

**RESOLUTION IN SUPPORT OF A
SPLIT-ROLL COMMERCIAL PROPERTY TAX FAIRNESS INITIATIVE**

WHEREAS: the assessment system for non-residential commercial property is the most significant failing in our tax system, costing local governments and schools \$4-5 billion annually, allowing corporations, banks, and other non-residential commercial property owners to take advantage of loopholes to avoid reassessment even when property changes ownership, putting the burden of taxation on new investment and development instead of on the windfall from land ownership, the exact opposite of the principles of a good tax system, discouraging local governments from investing in new infrastructure or other public services, forcing local government to plan big-box retailing projects to generate sales tax over job-generating smaller commercial business developments, discouraging infrastructure investment while promoting sprawl and speculation by driving down the cost of keeping in-fill land or other vacant land off the market until speculative gains can be achieved; and

WHEREAS: the commercial property assessment system is broken because it has increased homeowners' share of the property tax burden by 25%, ballooning homeowners' traditional 32% share to 40% of the property tax burden, while property taxes paid by nonresidential commercial property owners has proportionally shrunk, reaping a windfall for the non-residential owners, including banks and large corporations; and

WHEREAS: to eliminate these failings and injustices California needs a split-roll property tax assessment system, splitting the property tax roll between, on one side, homeowners and other residential property owners, who will pay no additional tax whatsoever, and on the other side, non-residential commercial property owners, who will be required to pay their fair share of property taxes to provide \$4-5 billion annually for California's under-funded cities, counties, and schools (ranked 43rd in U.S. in per pupil spending), hospitals, police, fire, community colleges, universities, libraries, public transit, and other important local government services,

THEREFORE BE IT RESOLVED: That the _____ supports split-roll property tax reform by amending the California Constitution by initiative, as soon as possible, to exclude all non-residential real property from the current two percent ceiling on annual real property assessment increases, so that non-residential property is assessed fairly at market value, taking care that this change will be accomplished in a just way, ensuring that cities, counties, and schools and other local government agencies receive a fair allocation of revenue and that the potential burden on small businesses and farms be addressed,

THEREFORE BE IT FURTHER RESOLVED: That a broad-based campaign be initiated to expose the flaws in the current property tax system and thereby develop public support to amend the California Constitution to provide that non-residential commercial property be assessed at fair market value and that this organization participate in that campaign.

Adopted by the _____ [Organization]
At Its Regular Meeting in _____ [City or Town]
on _____, 2007.

[Signature of Presiding Officer]
[Title of Presiding Officer]