General Fact Sheet

- Prop. 13 has decimated funding for public schools. Over the last four decades, California has dropped from the top 10 to the bottom 10 in the nation in per-pupil funding. California also now has the most overcrowded classrooms in the nation and the lowest student-to-counselor ratio.

- Since large commercial properties rarely change hands, their property taxes are rarely reassessed. As a result, the tax burden has shifted onto the homeowners that Prop. 13 was supposed to protect. In California, residential property owners now pay 72% of the property tax burden and commercial property owners only pay 28%.

- Because commercial properties aren’t paying their fair share, working people in California are paying more every year in local taxes and fees to fund our schools and public services. There were 427 local revenue measures on the November 2016 ballot alone - many of them regressive parcel or sales tax increases.

- Parents in California raise over $600 million annually in private donations for public schools. Chevron alone saves over $500 million a year from Prop. 13.

- By reforming Prop. 13 we can restore $11 billion a year in local funding for schools and public services.

- California is the only place in the country that does not regularly reassess commercial property. In fact, virtually every place makes commercial property owners pay higher taxes than residential property owners. As a result, the state government has to rely on volatile and regressive income and sales tax revenue instead of the stable property tax.

- Only 8% of commercial properties get 77% of the tax savings from this loophole. It is anti-competitive to tax two identical properties at vastly different amounts. Taxing all commercial properties at their fair market value will restore billions in revenue for education and infrastructure improvements needed to grow our economy. Closing the Prop. 13 Corporate Loophole is needed for California to remain a leader in technology and innovation.