of public funds.

affiliated 501(c)(3) organization, the Howard Jarvis Taxpayers Foundation.

HJTF’s Public Integrity Project has already proven to be an additional enforcement tool against illegal expenditures of public funds and other violations of law that hurt taxpayers and voters.

the MAIL Bag

What a treat to get facts from pros with personal integrity and depth of knowledge. In addition to guest Victor Davis Hanson, each speaker brought center stage critically important updates to taxpayers. Thank you, all! Please do tax info events quarterly. I'm preparing a summary for many neighbors unable to attend today.

—D.A.,
Montecito

Thank you for *Taxing Times*. It has such great information. I always share it with my neighbors to show them why they should join HJTA!

—C.W.,
Fresno

Jon Coupal & Staff,
Excellent conference,
very informative!
Victor Hanson is always
a fountain of wisdom.

—K.L.,
McKinleyville

Howard Jarvis saved our state once, with Prop. 13, and the left-leaning Legislature in our state has been salivating on how to get their hands on our property taxes ever since.... Time to fight.

—T.S.,
Torrance

Thank you
for all you
do to protect
Proposition 13!

—E.B.,
Los Angeles

TAX BYTES

LOST ON THE ROAD

Caltrans wasted \$1.5 million by failing to notify employees of its intent to collect overpayments made to them as a result of salary advances. Only an investigation by the state auditor prevented even more money from being forfeited.

MOONLIGHTING BECOMES YOU

Two employees of California State University, Los Angeles, collected \$103,000 in salary for 2,800 hours that they actually spent working on other jobs during their regular university work schedules.

IT PAYS TO KNOW SOMEBODY

An administrator at the California Department of Tax and Fee Administration ran a private tax preparation business on the side and advertised his state experience on his website to get more business as a consultant and tax preparer. Some of his clients had active state permits overseen by the department.

LUNCH IS ON US

Gov. Gavin Newsom and state lawmakers included \$30 million in the budget to overhaul the software that runs the California Food Assistance Program so it can be expanded from its current size, serving 35,000 people, into a state program that provides food stamps for an estimated one million undocumented immigrants.

IS THIS CLOCK SLOW?

The California Department of Social Services has still not fixed a flawed time-reporting system that underreports the amount of time employees are out on leave. A solution to the problem was identified in 2015, but it has not yet been implemented.

YOUR? answered

CAN I MOVE TO A NEW HOME AND KEEP MY CURRENT PROPERTY TAX BILL?

The Howard Jarvis Taxpayers Association has long supported “portability” of property tax bills to allow older homeowners to move to a new home without facing an unaffordable property tax increase. Proposition 60 (1986) and Proposition 90 (1988) previously allowed homeowners age 55 and older to buy a replacement home and transfer their current home’s property tax assessment, protected under Proposition 13 from going up more than 2% per year, to the new home.

There were some limitations on this portability: The replacement home could not be more expensive than the sale price of the former home, and it had to be located in the same county or in a county that accepted the transfers. Homeowners could transfer their base-year value property tax assessment to a new home only once in their lifetimes.

With the passage of Proposition 19 in November, these limitations have been lifted. Homeowners age 55 and older may now transfer their “Prop. 13” assessment from their

The seller must purchase or construct the new residence within two years of the sale of the previous home.

current home to a replacement home anywhere in California. If the new home is more expensive than the previous home, the difference in price is assessed at “full cash value” and that amount is added to the assessment transferred from the previous home. This blended assessment

becomes the new base-year value and thereafter is protected under Proposition 13 from going up more than 2% per year. Homeowners may now transfer their base-year property tax assessment three times instead of just once.

These rules also apply to homeowners who are disabled, regardless of age, and to victims of wildfires or other natural disasters as declared by the governor.

In order to qualify for the base-year value transfer, the seller must purchase or construct the new residence within two years of the sale of the previous home.

These provisions benefit taxpayers, but Proposition 19 also injured taxpayers by repealing Proposition 58 (1986) and Proposition 193 (1996), two constitutional amendments that prevented homes and other property from being reassessed to market value when transferred

from parents to children or from grandparents to grandchildren. Now, with only limited exceptions, family homes and businesses that are inherited will be hit with new annual property tax bills based on the market value as of the date of transfer.

