

Governor Unveils Program For Statewide Tax Reform

By JAMES K. WOODWORTH
Capitol News Service

SACRAMENTO — Governor Ronald Reagan's long awaited tax reform program, aimed at reducing the property tax on citizens while offering increased funds for education, plus a voluntary program of income tax withholding, is before the legislature.

In his "long-range" reform program, the governor stressed that he is also proposing that counties and cities be required to hold the line on property taxes so that they would not "negate the relief provided through this reform proposal."

The governor made his proposal in two parts, with the first part to be enacted this year, while the second, which

would require a constitutional amendment and a series of legislative bills, to be approved and put into effect beginning in 1971.

REAGAN said his aim is to: "Establish a simplified, equitable and balanced tax system; provide property tax relief; shift responsibility and authority for public services to the local level; to bear at the state level the primary responsibility for equality of educational opportunities; and to do this without increasing the aggregate total of the tax burden."

He declared that his program is entirely separate and in addition to the \$100 million personal income tax rebate proposed for this year.

Stressing the fact that of the \$1,350 which each average Californian pays in taxes, \$840 goes to the federal government, the governor said the first part of his program includes a proposal to increase the homeowners property tax exemption from \$750 to \$1,000. The increased exemption would cost the state \$102 million, including \$49 million in additional monies for the counties to replace revenues previously lost because of veterans' exemptions.

ALSO PROPOSED would be the use of the veterans' exemption funds plus \$26 million in additional revenues realized from removal of various sales tax exemptions, to reduce the business inventory tax by an

additional 23 per cent. State costs for this were set at \$77 million.

Maintain the current payment schedule for the Bank and Corporations Tax rather than defer it in 1970-71 as scheduled to provide \$90 million to finance an additional 15 per cent reduction in the business inventory tax.

To provide the revenues necessary to replace the \$103 million to finance the balance of the property tax relief measure, the governor proposes to eliminate "unwarranted sales tax exemptions, on containers, repair services and magazines." He charged, "these exemptions tend to make the sales tax less equitable than it should be."

OTHER proposals sought in the 1969 session will include: a return to the use of personal exemptions on the state income tax to relieve the burden on large, middle income families; permission for all county property tax payers to pay on a quarterly basis; and consolidation and coordination of the bulk of state tax-collecting functions.

In his second part of the tax reform proposal, Governor Reagan would, as Assemblyman William T. Bagley (R-San Rafael) put it, "let a crack form in the wall" the governor has held against personal income tax withholding.

The governor would offer four options on a "voluntary prepayment plan" for personal income taxes. These include:

Withholding of income tax payments at the employee's request, to be remitted to the state; payment by the employee of the tax on a quarterly basis, in advance; employee to make his own arrangements, with co-operation of the employer, to deposit the tax monthly to pay the estimated tax at the end of the year; or finally the individual taxpayer need not participate in any form of tax withholding.

THE FIRST two options offer the taxpayer a 2 per cent credit on his taxes at the end of the year for participating in the withholding and early payment plan.

The governor, as another part of his second phase tax relief plan, would replace 80 per cent of the residential property tax, now levied by local school districts, by a statewide Educational Opportunity Tax of 1 per cent on adjusted gross personal income. This, he says, plus the increase in the homeowners' exemption, would reduce the average residential property tax throughout the state by well over 50 per cent.

A statewide educational opportunity tax would be placed on non-residential property, replacing 80 per cent of the non-residential property taxes now collected by local school districts. That rate would be approximately \$3.50 per \$100 assessed valuation.

BOTH THE adjusted gross income and non-residential

property taxes would be deposited in an education fund and distributed on an average daily attendance basis. These funds would provide \$1.6 billion, to be added to the \$1.3 billion now provided to schools.

Property tax rates levied by local school boards would be limited to \$1.10 per \$100 assessed value and a 60 per cent majority of voters would be required before additional local taxes could be added.

The governor also advocated that future tax increases, on the state level, would require a two-thirds vote of the legislature. Presently only bank, corporation franchise tax and gross premiums insurance taxes require a two-thirds legislative approval.

