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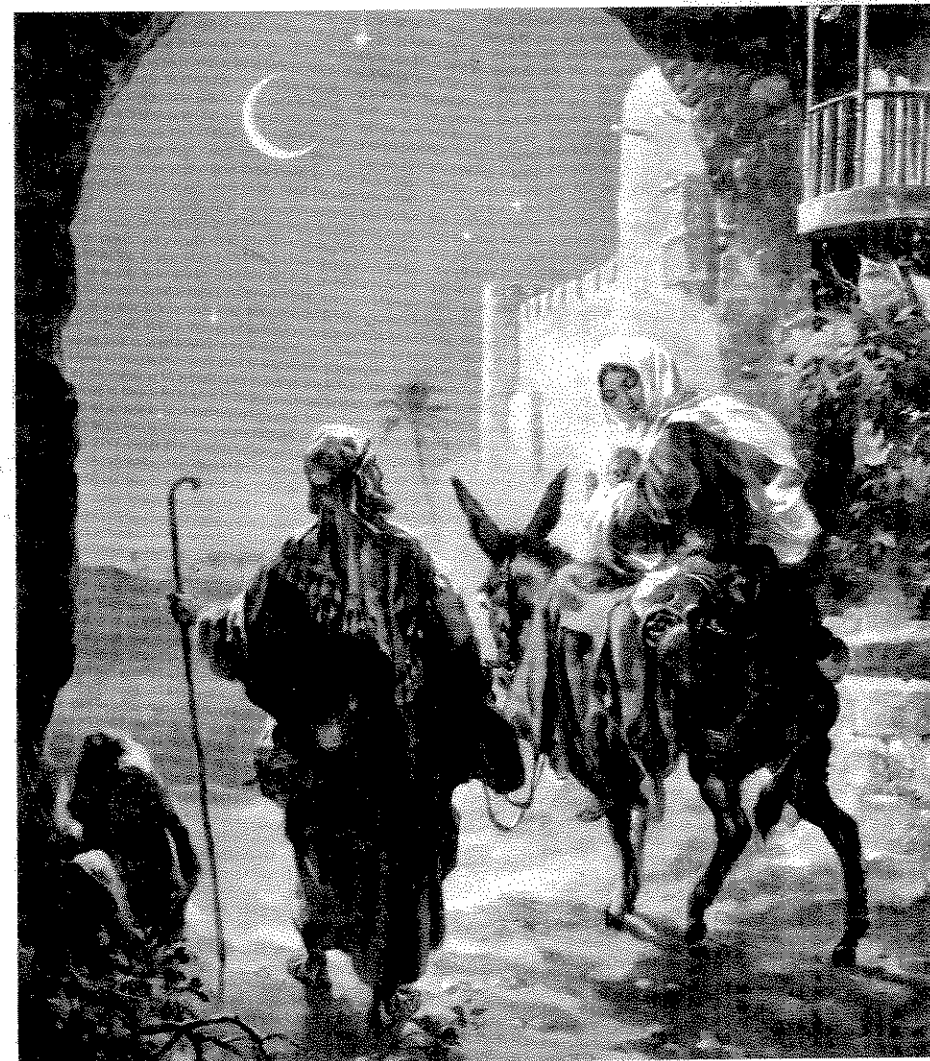
California HOMESOWNER

December 1966

— Twenty Cents

Taxes
Down
the
Ages

13474



SOME HISTORICAL EPISODES IN TAX COLLECTING.

FROM 3500 B.C. TO 1966 A.D.

BY KORIN GODDARD

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California Homeowners Magazine

Volume 5 No. 4 December 1966

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Table of Contents

Supervisors Flout the Law..... 4

Taxes Down the Ages..... 7

Sacramento Assessor Dares
to Obey the Law.....10

San Francisco Report.....12

Los Angeles Report.....15

Story of A Recall.....16

Book Review.....17

Just What We Have Been
Saying All Along.....19

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Supervisors Flout The Law

BY MEGHAN TAYLOR

The length and depth of California, people are talking about assessors, because it has finally come to the attention of the public, that one of the most critical offices, most important to the economy, is the assessor's office of the individual counties.

Since the recent scandals involving California assessors, it is a common thing to think in the framework of all assessors being bad guys. Where it has been proven in the past that a bad assessor is as close to absolute monarchy as we can get in this country, it has been proven recently that a good assessor can be deprived of his ability to do his job well by a Board of Supervisors sufficiently desirous of flouting the law.

The most flagrant case in point in recent months occurred in Crescent City, California, Del Norte County, where assessor Frank Brickwedel completed a reappraisal program in the last year of his tenure in office. Following this, he was reelected to office following a Hatfield-McCoy type feud with his opponent, Arlene Spann, herself a former assessor of Del Norte County from 1950 to 1958, and for whom Brickwedel had worked.

Brickwedel ran on a platform of "fair and impartial assessments, based on market sales, as required by law," which would "insure that everyone is giving equal support to financing our county government."

Mrs. Spann ran on the platform, "High timber and land assessments can drive industry and agriculture out of Del Norte County," and "Present methods of assessing property based on market sales can be dangerous." She also contended that the State Board of Equalization wants "your property assessed at the highest possible value. It means less in State contributions for schools, welfare, and school construction subsidies."

Tempers are still volatile and feelings high. But tempers and feelings notwithstanding, Statewide Homeowners' Assn. decided to investigate the charges flying around in clumps like hungry gnats. Their decision followed a letter received from Brickwedel and printed in the last issue of the California Homeowner.

LAND SPECULATORS COMPLAIN

The big controversy centered around agri-

cultural land. Brickwedel used as the basis of his assessments, primarily the Storie Soil Index Rating from the University of California. This was with the exception of beach front property, which some people in that part of the state seem to feel should have a very low assessment, even though the market indicates otherwise.

It was, in fact, a parcel of beach front property which caused most of the publicity during and following the Board of Equalization hearings this year.

Almost immediately following the primary election, the bomb exploded in the Board Chambers, when almost 300 landowners protested their assessments, represented by two attorneys and aided considerably by Mrs. Spann.

The Board, in violation of every law governing equalization, gave an outright 40 per cent reduction of all the parcels, having been convinced that the representative parcel they considered was 40 per cent too high. They justified this decision on the basis that since the same index was applied to all the lands, if one was 40 per cent too high, they must all be 40 per cent too high.

Thus the Board, by its own definition, became a Board of Unequalization, since the farmers who did not protest their assessments, had to pay taxes far out of line with those who did protest. It is now possible to have two parcels of equal value side by side with one parcel paying 40 percent more taxes than the other. Would you believe that the one paying less is a business partner, father, uncle, grandmother, cousin, brother-in-law or aunt of a supervisor?

"WE WILL DO AS WE PLEASE"

—Supervisors

The Board elected to act against the advice of the County Counsel, William Spear, who told them that if the Storie Index was applied to all land values alike, they could take no action. "The law is, of course, if they are all high, they're equal; if they're all low, they're equal, but they must all be the same. If the whole county is high, so what? As long as they're equal, everyone will pay his fair share."

"I wouldn't say they ignored my advice," Spear said, in response to a question, "they

just reached a different conclusion. They are not required to abide by the decision of the county counsel, but they may take his advice if they choose."

