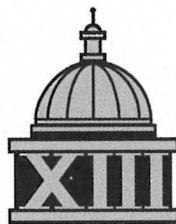


HOWARD JARVIS, Founder (1903-1986)  
JON COUPAL, President  
TREVOR GRIMM, General Counsel  
TIMOTHY BITTLE, Director of Legal Affairs



HOWARD JARVIS  
TAXPAYERS ASSOCIATION

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September 12, 2017

Ashley Johansson  
Initiative Coordinator  
Attorney General's Office  
P.O. Box 994255  
1300 I Street  
Sacramento, CA 95814

RECEIVED

SEP 13 2017

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Re: Homeowners and Renters Tax Credit Act of 2018

Dear Ms. Johansson:

By this letter, I respectfully request the Attorney General to prepare a title and summary of the chief purpose and points of the California Homeowners and Renters Tax Credit Act of 2018, a copy of which is attached. I have also included with this letter the required signed statement pursuant to California Elections Code sections 9001 and 9608, and a check in the amount of \$2000. My address as a registered to vote is shown on Attachment 'A' to this letter.

Any correspondence regarding this initiative should be directed to me at Howard Jarvis Taxpayers Association, 921 Eleventh Street, Suite 1201, Sacramento, CA 95814 (916.444.9950).

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon Coupal', written over a horizontal line.

Jon Coupal, President  
Howard Jarvis Taxpayers Association

THE HOMEOWNERS AND RENTERS TAX CREDIT ACT OF 2018

SECTION 1. Declaration of Findings and Statement of Purpose

- A. The cost of housing in California is a crisis that demands immediate action. Currently, California is building only half of the 180,000 housing units we annually need simply to keep pace with demand.
- B. The dream of home ownership and the ability to create middle-class wealth is out of reach for many of our citizens. One-third of California residents cannot afford a median priced home. A median priced home in the state is currently 200 percent higher than the national average.
- C. For those who choose to rent, they are finding it harder and harder to find affordable housing in locations close to where they work or where their children can attend a quality school. One-third of California renters spend at least half of their take-home pay on housing.
- D. Despite this, state and local politicians continue to pile on new taxes, fees, bond debt, and assessments on homeowners and apartment owners, who pass these costs on to their tenants
- E. California remains one of the most heavily taxed states in America. State and local government revenue increases have far exceeded both inflation and population growth.
- F. In 1974, voters approved a homeowner's property tax exemption and authorized the Legislature to increase that exemption to keep up with the price of homes. Not one increase has been approved by the Legislature. The amount is just \$70 per year for homeowners.
- G. In 1991, a tax credit for renters was created and the Legislature was authorized to increase the credit amount to keep up with the cost of rental housing. Not one increase has been approved by the Legislature. That amount is just \$60 per year for many renters.
- H. Therefore, the People hereby enact the "Homeowners and Renters Tax Credit Act of 2018" to provide an annual \$500 tax credit for every homeowner and renter in California and to require that credit to increase to maintain pace with the cost of housing.

SECTION 2. Homeowners and Renters Tax Credit Act of 2018

Section 17053 of the Revenue and Taxation Code is added to read:

§ 17053(a)(1) For a qualified homeowner and renter, there shall be allowed a credit of \$500 against his or her "net tax," as defined in Section 17039.

(2) Married couples residing in the same place of residence shall receive but one credit under this section, except that if each spouse files a separate return, the credit may be taken by either or equally divided between them

(3) Married couples, where each maintained a separate place of residence and resided in this state during the entire taxable year, shall receive one-half the full credit allowed to married persons provided in subdivision (a).

(b) For purposes of this section, a "qualified homeowner" means an individual who is eligible for the homeowner's property tax exemption pursuant to subdivision (k) of Section 3 of Article XIII of the Constitution and section 218 of this Code.

(c) For purposes of this section, a "qualified renter" means an individual who, without regard to income, is eligible for the tax credit pursuant to section 17053.5.

(d) An otherwise qualified homeowner or renter who is a nonresident for any portion of the taxable year shall claim the credits set forth in subdivision (a) at the rate of one-twelfth of those credits for each full month that individual resided within this state during the taxable year.

(e) A person claiming the credit provided in this section shall, as part of that claim, and under penalty of perjury, furnish the necessary information as the Franchise Tax Board prescribes on a form supplied by the board.

(f) The credit provided in this section shall be claimed on returns in the form as the Franchise Tax Board may from time to time prescribe.

(g) For each taxable year after enactment of this section, the Franchise Tax Board shall adjust the tax credit set forth in subdivision (a) by an amount equal to the percentage change in the California Consumer Price Index for all items during the prior calendar year, as reported by the Department of Industrial Relations.

### SECTION 3. General Provisions

(a) If any provision of this Act, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Act are severable.

(b) This Act is intended to be comprehensive. It is the intent of the People that in the event this Act and measures relating to the same subject appear on the same statewide election ballot, the provisions of the other measure or measures shall be deemed to be in conflict with this Act. In the event that this Act receives a greater number of affirmative votes, the provisions of this Act shall prevail in their entirety, and all provisions of the other measure or measures shall be null and void.