

**GANGLOFF, GANGLOFF & POOL, ATTORNEYS AT LAW**

DAVID L. GANGLOFF, JR. • RONALD W. GANGLOFF • ROBERT A. POOL

---

July 13, 2004

**Facsimile Transmission Only**

Business Section Editor  
Los Angeles Times  
Los Angeles, CA 90013

Total Pages Faxed: 2

Fax: (213) 237-7679

Michael Hiltzik (7/8/04) overstated the case against the state's solution to a balanced budget: squeeze local governments. Hiltzik promoted without due critique the perspective of local governments that Proposition 13 is the chief culprit in the current fiscal crisis. Not so.

According to the State Board of Equalization, local property tax revenues (those assessed and collected by California's 58 counties) nearly doubled every three years since 1975 (the year to which Prop. 13 rolled back assessments in 1978). Statewide, locally assessed values in the last 25 years went from \$289 billion in 1975 to a whopping \$2.89 trillion in 2003 (the latest year for which data is available). In just one year, 2003, local assessments rose almost as much as the entire assessed value in 1975: \$230 billion.

Translate the assessed value to tax revenue by taking one percent (the Prop. 13 tax rate) of those sums. California counties collected \$2.89 billion in property taxes in 1975. Last year they raked in \$28.9 billion. That's a 10-fold increase in value and revenue! So where is all that money?

As Hiltzik himself knows (having written about the topic; 12/9/03), both the state and local governments are united in their effort to balance their budget shortfalls on the backs of taxpayers. "Recapturing," the questionable practice of all county assessors that routinely exceeds the 2-percent limit on annual assessment increases that Proposition 13 was supposed to have established, is now before the California Supreme Court. Taxpayers across the state, opposed by the Attorney General Bill Lockyer, and by the California State Association of Counties, are writing letters to the Supreme Court demanding review of the recent appellate decision that upheld "recapturing." 74-year-old Phyllis Quillen, a widow and Los Alamitos neighbor of Hiltzik's and mine (we both live in Seal Beach) is typical. She wrote, "Dear Mr. Chief Justice, I voted for Proposition 13, limiting the amount of taxes on our home. This has been a blessing in my widowed years as my income is limited to approximately \$2,000 per month, and I have been able

to stay in my home. I could not afford to move elsewhere because of the escalation in California home prices . . . . My daughter's husband lost his job of 21 years so they refinanced to help lower their payments. After the appraisal the assessor raised their taxes by 22%, so they didn't gain a thing and are on the verge of losing their home."

Proposition 13 is definitely *not* the problem here. Just ask Mrs. Quillen. The complete text of Mrs. Quillen's letter appears at our website, [www.propertytaxrefunds.biz](http://www.propertytaxrefunds.biz).

/s/ Rob Pool, Attorney  
Seal Beach, CA  
(562) 920-5853

*Mr. Pool, a partner in the Bellflower law firm Gangloff, Gangloff & Pool, is a plaintiff in the "recapturing" class action suit entitled "County of Orange vs. Bezaire," Cal. Supreme Court Case No. S124682.*

cc: Michael Hiltzik (via fax only: (213) 947-1226)

---