

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

INCREASES HOMEOWNERS' REAL PROPERTY TAX EXEMPTION AND PROVIDES SUPPLEMENTAL RENTERS' TAX CREDIT. INCREASES TAXES ON HIGH-VALUE PROPERTIES. LIMITS LOCAL RESTRICTIONS ON HOUSING DEVELOPMENT. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

Increases the portion of a homeowner's property value that is exempt from property tax, from \$7,000 currently to \$200,000 (adjusted for inflation). Provides up to \$2,000 supplemental income tax credit for renters (adjusted for inflation). Reimburses local governments' lost revenue from these tax changes by enacting new property tax surcharge of up to 1.4% on properties valued over \$4 million. Limits local government discretion to deny certain proposed housing development projects. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Increased property taxes on property with a taxable value of more than \$4 million providing \$16 billion to \$20 billion in new revenue. Increased state costs resulting from the increases to the homeowners' property tax exemption and renters' tax credit. Increased costs to local governments for carrying out the measure. Total costs would be about \$15 billion annually and likely would be fully offset by revenue from increased property taxes on higher value properties.** (21-0023)