

## STATE TAX REFORM

Adopted by Convention Delegates May 1991

*Reviewed by Board of Managers March 2013*

- WHEREAS,** California’s current fiscal condition seriously endangers the state’s ability to educate its children and provide for the needs of its citizens; and
- WHEREAS,** The California Legislative Analyst’s in-depth analysis of the structural deficiencies in the state’s tax system clearly shows that the tax base has become dangerously narrow and is unable to yield adequate revenues to meet the legitimate needs of California’s people; and
- WHEREAS,** General Principle #4 of the California State PTA Legislation Platform calls for “Establishment of and adherence to fiscal responsibility in government, with concern for fair taxation but keeping priorities for the needs of children and youth foremost;” and
- WHEREAS,** General Principle #7 of the California State PTA Legislation Platform calls for “Budgets and financial support to provide needed public services for all children and youth with the continued constitutional guarantee of financial support for public schools as the first claim on all state revenues in the general fund;” and
- WHEREAS,** Resolved #3 of the 1990 California State PTA convention resolution *School Facilities Funding* states, “That the California State PTA affirm its commitment to a strong and broadly based tax structure, and urge the State Legislature and the Governor to enact revisions in the state tax structure that will ensure fair and equitable taxation and provide annually sufficient income to pay for the governmental services required by the people in addition to school funds;” and
- WHEREAS,** The California State PTA has historically taken strong positions regarding the kinds of taxes that should be included in a broadly based, equitable state tax structure; now therefore be it
- RESOLVED,** That notwithstanding prior opposition to the use of the sales tax to fund needed public services, the California State PTA be authorized to support use of the sales tax as part of a comprehensive state tax structure; and be it further
- RESOLVED,** That the California State PTA vigorously seek and support legislation and/or necessary ballot measures to fundamentally restructure the state tax system to ensure a broadly based, equitable system of taxation that generates adequate revenues to fund education and all other services needed by the children, youth and families of California.

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## BACKGROUND SUMMARY

The California State PTA is dedicated to ensuring the well-being of all children, youth and families, and to securing the highest quality of life for all citizens of our state. The problems facing our society are compounded by the size and diversity of the state's population. The growth in population has placed an enormous burden on the state's infrastructure. There has not been enough money to maintain the existing infrastructure, much less expand to accommodate the increasing demand.

The state's fiscal crisis has led to crises in the water delivery systems, the transportation network, the quality of the education system, the health care system, the juvenile justice system, law enforcement, housing availability—and new problems surface daily.

For the last 14 years, state government has failed in its responsibility to plan and build for the future as well as failing to adequately address current needs.

The present crisis can be directly attributed to the deficiencies in the state tax structure. The tax base of the state can no longer yield revenues adequate to meet the needs of California's citizens.

The California State PTA has been gravely concerned about and fought against the progressive erosion of the state's tax base. The State PTA opposed Proposition 13 (1978), the complete repeal of the inheritance tax, the imposition of the Gann Limit and repeal of the Unitary Business Tax. The State PTA supported fair and realistic taxes on oil companies and the alcohol beverage industry, the closing of bank and corporate tax loopholes, sales taxes on tobacco and candy, a split roll property tax and a progressive state income tax. PTA lost these battles to a variety of vested special interests.

It gives the Board of Managers no satisfaction at all that the California State PTA positions have proven to be correct by the state's current fiscal crisis and the Legislative Analyst's comprehensive report on the deficiencies of California's tax structure. The Board of Managers is convinced that PTA must be in the vanguard of efforts to reform California's system of taxation.

PTA has always fought to give young people the opportunity to become productive citizens in a society that can provide a decent quality of life. The present crisis **demand**s PTA leadership and action.