What they told Spear was that they would do just as they pleased, and they did just that.

Spear also suggested that the Board deny relief to the 300 landowners; and let them take it to court, pay their taxes under protest and sue for a refund. His advice on this score was ignored, also.

CHAIRMAN HAS OWN POLICY

Harold Del Ponte, chairman of the Board, told me during a special interview, that it was his opinion, and an opinion which had influenced his decision on the Board, to reduce the assessments, that land should be assessed not according to its value, but according to its use, which of course defies the law. Brickwedel has contended that much "farmland" is being used to pasture a cow or two, in order to uphold the title of farmland, while it is actually speculative, and not being farmed at all.

Just preceding the Farm Bureau meeting which sparked the mass protest, Brickwedel had presented the new roll to the Board of Supervisors with a \$2,873,679 assessed value over the 1965-66 roll. This was despite his taking into consideration the damage brought by the tidal wave and floods of 1964.

He said, "This large increase was due to the completion of the land reappraisal whereby all farms and timberland has been revalued on up to date sales. Landowners and timberland owners are now appraised on the same basis as the homeowners and businessmen."

The State Board of Equalization feels it is out of their hands to do anything about it. Several members of the State Board have admitted that the local board in Crescent City was out of order in their reduction, and have indicated they can think of no legal way of reversing the decision. One spokesman for the State Board said they have referred the matter to the Attorney General's office for action by him. It seems as though AB 80, which is supposed to keep the assessors in line, does nothing to keep the supervisors in line.

According to figures from Curry County, Oregon, just north of Del Norte, and Humboldt County, just South, Brickwedel's figures are pretty much in agreement with their assessments; if anything, a little lower.

In the meantime, bombs are still bursting



Frank Brickwedel
Assessor of Del Norte County

in air, and there is talk of a recall, most of which seems to be kept alive by Del Ponte. Brickwedel has filed a protest regarding the Board's action with the Attorney General's Office, and the Statewide Homeowners Assn. have done the same.

ORANGE COUNTY SUPERVISORS ALSO DEFY LAW

In Orange County, where again the assessor, Andrew Hinshaw, ran on a program promising equalized assessments, the Board of Equalization reduced the assessments on one of the large landowners, Laguna Niguel, although many other large landholders declined to request reduced assessments of their lands. Ironically, Supervisor Alton Allen, who carried the ball for the Laguna Niguel forces, won election 4 years ago on a platform demanding land assessments be equalized with homeowner's assessments. Of course 4 years is a long time and it is possible for an old man to forget.

RIVERSIDE COUNTY SUPERVISORS BACK UP ASSESSOR

Some assessors in California do get support from their Boards of Equalization. In Riverside County, Eric L. Waite's appraisals of market value were upheld by the Board of Equalization. They indicated that since the Assessor's values represented values reflected in the market place, and all other assessments in the county also reflected market values, the land speculators did not have a legitimate protest. It is these very same land speculators who bid the price of land up to the sky, then have the gall to complain about assessments based on those same values. They pay \$2,000.00 per acre for farmland worth \$800.00. They then want to pay \$2.00 per acre property taxes for about ten years or less, then sell for \$12,000.00 per acre. In the meantime they have driven farmers off the land, caused the farmers' taxes to skyrocket and forced all development further into urban sprawl.

In a recent statement to explain the position he had taken, Waite said, "The Assessor is not a taxing office. He does not create market value, but he must recognize the values created by those who buy and sell in the open market."

"Taxes," he continued, "are created through public demand and public spending. It is the spending bodies who represent county, city, schools, and special service districts, who are the taxing officers. When areas are equalized by updated appraisals, taxes may rise. If taxing agencies were to hold the line on spending, taxes would have a tendency to decline."

SAN DIEGO COUNTY ASSESSOR HAS OWN METHOD

In San Diego County, the question is, who will give the most to land speculators: the Assessor or the Supervisors? In either case, the homeowner will pay the bill.

In San Diego County the land speculators

get help from both the Assessor's office and the Supervisors. It is the policy of the Assessor that land speculators pay too much for land, so he considers one half the purchase price as the market value. Eldon C. Williams, an FBI agent until his appointment as assessor, may have a good thing with that method, but as yet appraisors do not use it. Even if an appraiser would use that method, it wouldn't be a crime. He just wouldn't get many jobs to appraise. But for an assessor, such a policy is illegal, or does it make a difference if you've been in the FBI?

One would think that one half the going rate was enough of a break for the land speculators, but no, during the Board of Equalization hearings, most of the large land owners who protested their assessments were given reductions.

Another embarrassment for San Diego County is that the Board of Equalization had to remove the penalty assessments from 11 firms who hired consultants to have their assessments reduced, and which were exposed during the recent scandal. It seems as though the consultants paid off the assessor to have their client's assessment reduced to what they were supposed to be assessed at in the first place. When these facts were presented to the Board of Equalization, and when it looked like the case would go before a judge, the Board removed the penal assessment and made a public announcement that the firms involved were innocent of any wrong doing. (The assessor involved, committed suicide in October, 1965).

ASSESSMENTS TO BE HOT SUBJECT FOR SOME TIME

With Brickwedel in Del Norte County fighting the Supervisors for equal assessments, and Hinshaw in Orange County challenged by his Board, something has to break. In Riverside things look like the homeowner will finally be paying his fair share, and no more.

THE "ISMS"

SOCIALISM . . . You have two cows and the Government makes you give one to your neighbor.

COMMUNISM . . . You have two cows and the government takes them both and gives you the milk—maybe.

FACISM . . . You have two cows and Government takes them both and sells you the milk.

NAZISM . . . You have two cows and the Government takes them both and sends you to prison.

NEW DEALISM . . . You have two cows, Washington takes them both, shoots one, milks the other and throws the milk away to hold up prices.

CAPITALISM . . . You have two cows, you sell one and buy a bull.

Taxes Down the Ages

SOME HISTORICAL EPISODES IN TAX COLLECTING:

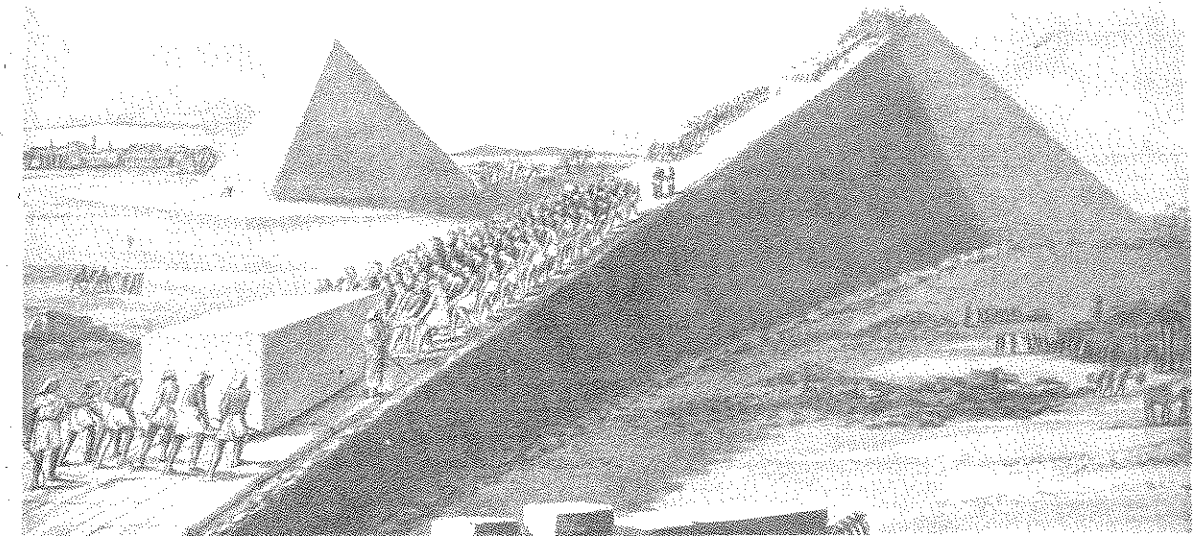
FROM 3500 B.C. TO 1966 A.D.