Reagan also is calling for a

"carbon copy" of the federal tax form to be used by state taxpayers; the taxing of insurance companies the same as any other company; and postponement of property taxes by the needy, 65 years or older with the county to establish a lien on the property.

'Miss Zoo' Title Still Available

Girls may still enter the Miss Los Angeles Zoo 1969 contest by submitting their entries to Normandale Recreation Center, no later than Saturday.

The center, located at 22400 S. Halldale Ave., will be accepting entries from girls ages 6 through 8. Entry requirements consist of selecting a favorite zoo animal, writing a story and drawing a picture of the animal, and submitting the entry to the recreation director.

Culminating the yearly competition for the Miss Los Angeles Zoo title will be the final judging and coronation ceremonies May 10 at the zoo. Upon receiving her crown the winner will represent the zoo for a year at animal adoptions, celebrations, and other special events.

Stressing the fact that of the \$1,350 which each average Californian pays in taxes, \$840 goes to the federal government, the governor said the first part of his program includes a proposal to increase the homeowners property tax exemption from \$750 to \$1,000. The increased exemption would cost the state \$102 million, including \$49 million in additional monies for the counties to replace revenues previously lost because of veterans' exemptions.

ALSO PROPOSED would be the use of the veterans' exemption funds plus \$26 million in additional revenues realized from removal of various sales tax exemptions, to reduce the business inventory tax by an

additional 23 per cent. State costs for this were set at \$77 million. Maintain the current payment schedule for the Bank and Corporations Tax rather than defer it in 1970-71 as scheduled to provide \$90 million to finance an additional 15 per cent reduction in the business inventory tax.

To provide the revenues necessary to replace the \$103 million to finance the balance of the property tax relief measure, the governor proposes to eliminate "unwarranted sales tax exemptions, on containers, repair services and magazines." He charged, "these exemptions tend to make the sales tax less equitable than it should be."

OTHER proposals sought in the 1969 session will include: a return to the use of personal exemptions on the state income tax to relieve the burden on large, middle income families; permission for all county property tax payers to pay on a quarterly basis; and consolidation and coordination of the bulk of state tax-collecting functions.

In his second part of the tax reform proposal, Governor Reagan would, as Assemblyman William T. Bagley (R-San Rafael) put it, "let a crack form in the wall" the governor has held against personal income tax withholding.

The governor would offer four options on a "voluntary prepayment plan" for personal income taxes. These include:

Withholding of income tax payments at the employee's request, to be remitted to the state; payment by the employee of the tax on a quarterly basis, in advance; employee to make his own arrangements, with co-operation of the employer, to deposit the tax monthly to pay the estimated tax at the end of the year; or finally the individual taxpayer need not participate in any form of tax withholding.

THE FIRST two options offer the taxpayer a 2 per cent credit on his taxes at the end of the year for participating in the withholding and early payment plan.

The governor, as another part of his second phase tax relief plan, would replace 80 per cent of the residential property tax, now levied by local school districts, by a statewide Educational Opportunity Tax of 1 per cent on adjusted gross personal income. This, he says, plus the increase in the homeowners' exemption, would reduce the average residential property tax throughout the state by well over 50 per cent.

A statewide educational opportunity tax would be placed on non-residential property, replacing 80 per cent of the non-residential property taxes now collected by local school districts. That rate would be approximately \$3.50 per \$100 assessed valuation.

BOTH THE adjusted gross income and non-residential

property taxes would be deposited in an education fund and distributed on an average daily attendance basis. These funds would provide \$1.6 billion, to be added to the \$1.3 billion now provided to schools.

Property tax rates levied by local school boards would be limited to \$1.10 per \$100 assessed value and a 60 per cent majority of voters would be required before additional local taxes could be added.

The governor also advocated that future tax increases, on the state level, would require a two-thirds vote of the legislature. Presently only bank, corporation franchise tax and gross premiums insurance taxes require a two-thirds legislative approval.

Reagan also is calling for a

"carbon copy" of the federal tax form to be used by state taxpayers; the taxing of insurance companies the same as any other company; and postponement of property taxes by the needy, 65 years or older with the county to establish a lien on the property.

