

## RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, Proposition 13, passed in 1978, has unfairly allowed some of the largest corporations and property owners to avoid reassessment of their business property in the nearly four decades since voters passed Proposition 13, often by taking advantage of loopholes in the law, which has resulted in a shift of the tax burden to residential property, including everyday homeowners and working families; and

WHEREAS, Senate Constitutional Amendment 5 (SCA 5), authored by Senators Loni Hancock and Holly Mitchell, would enact the Property Tax Fairness amendment to begin reassessing commercial and industrial properties at their fair market value after a phase-in period, rather than allow them to continue to be taxed at their base value from the mid-1970's or only when they change ownership.

WHEREAS, SCA 5 would also provide tax relief to nearly 90 percent of all small businesses by exempting from taxation the first \$500,000 in equipment and fixtures subject to business personal property taxes beginning in 2019, protecting homeowners and renters from any changes to their property tax status, and creating strict new accountability measures for new revenues.

WHEREAS, regularly reassessing larger non-residential property while protecting small businesses would generate at least \$9 billion in additional revenue for California according to authors of SCA 5, and phase in a shift of the tax burden away from homeowners, renters, and working families to larger corporations and commercial landholders;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2015-16 State Legislative Program SUPPORT for SCA 5 (Hancock) which would annually assess larger commercial and industrial properties to more closely tie their tax rates to current market value.

PRESENTED BY:



PAUL KORETZ  
Councilmember, 5<sup>th</sup> District

SECONDED BY:



JUL 1 2015

ORIGINAL