BY KORIN GODDARD

TAXES

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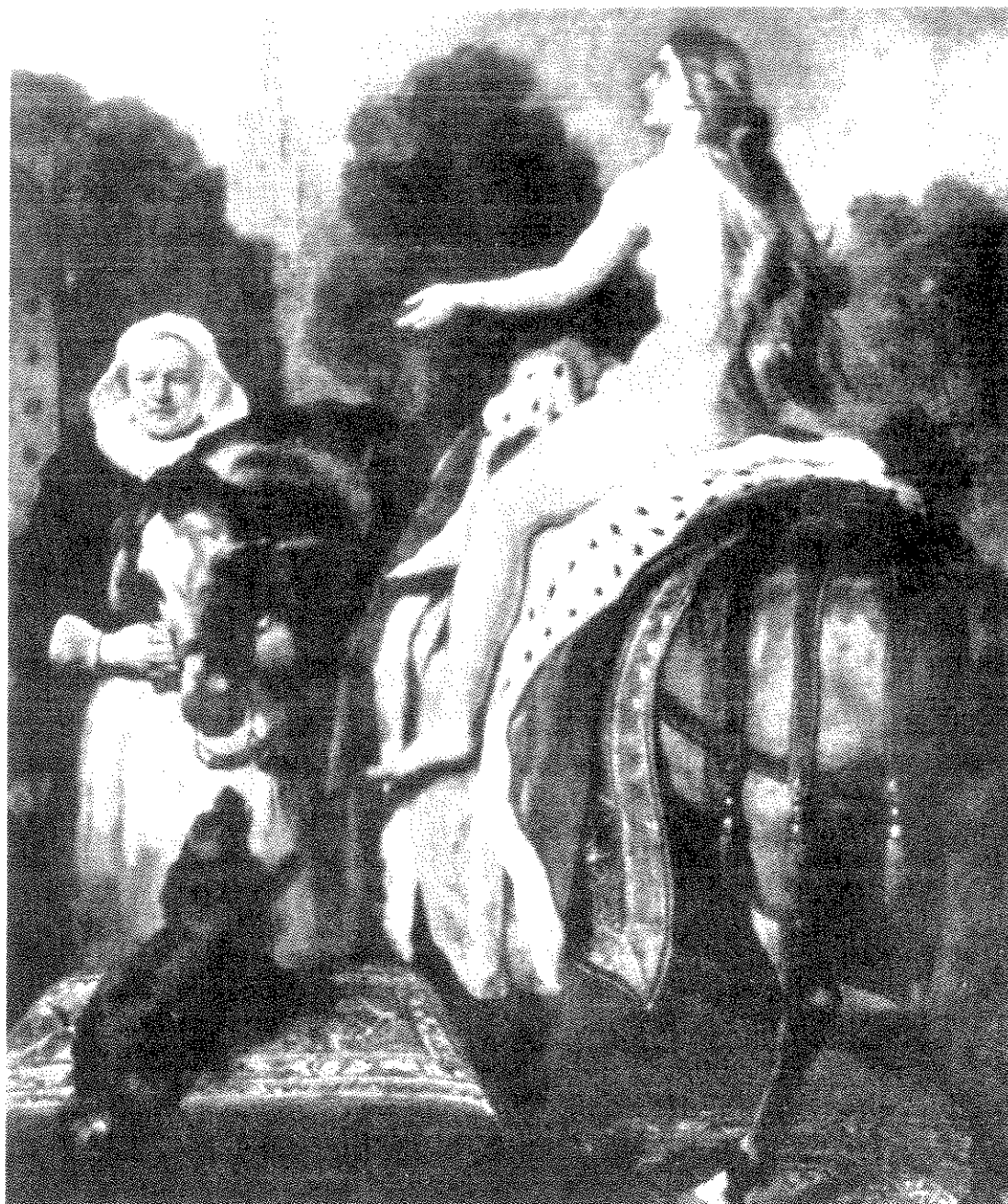


Three thousand five hundred years before Christ, in Egypt, Assyria, and Babylonia, peasants who could or would not pay their taxes were seized and imprisoned. A man either paid his taxes, in money or produce, or he surrendered himself to become a slave for his undischarged debt. It was also common practice to sell their children into slavery in order to pay debts.

Four thousand years later, in 450 A.D. in southern Europe and northern Africa, the vandals (barbarians), although few in number succeeded in invading Rome, Sicily, Sardinia, Spain, and Northern Africa. Landowners had made free peasants into slaves. Governors had levied heavier and heavier taxes on the landowners. Bloody insurrections repeatedly broke out, always traceable ultimately to the pressure of taxation. The invading Vandals were often treated as liberators by the laboring people. They exterminated

the great landowners, wiped out all debts to Roman moneylenders, and abolished the last vestige of military service. It was not so much a conquest as a liberation from an intolerable deadlock.

In 1050 A.D. in Coventry, England, lived a bashful lady named Godiva. Her husband, Leofric, the Earl of Mercia, levied a very heavy tax on the people of his earldom, and the Lady Godiva was distressed by the suffering of the people. Her pleading with her husband made very little impact. But she was persistent, and finally her husband said, "O.K. Lady, you think that I should make a big sacrifice of my money and not collect so much. What kind of a sacrifice are you ready to make for these poor people of yours?" Lady Godiva blushed and tried to think of an answer. Then her husband said, "See: You want me to be so big-hearted, I'll make a deal with you. You ride through the town without



In 1050 A.D. in Coventry, England, Lady Godiva was distressed by the suffering of the people. So she rode through the town with out any clothes on, to convince her husband to lower the taxes.

any clothes on, and I'll give up my plans on raising the taxes." So she did, and he did, and the whole thing was settled.

In 1650 in England, both the landed gentry and the lower classes were required to carry the burden of taxes. Meanwhile in France, the nobles and the clergy were exempt from paying any taxes. By 1700, this injustice had reduced the common people in France to abject misery. It got worse and worse, until in 1787 Marie Antoinette said the famous words, "If the poor people have no bread, why don't they eat cake?" And you know what happened to poor, foolish, Marie Antoinette.

