



Schools & Communities First to Refile with Stronger Initiative, Expansive Small Business Tax Relief & Wider Path to Victory in 2020

Initiative Protects All Homeowners & Residential Property

Polls Show Strong Support for Closing Tax Loophole, Increasing School Funding

The Schools and Communities First campaign announced plans to refile the initiative this week with notable improvements to implementation dates, expansive new small business tax relief, clarified education financing and stronger zoning language to ensure large corporations cannot avoid reassessment. Organizing early has allowed the campaign to travel the state hearing feedback and consulting with California's leading legal and policy experts. The early and large-scale organizing effort has already garnered more than 400 endorsements and made this the leading initiative on the November 2020 ballot.

“Schools and Communities First is a vital initiative that will help California students, workers and businesses meet today’s challenges while maintaining protections for homeowners and residential property,” said Schools & Communities First Spokesperson Tyler Law. **“For forty years, California’s novel approach to taxing commercial and industrial property has starved funding for schools and local communities, disadvantaged small and startup businesses, and exacerbated our housing crisis.”**

Law continued, **“a robust statewide signature gathering organization began prior to the 2018 election, but the ultimate submission and qualification process placed the initiative on the 2020 ballot. As a result, we are refiling the initiative to substantively strengthen the measure, including expansive new small business tax relief, and widen the path to victory in November 2020.”**

In April, *Politico* reported on a statewide [PPIC poll](#), saying that “SPLIT ROLL GETS THE NOD”. That poll showed that 56% of residents and 54% of likely voters approve of the initiative to direct much of the new revenue from taxing commercial property at fair market value to K-12 public schools. The new revenues will be distributed as property taxes are currently allocated, with 40% supporting K-12 schools and community colleges, and the balance allocated to cities, counties and special districts for local services.

Core improvements to Schools and Communities First will include:

- Calibrating the implementation dates to adjust for November 2020 vs 2018 ballot.
- Strengthening small business tax relief & clarified definition of small business.
- Tightening education finance language to ensure every school district receives funding in an equitable way.
- Strengthening zoning language to ensure large corporations cannot avoid reassessment.

Notably, the strengthened initiative maintains a major small business provision from the previous version and includes critical new provisions to support small businesses, the backbone of California's economy. Specifically:

- Exempting California small businesses from the Business Personal Property Tax, making it easier for small businesses to make investments for growth and innovation.
- Expanding reassessment exemption to small business owners with property valued at \$3 million or less, up from the previous \$2 million threshold.
- Delaying for at least three years reassessment for buildings occupied 50% or more by small businesses.

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