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Fixing Proposition 13 - Arguments for Split Roll Taxes

Proponents of split roll taxes say property owners don't pay their fair share of taxes, since they have Prop. 13 to keep their property taxes low.

Seems a business owner getting the benefit of lower property taxes is even more heinous, since business equals somebody making a profit! One argument is that because Prop. 13 minimizes property taxes, all of the local society shares the tax burden by other taxes being higher to make up the difference. Is that accurate?

While property owners do get the benefit of a lower PROPERTY tax rate, everyone in the community benefits from the existence of a property-owning business. The purchase of a business property generates annual taxes and the building of a business space generates other types of funds benefiting the community, such as Park Dwelling fees, to name one.

Generally, the existence of one business creates a need for supporting businesses, bringing in more funds and jobs and benefits to the community. With a lower property tax rate, more people can afford to purchase a business property, bringing more enterprise and jobs to the area, which provide incomes for the employees. Jobs bring people to an area as residents or customers--people who will spend money on homes or apartments of their own, they will spend money for things they need and activities they want to participate in.

When someone buys a business property, they also pay a lot of money to municipalities to operate that business in the form of other taxes and fees. Regardless of size, many businesses often contribute to their communities in the form of donations to local schools and community activities. Who do your community volunteers, non-profits, charitable groups and kid's sports teams constantly hit up for donations? The local business owners. So, it would seem many businesses are a huge benefit to society, especially locally. And remember, if those businesses don't own the property themselves, higher property taxes will be reflected in their rent, which will drive many smaller businesses and the jobs they provide out.

Proponents claim the state is losing out on billions of dollars a year in revenue.

How can the state be losing out on money that isn't the states to begin with? This implies the state deserves the revenues, rather than acknowledging that business owners and individuals deserve to keep more of what they make.

Proponents of split roll taxes say that by keeping business property taxes low, sales taxes and other fees must be higher to make up some of the difference.

They feel this unfairly burdens lower income earners. What is unfair to tax payers at of all levels is when our leaders, be they local, county or state level, encourage more illegals, more unemployed or under-employed people to come to an area with the promise of more government assistance or more social programs designed to remove individuals self-responsibility, and put that responsibility on taxpayers. Or when they vote to provide overly-generous benefits that are unending and unsustainable. Those low wage earners themselves pay for those programs, creating a vicious income redistribution cycle that takes from everybody.

Proponents of spit roll taxes say the lower tax rates steal money from schools and cities.

What is stealing money from schools and cities are things like ridiculous and bloated pensions and benefits for an over sized government workforce with too many layers, encouraging illegal and unemployed people to come here for myriad "free" benefits, and the resulting extremely high Medicaid costs, and too much regulation that requires even more layers of bureaucracy, to name just a couple of factors.

So, it's not that Prop. 13 needs to be "fixed". Our state needs to end its addiction to raising taxes to create or enhance benefit programs at a level that is not realistic. We need to encourage businesses to come back to Calif., and that won't happen if businesses are threatened with unaffordable business property taxes. When the businesses are gone, guess who the next group will be that is accused of "not paying their fair share" residential property owners who have Prop. 13 protection.