In 1763 the British Parliament claimed to be the supreme taxing authority of the British Empire. This included the American Colonies. The colonists smoldered under this arrangement for thirteen years, before they got mad enough to fight. The United States set up their own country, but within 200 years, they were paying taxes many hundreds of times more than the British ever dreamed of collecting.

Today we have come the full circle—tax strikes, price revolts, petitions for tax ceilings, and rumors of bribery in different tax assessor's offices. Eighty years ago Oliver Wendell Holmes said "Paying taxes is buying civilization."

In the United States today, the annual cost of food is \$439 per person, while taxes average \$851 per person. Surely there must be a limit on how civilized we want to get.

A recent meeting of the Community Development Forum, hosted by the Santa Monica Chamber of Commerce, brought out some interesting facts, about city redevelopment.

The Santa Monica Program used City funds to create the Mall. Private investment remodeled the stores to fit the Mall. The shopping district has a special assessment to pay the overage needed on the taxes.

The San Leandro Redevelopment Project called for the creation of a shopping mall, and remodeling of the existing buildings. They refused to use federal funds, and did the complete job with private and municipal money. Federal funds were to restricting and expensive to be practical. No property was removed from the tax rolls.

The City Hall, Theatre, convention hall and parking garage, were planned and built under the "Redevelopment Program" of San Diego.



In 1787 Marie Antoinette said the famous words, "If the poor people have no bread, why don't they eat cake?"

No federal funds were used. Private investment, and municipal funds (including the city employees' retirement fund) were used.

Ocean Park's representative stated that they accepted Federal Urban Renewal nine years ago, and that at the present time they are convinced that their city wants no more Federal Redevelopment.

The City of Modesto used federal funds to put in their sewer system. The Federal program was feasible in this type of project because for a sewer, no condemnation was necessary, removable from the tax rolls was not needed, and the sewer bonds can be retired by a sewer assessment.

Harvey G. Hallenbeck, Jr., Secretary of the Chamber of Commerce of the United States, stated, "The National Chamber of Commerce believes that the Federal Government should withdraw its position that it has persistently maintained in the field of Urban Renewal."



Dr. Irene Hickman
Assessor, Sacramento County

Seems as though all Hell broke loose the day Dr. Irene Hickman, Assessor, Sacramento County, said she would obey the law and assess property at 'Full Cash Value.' For a layman to say, "That would be terrible," or "That would drive homeowners out of their homes," or "Industry will never come to Sacramento now," would be understandable. But to hear people in government, who should know better, say those things, makes one wonder, "What kind of dopes do we have in high places making our laws?"

Every official who has stated that she can't do what she says she will do, should know better. The law clearly calls for assessments at 'full cash value.' It may be true that precedent is contrary to the law, but precedent does not precede the Law.

NEW JERSEY DECISION

On March 11, 1957, the New Jersey Supreme Court, in the case of Switz vs. Middletown Township, 23 J.J. 580, handed down a decision which is surely destined to stand as a landmark in the history of real property taxation in that state. The Court ruled that the local assessor must assess all taxable real property within his district at its full true value, as required by existing law, and not

SACRAMENTO COUNTY ASSESSOR DARES TO OBEY LAW

By John Nagy

according to a ratio of such value as has been the state-wide practice for more than one hundred years.

KENTUCKY DECISION

On June 8, 1965, the Kentucky Court of Appeals (Supreme Court) in the Russman vs. Luckett case, on appeal from the Franklin Circuit Court, directed the tax assessment of all property at 100 per cent of fair market value. Commissioner Clay, speaking for a unanimous court, pointed to a level of real estate valuation of approximately 27 percent as having been the custom. The court found the prevailing undervaluation objectionable because of the inequities it encourages, because it gives the assessors "unwarranted and arbitrary control of the tax base," because it alters the effect of the tax and dept limitations set up in the constitution—as well as because it is contrary to the constitution and the statutes enacted under it.

CALIFORNIA MAY BE NEXT

Florida and Massachusetts have had similar decisions handed down in recent years by their Supreme Courts. California could very well be the next State with such a decision. Instead of the wrath of the Gods falling upon Dr. Hickman, it could fall upon 57 other assessors, the State Board of Equalization, the 58 County Boards of Supervisors, and all other officials, from the Governor on down.

When Dr. Hickman declared her intention of assessing according to law (full cash value) threats came from the Sacramento Board of Supervisors, the State Board of Equalization, the City of Sacramento, and some legislators, all knowing very well that she was doing no more than abiding by the

oath she took to uphold the law, which is what she said she would do throughout her successful campaign for the office.

EQUALIZING ASSESSMENTS IS MOST IMPORTANT

Most of the opposition to Dr. Hickman comes from those who are afraid of 'equalization,' not full cash value assessments. The complaints against full cash value assessments is only a 'smoke screen' for their real fears. They know that assessments at 'full value' would not change tax bills one bit, since, if the tax base were to be increased four fold, the tax rates could be reduced to one fourth of the present rates, and the same amount of revenue would result with all property paying exactly the same amount of taxes they now pay. It is her intention to equalize land and slum assessments with those of homes and personal property that is shaking up certain interests in Sacramento County. It's no secret that her main campaign theme was her attacks upon the underassessments of large land holdings, slum property and vacant lots on main streets.

Time after time she pointed to such properties, which were assessed at 4, 8, 10, or 14 per cent, instead of the claimed 25 percent. Homeowners need not fear equalization, as business and farmers need not fear equalization. They have been assessed at the top of the ratio scale, and their taxes could go down by equalization.

PROPOSITION 1—SPECIAL ELECTION JUNE 27, 1933

The legislature always meant to have assessments at full cash value. In 1933 the voters, at a special election decided it was time to abide by the Constitution, which called for 'full cash value'. Following is taken from the official analysis by the Legislature of Proposition 1, on the ballot at a special election on Tuesday, June 27, 1933:

PROPERTY TO BE ASSESSED AT FULL CASH VALUE

The immediate effect of the imposition of this character of levy and return to the counties would be an increase in the assessed valuation of the property to its full cash value. Although provision for this is already in the code, we have included it as a constitutional amendment. Obviously the County Assessor would be compelled to assess at full cash value, otherwise the allocation fraction necessary to return the county's money on a basis of assessed wealth and population

would not secure to the county making an assessment less than actual cash value, its proportionate share of the new funds. Nothing would happen by this change of base to a 100 percent assessment for the reason that we are not dealing in tax rates but in a limitation of expended tax dollars. That is important and salutary for under the present system, it is almost impossible to successfully compute an assessment made by the County Assessor when he habitually employs a percentage factor in preparing his assessment rolls. As a result, tremendous inequities of assessment are always prevalent and anything less than assessment based upon full cash value is deceptive and conducive to the development of confidence in the public officer who is charged with that duty.

The constitutional amendment to which the above refers was passed in 1933. What happened? Why have assessors continued to ignore the law? What's with Dr. Hickman? How does she dare set a precedent of assessing according to the Constitution?

OFFICIALS SHOULD PLAY IT COOL

The smart thing for officials to do regarding Dr. Hickman's plans is to play it cool and not make stupid statements they can't back up. It may be true that the State Board of Equalization can order a county or counties to equalize, but a judge may decide that the other counties must assess at 100 percent too, then whom will the Board order to do what? A judge has never been faced in the California Courts by an Assessor who wants to abide by the law. Can you imagine a judge telling an assessor she must throw away the Constitution and follow precedent? Not me.

