



June 30, 2003

To: News Media
From: California Taxpayers' Association (Cal-Tax)
Subject: ACA 16

The Assembly Revenue and Taxation Committee on June 30 was scheduled to consider ACA 16 (Hancock), which would split the property tax roll and increase assessments on commercial property. Cal-Tax opposes ACA 16, and the following is a statement from Greg Turner, Cal-Tax general counsel and legislative director. A [Fact Sheet on ACA 16](#) is also provided.

“ACA 16 is another job killer leading California further down the road of stifling economic growth and threatening our state’s long-term prosperity. A split-roll property tax would chase tens of thousands of jobs out of the state. It would increase consumer prices for goods and services and make California industry less competitive.

“The assertion that there has been a shift in property tax burden from businesses to homeowners as a result of Proposition 13 is simply false.

“California already has among the highest tax burdens in the nation and is routinely identified as among the worst in business climate. A split-roll property tax would further imperil the state’s economy, threatening the revenue growth projections necessary to deliver the state out of its current fiscal crisis.

“The irony that spending lobby critics of Proposition 13 refuse to admit is that, despite their protests, Proposition 13 has produced a stable source of consistent property tax revenue growth to state and local governments. Proposition 13 affords predictable tax liabilities. If you look at the state’s current fiscal crisis, it stems from a massive surge in largely one-time revenues that were mismanaged and piled into ongoing spending commitments.

“The fact of the matter is there is more than enough property tax, income tax, sales tax and other revenue to fund quality public schools, public safety, care for the poor and all the other important public purposes taxpayers want to see addressed. What California cannot afford are higher taxes and rampant fraud, waste and reckless spending that continue to plague government programs.” (See www.caltax.org for newspaper reports on fraud and waste.)

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