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What It Is

Before Proposition 13, the California tax rates on homes were very unstable. Homeowners did not have a specific amount they would pay for their home each month. Prices of homes would increase drastically and without the buyer nor the homeowner knowing. This caused homebuyers and owners to become upset, leading to vote for the proposition.

Proposition 13 allowed homeowners have a stable and certain property tax value. They would be knowledgeable on how much they would be paying each month. This proposition would also allow limitations on real estates ensuring those who buy their homes would have a stable property tax.

Impact on Economy

There had been billions of dollars taken away from certain areas, including important services. Although that wasn't favorable for the

economy, it made it easier for those who believe they couldn't buy a home, available. It benefits the government when a person buys a home and they highly encourage it, hence why they allow us to get thousands of dollars in loans.

Impact on Schools

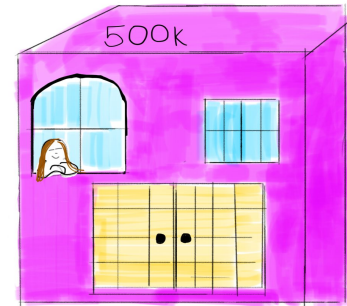
Although there are many positive outcomes of proposition 13, there are a few downsides, one being the effect on schools. Due to the less money homeowners and estates pay, there's less money going to the state itself. This causes less taxes going the state. It seems great, until the day to pay taxes is near and there isn't enough funds for California to function properly. Once they had realized that they were short on funds, they began to cut some off.

Schools in California lost about \$5 billion due to this cut. Aside from that, there had been a cut in the previous year. The California public schools lost about \$7 billion then, making it \$12 billion in a matter of 2

Impact on Society

There are sides whether Proposition 13 had a positive or negative impact on society. Positive being— if someone had bought their home during 1978 through 1998, the prices of the homes were very affordable and their taxes were very low. Someone who has recently brought their home, would be paying a lot more money than someone who purchased it in the 90s. It comes to mean, you may be paying more or less than your neighbor, depending who bought their home first. Lastly, negative being—when prop 13 was first passed by the voting communities, there was a mass of job losses and family incomes were decreasing very quickly.

years.



Interview

Many homeowners are glad that Prop 13 was created, since this brought stability to their home. Jose Iniguez believes the same. "Mr. Iniguez, how do you feel about owning your home?"

"Well of course it is a big responsibility, however it gives you a sense of comfort knowing you own the home and knowing can take away that right."

"What do you think about Proposition 13?"

"Que es eso?" "Its...." "oh okay"

"Well, I think that it can be seen as a good thing and bad thing from different people, those who are homeowner for awhile will of course love it haha, but those who are trying to buy a home will hate it."

Research

The New York Times published an article titled "Howard Jarvis, 82, Tax Rebel is Dead". They wrote about the constant "rivalry" among Jerry Brown and Jarvis. Jarvis was praised by many. He was the people's hope in keeping their homes.

According to the NYT, Jarvis was known as a Tax rebel, he was a lobbyist first and then became a spokesperson and then led to the introduction of Prop 13. He paired with Paul Gann, "a retired businessman who lived in the Sacramento Area" and they created a ballot for solutions on taxes.

That is how the birth of a revolution came about. "Mr. Jarvis and Mr. Gann, who headed separate taxpayers groups, easily collected enough signatures to place a proposed state constitutional amendment on the ballot as Proposition 13 in June 1978."

Your Thoughts

Due to contrary beliefs, homeowners will ultimately benefit from proposition 13. Due to the high rises in housing the taxes on the property were also high. Proposition 13 helped save many homes and decrease homelessness. Many families could not afford the property taxes and mortgage rates and were contemplating leaving their homes.

By adding this proposition, many were able to keep their homes and in turn pay less for property taxes. However, prop 13 does raise the property taxes on new home buyers making it an unequal for the neighborhood. Those who pay less taxes will also have limited resources since that would lead to an increase in taxes. Overall, proposition 13 is a tax that will eventually benefit homeowners, yet impact the economy in the nation and public services.