WORDS TO LIVE BY

"Friends and Neighbors: The taxes are indeed very heavy, and if those laid on by the government were the only ones we had to pay, we might the more easily discharge them; but we have many others and much more grievous to some of us. We are taxed twice as much by our idleness, three times as much by our pride, and four times as much by our folly and from these taxes, the commissioner cannot ease us or deliver us, by allowing an abatement. However, let us harken to good advice and something may be yet done for us."

Benjamin Franklin in 1733



The SPUR planning exhibit in San Francisco's Union Square.

A San Francisco first . . . citizens are expressing their opinions on important local issues at the SPUR Workshop, 1 Grant Avenue. An official automatic voting machine is being used to tabulate the opinions.

San Francisco is a world renowned beauty with dirty underwear. Her beautiful hills and bay views are marred by slums and underdeveloped vacant land right in the heart of the city. What to do about this problem has long been the concern of S.P.U.R., the San Francisco Planning and Urban Renewal Association. At a recent SPUR Workshop during San Francisco Week some of the new ideas and



San Francisco Report

by Robert Scrofani

answers to planning problems were presented, as shown in accompanying photographs.

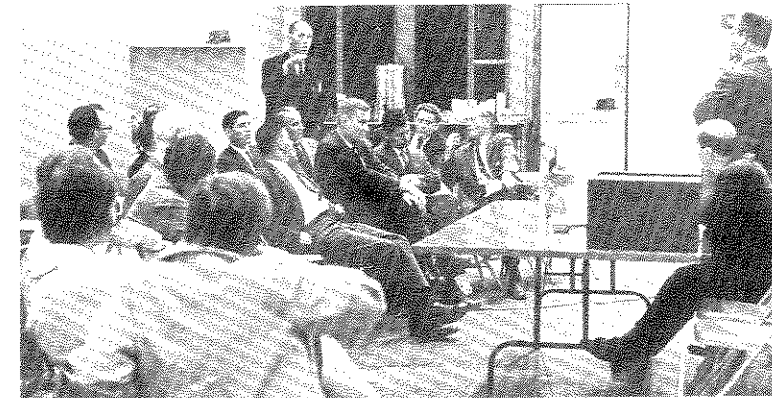
At another conference, that of the Pacific and Southwest Park and Recreation Conference, Roy Potter, Planning Director of Fremont, California gave a talk, "The Quid Pro Quo", which was interesting. Quoting the book "California, Going, Going", which refers to our newer urban areas as "slurbs—sloppy, sleezy, slovenly, slipshod, semi-cities". Potter noted that a change in the State Subdivision Map Act is needed.

"Each new dwelling unit in a subdivision requires \$13,000 to \$17,000 for needed public facilities. Little of this amount is now contributed by the developer and homebuyer. An amendment to the State Subdivision Act should be made to require open space for parks and other amenities for each subdivision."

"If we are to improve our environment", continued Potter, "then new legislative tools at the local and state levels must be provided. Economic incentives must be built into local ordinances to provide the developer with the economic basis for taking the extra time and effort needed to



The age old transportation problem has taken to the water.



John E. Hirt, Executive Director of SPUR, makes a point at a meeting of the group, which has some of the most prominent people in San Francisco on the Board of Directors.

build a more varied and desirable development instead of the old "cookie cutter" approach."

Potter added that Park and Recreation Administrators should work closely with planners, architects, engineers, landscape architect and ur-

ban planners to aid in planning for better and more open space areas, they should explore legal tools which will insure the incentives necessary to offer land developers encouragement to improve a development, not just to use it.

ELECTION COMMENTS

What does the results of the California election mean to the homeowner?

1. State government is committed to less spending.
2. No increase in State taxes.
3. Local communities will have less support and less interference from the State.
4. Private and free enterprise will be encouraged.
5. Private industry will be encouraged.
6. There will be a decline in the welfare program.
7. Urban Renewal will not be considered a cure all.
8. Private development of slums will be encouraged.
9. Farmers will be discouraged from selling to speculators.
10. Exemption of improvements will be given a good hearing so homeowners will not be penalized for improvements.
11. Exemption of personal property will get serious consideration so industry will locate in California.

These assumptions are based on the campaign waged by the elected Constitutional officers. We must also remember that the Democrats still control the Legislature.



Korin Goddard, President of the Maywood Taxpayers Association, is welcomed as new associate of Statewide Homeowners by John Nagy, President. Read her report on Maywood recall action on page 16.

Los Angeles Report

by Michele Hamilton Greenhill

Most of our favorite candidates were elected and now all Homeowners look to the 1967 session of the Legislature for tax reform and relief. Will it be forthcoming? It practically never has in the past, but maybe this year will be different.

Taxpayers and Homeowners Protest Groups grow apace, the newest one, currently circulating petitions for a 1% limit on the property tax, is a group called O.U.C.H. led by William Ross, a realtor of Manhattan Beach. All we can say to him is, "OUCH".

Members of several groups have voted to withhold their property tax dollars, bank them and pay the penalties. They sent telegrams stating their purpose to all local elected officials and are now sitting tight, awaiting developments.

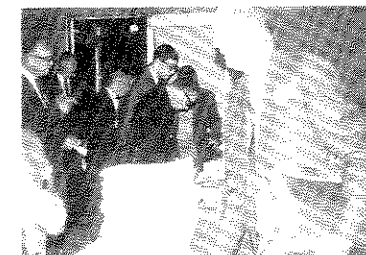
There are some 19,000 protests filed with the assessors office, against 5,000 last year, with more pouring in every day. It is going to take some time to hear these protests, even at the rate of 2 to 3 minutes per hearing which was given by the hearing Boards last year.

The United Organizations of Homeowners, Property Owners and Taxpayers of Los Angeles County, (we reported on their first meeting in the September issue) now has 47 groups incorporated under that title, they have had three meetings and a course of action should be announced very soon. Will it be a tax strike? Probably only a protest.

TAXATION, a group organized a couple years ago by George Jordan of Altadena, is



Milton Rubin of United Organizations of Homeowners, Grace Bieck, and Leona Magidson, secretaries of the new association of homeowner and taxpayer groups.



James Passow, on the Board of Directors of the United Organizations, supervises the signing up of representatives from various homeowner groups. 1300 people turned out for November 10th meeting at one school, 1100 tax-fighters met at another school to plan strategy.

currently examining the assessment problems. They have spoken to assessor Watson of Los Angeles and are studying the various legal aspects of tax strikes, protests and what can be done with the legislature.

TAXATION has two parts, individual memberships and an Assembly which is composed of delegates from Taxation Committees in other areas and independent property owner associations. Taxation's chief interest is in municipality, school district, county and state government spending. It is their belief that spending is the root cause of confiscatory taxation. We have heard some of the budget protests made by this group, both in Los Angeles and in Glendale, they were well prepared and quite intelligent studies of the most complex budgets. As we said before, it is always good for elected officials to know that the taxpayers are paying attention.

