

Following is a blog posted by Chris Reed / San Diego Union-Tribune at June 3, 2009 12:17 PM. *PVP Watch thought readers would find this interesting.*

Demolishing the Prop. 13-is-the-devil myth once and for all

REVISED TWICE -- on Wed. night and Sat. morning -- to reflect points made by readers.

According to the newsrooms and editorial boards of the L.A. Times and the Sacramento Bee -- heck, [even according to the Bee's cartoonist](#) -- Proposition 13 is the devil. The 1978 voter initiative limiting increases in property taxes has so reduced revenue that it has hollowed out vitally needed public services and played a key role in the state's descent into utter dysfunction, blah blah blah blah.

The Times and the Bee folks aren't just saying this as yet another rhetorical salvo in their never-ending push for higher taxes, right? Surely they have hard proof on their side, right?

Wrong. Dead wrong. Utterly wrong. Mind-bendingly wrong. So wrong as to be downright mendacious.

Remember, Prop. 13 is not a hard cap of property taxes. Levies are adjusted to current market value when property changes hands. And that happens all the time.

According to the latest info from the Board of Equalization -- look at it (Link Below) -- total property taxes collected in 2006-07 were \$43.16 billion.

The oldest property tax stats I could find were for 1980-81, from caltax.org. That year, property tax revenue was \$6.36 billion.

So since shortly after Prop. 13's adoption, property tax revenue increased by 579 percent. That is not a typo. It went up 579 percent.

During the same span, population went from 24 million to 38 million -- an increase of 58 percent.

As for inflation, as of January 1981, the rough midpoint of the 1980-81 fiscal year, the Consumer Price Index -- which gauges inflation -- was 88. As of January 2007, it was 202.4. That is a 133 percent increase.

REVISED SAT. MORNING: So property tax revenue has increased far more than the combined rate of inflation and population growth. Kris Vosburgh of the Howard Jarvis Taxpayers and commenter Robert Greer both said my initial calculations on this were too high. They say property tax revenue has gone up 84 percent faster than combined inflation and population growth. Which, of course, is still far more than the combined rate of inflation and population growth. **END REVISE.**

Oh, yeah, Prop. 13 is the devil. Prop. 13 is our biggest problem -- not the state's inability to live within its means. Why? Because we say it. Who cares what the numbers show? Numbers are for nerds.

All right, let's bring in some "context" -- the favorite claim of those who dismiss plain facts is that the numbers are not being discussed in "context." According to LAO's wonderful searchable budget database, in 1980-1981, the total of all general and special fund revenue for the state of California was \$22.1 billion. For 2006-07, it was \$120.7 billion. Here is an Excel (Link Below) documenting this. That is an increase of 555 percent.

You follow? PROPERTY TAX REVENUE WENT UP FASTER THAN OTHER SOURCES OF REVENUE!

If this doesn't bury the Prop.13-is-the-devil lie, nothing will.

But it won't. The L.A. Times and Sac Bee are committed to this narrative, come hell or high water. The former is what taxpayers face if they get their way.

Links –

http://www.boe.ca.gov/annual/pdf/2007/table14_07.pdf

http://weblog.signonsandiego.com/weblogs/afb/archives/Historical_Revenues.1980-81.vs.2006-07.xls