

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

ESTABLISHES A TAX CREDIT FOR HOMEOWNERS AND A SUPPLEMENTAL TAX

CREDIT FOR RENTERS IN CALIFORNIA. INITIATIVE STATUTE. Establishes a \$500

tax credit for homeowners who are eligible for the existing homeowner's property tax

exemption. Establishes a \$500 supplemental tax credit for renters who are eligible for the

existing renter's credit. Applies credits per person for unmarried individuals and per couple for

married individuals, without regard to the taxpayers' income amount. If homeowners or renters

are nonresidents for any portion of the taxable year, the credit is proportionally reduced.

Provides for annual inflation adjustments to tax credit. Summary of estimate by Legislative

Analyst and Director of Finance of fiscal impact on state and local government: **Reduction in**

state revenue of roughly \$4 billion per year. Likely a reduction in funding for schools and

community colleges of roughly \$2 billion in most years. (17-0032.)