THE STORY OF A RECALL

BELL GARDENS AND MAYWOOD CITIZENS FIGHT HALL

The Citizens of these two small cities, felt that some of their council members were acting against the wishes of the people. First they hired a lawyer. He sees that the group complies with the proper notices to the subject of the recall and to the general public in the local newspaper. The reasons must be stated on these notices, as well as on the petitions. The reasons must be sufficient, concise, logical, and most of all, popular with the voting public, who must sign your petitions.

This petition will call for a recall election, which would of course, allow the people to decide if your misbehaving incumbents are to stay in or get out. In the case of Maywood, and Bell Gardens, 25% of the registered voters were required. However, Maywood obtained over 30% in just 18 days. Usually, to obtain the required signatures in the time limit, would require a minimum of one petition carrier for each 200 to 300 signatures. All signatures must be signed properly, with date and addresses. The petition carrier has to have each page notarized, and they all have to be filed with the city clerk within 45 days, to qualify.

At this point the following things may happen: some of the councilmen under fire might get huffy and resign. (The chances to win this easily are extremely rare.) Some of them might agree to the recall election, then get out and campaign against the action, thus striving to defeat it at the ballot box. This is what happened in Bell Gardens. The Recall got as far as the election, then a majority of the people voted, "No," at the recall election. This left the councilwoman under fire still on the council, with no one recalled.

However, the chances are that the incumbents will refuse to allow for the recall election. If they are in the majority, they can very well refuse. Then the recallers will have to go to court. It doesn't matter what excuse the incumbents give, valid or fantastic, the Recallers will still have to go to court to proceed with the recall. This is what happened in Maywood.

In this little city of approximately 17,000 people, three of the 5-man council were

served with recall notices. (Including the Mayor) Although one councilman resigned, the two other councilmen under the recall action, still held the majority to appoint a new councilman, who in turn, naturally, served the interests of the two councilmen who appointed him. Thus the majority of three voted "no" on the motion to allow the recall to go on the ballot. So it went to the Court. To avoid more stalling for time and expense, the Recallers by-passed the Superior Court, and petitioned the Appellate Court. (Please remember, the City's Treasury has to pay the bills for the fees to the officials under recall). About fifty days later a decision was handed down, in favor of the Recallers. Again the majority on the council voted "no" on the motion of the minority councilman to allow a recall election, and appealed to the State Supreme Court. It is now one year and two months since the recall work started, the Recallers just received notice from the Supreme Court that the appeal had been denied, the decision of the Appellate Court was upheld and the Recall Election will be held in January.

To put over a Recall it takes motivation, work, money, and TIME.

C. K.



You are looking at the most powerful man in the world today.

The Corrupted Land

MacMillan & Company

By Fred J. Cook

Fred J. Cook is a journalist with the newspapermans ability to dig out the facts. He has received the New York Newspaper Guild's Page One Award three times and certainly deserves another for this hard-hitting expose of corruption in the United States.

According to Cook we are living in a society of "Borrow, spend, buy, waste, want" a society built on planned obsolescence through deliberate under-engineering of products, from automobiles to light bulbs. He quotes sociologist Ruth Benedict as noting in the early 1940s that our society had changed from the traditional, individualistic ethic to one that might be described as a how-do-we-look-to-others ethic. Anything is all right as long as everyone else is doing it or, in the business world, if it makes a profit.

Writing of some of the big wheeler-dealers of our time, Cook quotes Billie Sol Estes bragging about his influence with government and said he had an office filled with assiduously gathered photographs of Presidents and high politicians. He was a member of the Department of Agriculture's Cotton Advisory Committee and used his connections to make a half million dollars through illegal transfers of cotton acreage allotments. He also took several Finance Companies for 22 million in loans for fertilizer tanks not in existence.

The inside story of how Bobby Baker, in less than nine years, on a salary of \$19,600 a year, amassed a fortune of almost \$2 million is a fascinating one, so is the story of the price fixing scandal of the big electrical companies, the story of the packaging frauds practiced by grocery stores, where "The bigger the box, the bigger the hoax" practiced on the consumer. Cook estimates the amount of money swindled by false packing in the grocery stores is greater than the staggering amount we forfeit to crime and corruption.

Speaking of fraud on the grand scale, after a house of Representatives subcommittee headed by Rep. John A. Blatnik of Minnesota looked into the \$41-billion Federal

highway building program, it was estimated that at least 10 per cent, or \$4.1 billion would be filched by dishonest contractors and highway engineers. The land speculators with connections in the capitol had a field day with this program, often trebling and quadrupling their money for a piece of right-of-way land in less than a year.

Cook quotes Value Line Investment Survey as saying we have not had a true free enterprise system in over 200 years. Read the book and see why. M.H.

QUOTES FROM "THE DEATH AND LIFE OF THE GREAT AMERICAN CITIES",

by Jane Jacobs

Published by Random House

There is a wistful myth that if only we had enough money to spend, we could wipe out all our slums in ten years.—But look at what we have built with the first several billions: Low Income projects that became worse centers of delinquency; cultural centers that are unable to support a good book store; civic centers that are avoided by everyone but bums; promenades that go from no place to nowhere, and have no promenaders; expressways that eviscerate great cities. This is not the rebuilding of cities. This is the sacking of cities.

The economic rationale of current city rebuilding is a hoax. The economics of city rebuilding do not rest soundly on reasoned investment of public tax subsidies, as urban renewal theory proclaims, but on vast, involuntary subsidies wrung out of the helpless site victims. The increased tax returns from such sites, accruing to the cities as a result of this "investment," are a mirage, a pitiful gesture against the ever increasing sums of public money needed to combat disintegration and instability that flow from the cruelly shaken-up city. The means to planned city rebuilding are as deplorable as the ends.

Automobiles are often conveniently tagged as the villains responsible for the ills of cities and the disappointments and futilities of city planning. But the destructive effects of automobiles are much less a cause than a symp-

tom of our incompetence at city building. Of course, the planners, including the highway-men with fabulous sums of money and enormous powers at their disposal are at a loss to make automobiles and cities compatible with one another. They do not know what to do with automobiles in cities because they do not know how to plan for workable and vital cities anyhow—with or without automobiles.

What if we fail to stop the erosion of cities by automobiles? — In that case we Americans will hardly need to ponder a mystery that has troubled men for millennia: What is the purpose of Life? For us, the answer will be clear, established, and for all practical purposes, indisputable: The purpose of life is to produce and consume automobiles.

Planners, architects of city design, and those they have led along with them in their beliefs, have gone to great pains to learn what the saints and sages of modern orthodox planning have said about how cities "ought" to work and what "ought" to be good for the people and businesses in them. They take this with such devotion that when contradictory reality intrudes, threatening to shatter their dearly won learning, they must shrug reality aside.

Since theoretical city planning has embraced no major new ideas for considerably more than a generation, theoretical planners, financiers and bureaucrats are all just about even today. —And to put it bluntly, they are

all in the same stage of elaborately learned superstition as medical science was early in the last century, when physicians put their faith in bloodletting, to draw out the evil humors which were believed to cause disease.

