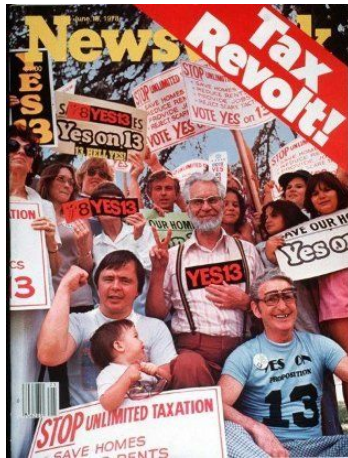


# Fighting Property Taxes Since 1978

March 18, 2018



## What is Prop 13?

Proposition 13 was designed to reduce the cost of property taxes to 1% for homeowners. Usually before prop 13, property taxes were 3% of what the house was worth. Many people did not vote against it because without prop 13, many would be left without homes. Due to prop 13 the California population decreased the amount of services that are offered to them by passing this proposition.

## Impact on economy

Since proposition 13 was established in the state of California. The state government had to look for different ways to charge people so that they can get that lost tax revenue from the

property taxes. The state needs to have certain services available for the people because California is an over populated state and with so many people, there is a lot of demand for things which makes California so expensive. And for the state to be losing out on tax revenue means that services will and can be potentially cut for Californians.

### **Impact on schools**

The impact it made in schools was the funding. School budgets were about \$9 million, but overnight the schools lost \$3 million of its funding. As the years went on, public school districts lost most of its funding from property taxes. Schools would get about 50% or more than 50% of its funding from property taxes. When prop 13 passed, schools had to look towards the state government to provide the amount needed to help their students.

### **Impact on society**

Proposition 13 has cut down on services that Californians need. The state has gotten the money necessary to pay for certain services such as, the police departments, fire departments and services that Californians need, by using the income taxes they get from everyone who lives in California. This gave Californians less of their paychecks due to income taxes increasing to replace the money that can not be collected from property taxes.

### **Thoughts?**

Proposition 13 is definitely a good thing and should be continued. This could probably promote a way of saving, in order to ensure that Californians have money for certain things and eventually continue to practice it. Also, because you learn to save and be on a budget you can potentially buy a house and be part of proposition 13.