Stone & Myers Mortuary

J. Hugh Sherfey Executive Vice-President

Stone & Myers Mortuary

1221 ENGRACIA AVENUE - TORRANCE Telephone 328-1212

HAMMOND ORGANS & PIANOS

HUGE SAVINGS ON GUARANTEED USED ORGANS - ALL MAKES

2768 Sepulveda Blvd., Torrance DA 6-1141

Hammond Studios

Map showing location at Sepulveda Blvd and Hawthorne Blvd

TG & Y April Shower of Savings

PRICES GOOD THRU SUNDAY WHILE QUANTITIES LAST!

BASEBALL EQUIPMENT

WE'RE HOME PLATE FOR SAVINGS

\$1.29 Black Vinyl FIELDER'S GLOVE	99c
\$3.99 Youth Size - Full grain Cowhide FIELDER'S GLOVE	\$2.88
\$4.99 Pro Style - Full grain Leather FIELDER'S GLOVE	\$4.47
\$5.99 Pro Model - Full Size - Top Grain Cowhide FIELDER'S GLOVE	\$5.66
\$1.99 Little League Approved BASEBALL BAT Black Finish	\$1.77
\$2.50 Official Little League BASEBALL Non Scuff Cover	\$1.88
\$2.99 Official Major League BASEBALL BAT 32" to 35"	\$1.99
\$3.00 National League - Horseshoe Cover BASEBALL	77c
\$2.50 Official 32" to 34" BASEBALL BAT Tapped Handle	\$1.88
\$1.00 Official Regulation League SOFTBALL Leather Cover	88c

TOILETRIES Priced To Save You Money

AQUA NET 77c Size	47c
SKIN BRACER 79c Size 4-oz. Women	51c
RINSE AWAY \$1.00 Size 6-oz. Dandruff Remover	68c
POLISH REMOVER 29c Size 11-oz. Cutex	21c

CLIP THIS COUPON

DISHCLOTH Locknit mesh, 13x14" Red & Blue. Limit 12 Per Customer	5c
POT HOLDER 7"x7" Quilted, Various Colors. Limit 4 Per Customer	9c
TV TRAY With Tubular Legs	57c ea.
"GLORY" RUG CLEANER 24-oz. Aerosol Can Cleans your rugs and carpets quick as a "wink"	\$1.66
Teflon® FRYING PAN 10" teflon coated... for the easiest clean-ups ever	\$1.37
Golden "T" 9 Volt BATTERIES For use in transistor radios... A Big Bargain!	14c

CLIP THIS COUPON

SPECIALS GOOD IN TORRANCE STORE ONLY! TORRANCE BLVD. AT ANZA

OUTDOOR LIVING SUPPLIES!

30 GALLON GALVANIZED TRASH CAN

Sturdy metal with handles for easy lifting. Smooth-fitting lid.

Compare At \$4.97

\$1.88



Coleman Double Mantel LANTERN

One filling (2 pints) burns 10-12 hours. Wind-, storm-, bugproof. Rust-resistant copper brazed steel fount with baked enamel finish.

Now..... **\$11.88**



Coleman FUEL

The ideal fuel for gasoline stoves, heaters and lanterns. Especially blended.

1 GAL. CAN **86c**



Golden "T" POWER MOWER

3 1/2 H.P. Briggs & Stratton engine with recoil starter. 22"-A deck. Chrome handle. 3 position slide throttle control.

\$36.66



CAMERA SUPPLIES!

FLASH CUBES

4 Flashes Per Cube
3 Cubes Per Sleeve

COMPARE AT \$1.89

\$1.44 SET

KODACOLOR FILM

No. CX126-12

99c

COMPARE AT \$1.39



NEW POLAROID Instant Camera

THE BIG SWINGER

The Big Swinger is the brand new inexpensive Land Camera that lets you get the big picture in just seconds. 7 seconds loading.

Compare At \$28.88

\$17.77

Model 3000

POLAROID No. 20 SWINGER FILM

LIMIT 3 Per Customer

\$1.17



Polaroid Color Pack FILM

BUY NOW & SAVE

\$3.77

ONLY.....