In New York's east Harlem there is a new housing project, with a large rectangle of lawn. All the tenants hated the lawn. A spokesman for the tenants said, "Nobody cared what we wanted when they built this place. They threw our houses down and pushed us here, and pushed our friends somewhere else. We don't have a place around here to get a cup of coffee, a newspaper, or borrow fifty cents. Nobody cared what we need, but the big men come and look at that grass and say, 'Isn't it wonderful! Now the poor have everything.'"

Project building as a form of city transformation makes no more sense financially than it does socially. (When the government condemns property for urban renewal, it pays only for the premises: the land and the buildings. The Good-will, the clientele, are completely lost. If businesses in the path of condemnation did not take this loss, the cost would be so prohibitive that it would be impossible.

Private investment shapes cities, but social ideas (and laws) shape private investment. Let the law of supply and demand prevail.

C. K.

Just What We Have Been Saying All Along

By Wilbur Pereira

Whether the system of political economy is studied from the viewpoint of the professors teaching it, the people working within it, or those who profit greatly from its misdirection, we find that interest is mounting in the burning question: WHO IS GETTING THE UNEARNED BENEFITS FROM OUR SYSTEM?

Garret Eckbo of Dean, Austin and Williams, Los Angeles-San Francisco landscape architectural firm engaged by the State to study, and report on, the land conservation practices, and land uses within the state. Their findings are revealing, since no study can be made of the land, mother of all things, (in economics and human living) without discovering that something is lopsided in the distribution of the fruits of our production.

The population increase has caused "an enormous land use problem," they reported. They intimated that land ought to be thought of as a perishable article of priceless value that is held in custodianship by its present owners for future generations.

In a study of land use and conservation, certain basics were bound to emerge: "A new ethical attitude about land use is needed—one that recognizes private ownership as custodianship and one that recognizes that group decisions through agencies of governments are required in order to protect the environment for everyone's benefit." "Institute an educational program to explore the ethical attitudes toward land and land ownership."

Mr. Calvin Hamilton, of Los Angeles City Planning, admits that the custodianship con-

cept would come as a shock to most people, but that the concept is inevitable as we become more and more urbanized. Mr. Leslie Carbert, of the State Office of Planning, admits that the concepts would be explosive, politically.

As to the tax system, the firm's study confirms that which we have been talking and writing about for a long, long time: "Our tax systems encourage land speculation and urban sprawl. The land speculator and profiteer is subsidized by government under the capital gains sections of income tax laws. The farmer who keeps up his property is taxed more than the investor who owns neighborhood property and lets it run down."

The rent-to-land share of the fruits of production are indeed bountiful, and in the workings of the natural laws of political economy, inevitable. Our present systems short-circuit the whole mechanism BEFORE it has the chance to work to its fullest intent. We look, therefore, to the rapacity of man, and not the niggardliness of Nature, for answers to our pressing problems. Introducing a tax system, taxing land values MORE and improvement, inventory and personalty LESS would be a good beginning to solve the problems. As the study's originators pointed out: "We made the investigation and just followed the trail that developed." Fortunately for us, the citizens of this State, they had the fortitude to write what they found to be true. This is refreshing, and contrary to previous knuckling-under to private interests of great power characterizing other, weaker efforts along those lines.

FOOD FOR THOUGHT

If Patric Henry thought taxation without representation was bad, he should see it now with representation.

Everybody is against inflation in general but anxious for a little personally.

Around the World with Property Taxes

COMPARATIVE PROPERTY TAXES. TOTAL PROPERTY TAXES FOR ONE YEAR ON A TWO-BEDROOM HOUSE, CONSIDERED AVERAGE IN ITS OWN CITY, NOT NECESSARILY EQUAL IN VALUE.

Santa Monica	\$300.00	Soler, Spain	\$ 9.00
South Gate	320.00	Guadalajara, Mexico	25.00
Los Angeles	372.00	Kioto, Japan	90.00
Beverly Hills	510.00	Moulin, France	100.00
Bell	550.00		

Letters to the Editor

Burkhart Article in September Issue Brings Response From Legislators

I agree with Paul Burkhardt in his article in the California Homeowner, "Property Tax Reform in 1967".

If land and slums were paying their fair share of the property tax load, homeowners would get much needed tax relief.

The need for increasing sales taxes, cigarette taxes, income taxes and many other consumer taxes would be greatly diminished if property would be equally assessed.

Wadie Deddeh, 77th Assembly
San Diego

* * *

Im in agreement with many of the goals of your organization and have campaigned strongly on the need for reducing our property tax assessment procedures.

The last session of the Legislature succeeded in establishing a state-wide ratio of 25% of fair market value. In addition, we need to eliminate the taxation of household property, we need property tax relief for the elderly and we need tax relief through the proper use of tax appeals boards. Adequate judicial review of tax appeals boards decisions is also necessary.

Alan Sieroty, 59th Assembly
District, Beverly Hills

* * *

Paul Burkhardt and I stand together on the "Property Tax Reform." You may rest assured that I will do everything possible in the 1967 Legislature to relieve the tax burden which exists in California today.

I was in the retail business for 19 years and realize the heavy burden which was imposed on the businessman, through the inventory tax.

Floyd L. Wakefield,
52nd Assembly District
Huntington Park

* * *

The suggested approach to the problem of property taxes is a new one to me but one that interests me very much. I look forward to giving it serious consideration as an Assemblyman.

As a businessman I am extremely concerned about the business climate in California and want to work for improvements in the tax structure that will attract the employers to provide the jobs this state needs.

I would add that property taxes have become unbearable also because government has reached unbearable proportions. Therefore, the solution I advocate includes a revision of the existing tax structure as well as a good hard look at government spending with an eye to economy in operation and reduction in spending.

Paul Priolo, 60th Assembly
District, Los Angeles 24

* * *

I am deeply concerned about the present situation of property taxes in California. Certainly I agree with your proposal to exempt improvements and personal property from assessments and taxation with reference to real property taxes.

I am anxious to have the Legislature face up to the very critical need for a total reform of the tax picture in California. In my opinion, taxation has really gotten out of control as the Legislature has authorized various agencies to impose a tax burden upon the property tax payer without due consideration of the total affect this tax burden has. I am anxious to do what I can to see that the necessary relief is made available to the property owner.

I have committed myself to opposing any increase in present taxes in this state and to oppose any new taxes until such time as I can be satisfied that the Legislature has truly accepted and met the responsibility to critically examine all of our present programs in order to determine their need.

John L. Harmer, 21st Senate
District, Glendale

* * *

Personal Property taxation and inventory taxation discourages building, saving, new jobs and a myriad of other positive programs that could improve California. I also think that it is a tragic set of circumstances that a person has to suffer additional taxation if he improves his property.

If I am fortunate enough to become a Senator of the 19th District, (Ed. Note. He did!) I will definitely work for tax reforms to correct these inequities.