Your Howard Jarvis Taxpayers Association is working hard to reverse this portion of Proposition 19 without affecting the portability provisions that benefit homeowners. Visit our website at www.hjta.org/Reinstate58 to learn more about this effort.

There remain many unresolved questions about the implementation of Proposition 19. For more information, contact the Board of Equalization’s Property Tax Department at 1-916-274-3350, or by e-mail at PTWebRequests@boe.ca.gov, or visit the BOE website at www.boe.ca.gov/prop19 for updates.

HJTA MEMBERS ELIGIBLE TO OVERSEE BOND SPENDING

As a card-carrying Member of the Howard Jarvis Taxpayers Association, you’re eligible to serve on a Citizens’ Bond Oversight Committee. These committees are watchdogs over the spending of bond funds when voters authorize school districts to sell bonds in order to raise money for specified purposes.

By law, a bond oversight committee must have at least seven members, and at least one must be a member of a bona fide taxpayer’s organization. The committee meets at least once a year and reviews reports and information from the school district as well as performance and financial audits.

Committee members may ask questions, review expenditures and hold district officials

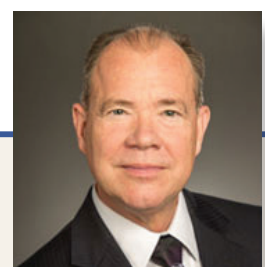
accountable for inefficient, ineffective or improper spending.

It’s an important safeguard to ensure that the taxpayers’ money is spent as voters were promised when they approved the bonds.

More information and resources can be found at the website of the California Association of Bond Oversight Committees, www.bondoversight.org.

If you’re interested in serving on a Citizens’ Bond Oversight Committee, contact the executive offices of the K-12 or community college district you live in. Let them know you’re a Member of the Howard Jarvis Taxpayers Association and you’re available to serve on a bond oversight committee.

Thank you!



**THANK YOU,
HJTA
MEMBERS...**

...for helping
to protect
Proposition 13 and
for supporting
our work on
your behalf!

GRASSROOTS REPORT

HOW TO MAKE A DIFFERENCE IN YOUR COMMUNITY

By Eric Eisenhammer, HJTA Director of Grassroots Operations

Have you ever considered moving to another state where taxes are lower? With so many Californians relocating elsewhere, you probably have friends or family members who have moved.

It's easy to feel like the situation is hopeless, but you have more power than you realize. By getting involved and networking with like-minded members of your community, you may be able to stop taxes from going up.

You can start by following the discussions at your local city council or county supervisors meeting. These meetings are usually viewable online on local government websites, and agendas must be made available to the public in advance.

In fact, when you participate and make a public comment in support of lower taxes and fiscal responsibility, your council members or supervisors may be thrilled that you showed up. Even in communities where most residents agree tax increases are unnecessary, elected officials still face consistent pressure to raise taxes. Lobbyists and government employees persistently make their case for more taxes, and they

sometimes even wear down good leaders who were elected with good intentions.

Your Howard Jarvis Taxpayers Association makes a big difference by bringing 250,000 taxpayers together to speak with one powerful voice. As part of our effort to reverse the tax increase in Proposition 19 and reinstate Prop. 58, we've built a coalition including other taxpayer organizations, small business advocates and community activists from around California.

Likewise, in your own community, you can make a bigger difference when you join a local taxpayer group, or start one if one does not already exist, and become part of HJTA's coalition. Visit www.hjta.org/Reinstate58 for more information.

While fighting taxes is a big job, if you have a passion for taxpayer rights, have a little extra time that you're willing to invest in making a difference, and are good with other people, you will be well on your way. You also have a great resource at www.hjta.org. Just go to "Resources" and select "Taxpayer Tools." There you'll find valuable information, including:

- How to Request Public Records
- How to Form a Local Taxpayer Group
- How to Form a Political Action Committee
- How to Stop Illegal Government Spending
- How to Repeal an Existing City Tax
- How to Write a Letter to the Editor about Proposition 13
- And much more!

Some people may feel insecure about getting involved because they mistakenly think they're not qualified. Actually, taxpayer advocates come from all walks of life. You can't be too young or too old to advocate for your taxpayer rights because it's your money and you deserve a say in how it's spent. Finally, if you have a question, your HJTA is here to help you with your taxpayer activism. You can call us, and you can reach me directly by e-mail at Eric@NoNewTaxes.net. We look forward to working with you!

Can't wait for the next issue of *Taxing Times*?

Get daily tax news and updates at our website.

www.hjta.org



BATTLE TO HALT PROP. 19 TAX HIKE

Continued from page 1

and 193 to the state constitution. ACA 9 will restore Proposition 13 benefits to children, preserving the legacy of parents and grandparents who have worked for decades to pay off mortgages on homes and small businesses, and who hope to pass those assets to the next generation so they can have a better, more secure future.

You can help by going online to www.hjta.org/Reinstate58 to download a flyer you can share with friends and neighbors, and by contacting your state representatives — look up their names and contact information at findyourrep.legislature.ca.gov — to urge them to support ACA 9. □

HJTA PAC SAYS VOTE "YES" ON RECALL

Continued from page 1

the second gubernatorial recall election in California history. In 2003, Gov. Gray Davis was recalled, and voters replaced him with Gov. Arnold Schwarzenegger.

The recall election ballot has two questions: The first question asks voters if they want to recall Gov. Newsom from office. If more than 50% of voters choose "Yes" on question one, the governor is removed.

The second question on the recall ballot asks voters to choose a replacement. Because there is no limit to how many candidates may run, the winner is the candidate who receives the most votes. A majority is not required, and there

is no run-off.

Mailed ballots that arrive at county election offices through September 21 will be counted if they are postmarked, or signed and dated, on or before Election Day. Counties will have until October 14 to complete the counting of ballots and must send their results to the secretary of state by October 15. The results of the election will be officially certified by October 22.

Regardless of the outcome of the recall election, California's governor is up for reelection in 2022. The primary will be held on June 7, with the general election to follow on November 8. □

Thank You FOR RECRUITING NEW PROP. 13 SUPPORTERS!

HJTA's hat is off to all of you who have recruited new Members to the taxpayers' cause. Please keep up the good work!

The tax revolt that passed Proposition 13 has always depended on grassroots supporters. Howard Jarvis always fought for average taxpayers who pay government's bills, and we at HJTA continue his crusade.

Everyone knows at least one person, and probably more, who should join our movement.

The vast majority of those who know about Proposition 13 support it, but many are not aware that their taxpayer protections are under constant attack by Sacramento

politicians.

Taxpayers' best defense is an informed public. You can support Proposition 13 by helping HJTA recruit new Members who will strengthen the taxpayers' cause in Sacramento and throughout the state.

Please use the coupons below to send us the name and address of at least one taxpayer who would benefit from learning more about Proposition 13 and the tax-fighting work of HJTA. If you know of more than one, provide their information or pass a coupon on to them, and we will be glad to reach out to them as well.

HJTA MEMBERS: HELP HJTA HELP YOU

Howard Jarvis Taxpayers Association is California's number-one taxpayer advocacy organization. By recruiting new Members, we strengthen the taxpayers' cause in Sacramento and throughout the state.

Help protect Proposition 13! Every HJTA Member knows at least one person who should join HJTA. Please send us their names and addresses. HJTA will send them information on our ongoing work and a membership application. Thank you!

Mail to: HJTA, 621 South Westmoreland Avenue, Suite 200, Los Angeles, CA 90005-3971

Please send information on the tax-fighting work of the Howard Jarvis Taxpayers Association and a membership application to:

Name: _____

Street Address: _____

City: _____ State: _____ ZIP: _____

HJTA MEMBERS: HELP HJTA HELP YOU

Howard Jarvis Taxpayers Association is California's number-one taxpayer advocacy organization. By recruiting new Members, we strengthen the taxpayers' cause in Sacramento and throughout the state.

Help protect Proposition 13! Every HJTA Member knows at least one person who should join HJTA. Please send us their names and addresses. HJTA will send them information on our ongoing work and a membership application. Thank you!

Mail to: HJTA, 621 South Westmoreland Avenue, Suite 200, Los Angeles, CA 90005-3971

Please send information on the tax-fighting work of the Howard Jarvis Taxpayers Association and a membership application to:

Name: _____

Street Address: _____

City: _____ State: _____ ZIP: _____