Bill Richardson, 19th District
Sacramento

* * *

It is obvious to any rational man that the burden of taxation in California must be lightened if the progress of our state and its economy is to continue. We cannot indefinitely sustain taxation which rises five times

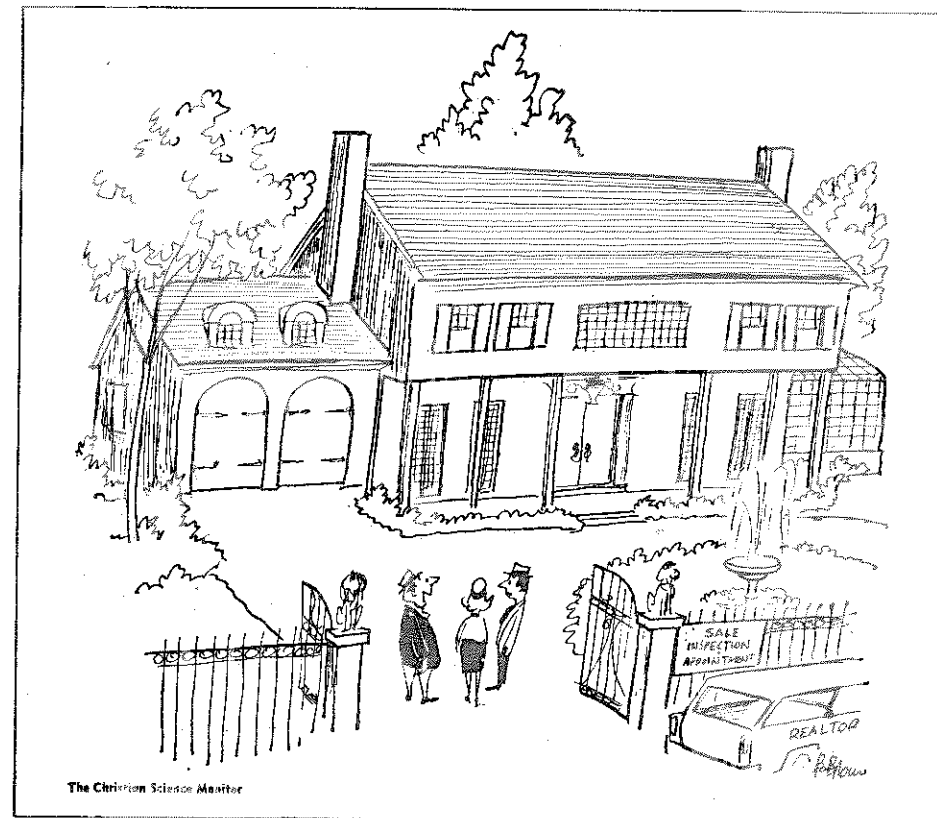
as fast as population and drives industry away from the state.

If taxes are to be cut overall, as they should be, then government spending must be reduced. I have proposed and continue to advocate major reductions in the state budget, especially in welfare handouts to able-bodied, employable adults.

I believe that lower taxes on improvements and personal property would stimulate the more economical and beneficial use of land. However, I would oppose a compensatory increase in land-value taxation. In short, improvements and personal property taxation is a good place to begin tax reduction; but all taxes, including those on land, should ultimately be reduced.

John G. Schmitz, 34th Senate
District, Bakersfield

* * *



"I think people might as well live graciously while they're scraping up money to pay for it."

PUBLIC FINANCE

Published by McGraw Hill, 1948

Alfred G. Buehler, professor at the Wharton School of Public Finance, University of Pennsylvania.

There are five main schools of thought as to how states should be governed:

"Anarchists believe in no state at all. Individualists, they believed government was needed for limited functions, such as protection from other states, police within the state and very little else.

Groupists regarded government as an agency for the promotion of social welfare and human progress.

Socialists would substitute the state for individual action.

(Both Groupists and Socialists have demanded mass education, state ownership of utilities, universal suffrage, heavy income and inheritance taxes, equalization of social opportunity by public expenditure on desirable social projects.)

Communists stand for extreme action by the state. Full ownership of Production and Distribution and Consumption would be under rigid state control under Communism.

Dictatorship. The functions of the state are determined by the Dictator and his followers under this system.

These various theories of state functions mark graduations of opinion concerning the state activities and testify to the active disagreement that exists among political theorists.

Political Science holds no definite answer as to which is best . . . One has to look to life for these answers . . . "

QUIPS AND QUOTES

It is a good thing that we don't pay taxes on what we think we are worth.

* * *

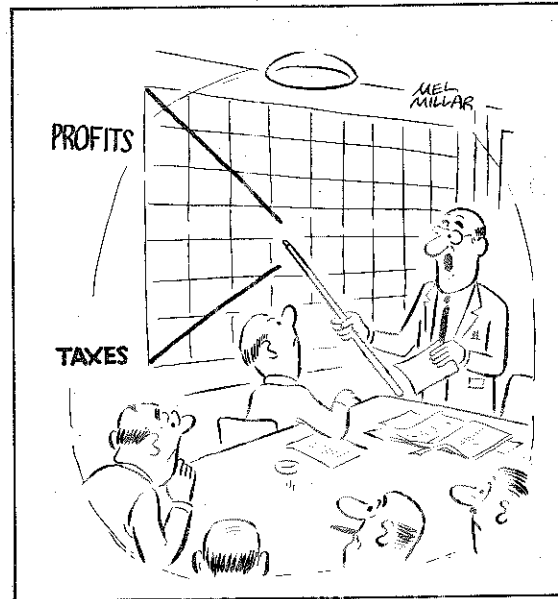
A man's mind may be so broad that it is often shallow.

* * *

Happiness is too often punctured by a sharp tongue.

* * *

Some persons jump at conclusions but others dig for facts.



"...THEN IT'S AGREED, GENTLEMEN, THAT IF THESE TWO LINES CONVERGE WE CALL IT QUITS."

Have You Heard?

Speaking of taxes, a man received from the tax office a "Second Notice" that his tax payment was overdue, carrying with it dire threats as to what would be done if it was not paid immediately. Hastening to the collector's office, the man paid up and said, "I would have paid this before, but I didn't get your first notice."

"Oh," replied the clerk, "We've run out of first notices, and we find that the second notices are much more effective."

* * *

We received the following letter from a Rebuilder to whom we had written a letter requesting payment on his long overdue account.

"Gentlemen: We have received your recent letter and we would like you to know that we have now divided all of our creditors into three groups:

1. Those who will be paid promptly.
2. Those who will be paid sometime.
3. Those who will never be paid.

You will be happy to know that because of the friendly tone of your letter, we have promoted you from, Group 3 to Group 2."

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PUBLICATIONS

Fragments, a quarterly. 248-47 Jamaica Ave., Bellerose, N.Y. 11426, \$2 a year.

American Rationalist, independent free-thought journal. Free sample copy. Box 1762, St. Louis, Mo. 63199.

A Way Out, bimonthly. \$3.50 a year. Dedicated to individual liberty and social decentralization. Published by School of Living, Lane's End Homestead, Brooksville, Ohio 43309.

ORGANIZATIONS

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Van Nuys, Calif. State O-9077

Incentive Taxation Committee of California, 1106 First National Bank Bldg., San Diego 1, Calif. The organization for business and professional people who want to eliminate the business inventory tax, machinery and equipment tax, personal property tax, and who want to improve the California property tax structure.

San Francisco Committee to Reform Assessment of Private Property (SCRAPP) 26 O'Farrell St., San Francisco 2.

Graded Tax League of Pennsylvania, 710 Bakewell Bldg., Pittsburgh 19, Pa. Write for, "Pittsburgh's Pioneering in Scientific Taxation."

