

NEWS LETTER FROM DR. BEN YELLEN

Brawley, Calif.

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HOW THE ABSENTEE LANDOWNERS ESCAPE BIG IMPERIAL CO. PROPERTY TAXES

I have made an analysis of the payment of Imperial County property taxes. This study shows that the city inhabitants are paying much higher taxes than they should because the absentee landowners are not paying the correct taxes.

An Article in the Brawley News of June 30, 1960, stated that the assessed valuation of the real estate property of the cities, was in round figures \$31,000,000. Now city property is assessed at 33% of its true value (selling price) and is therefore worth \$93,000,000. The county property (real estate outside the cities) is given an assessed valuation of \$61,000,000. But this county property is assessed at 10% of its true value which is \$610,000,000. It should be assessed at 33% like the cities and its correct assessed valuation is \$203,000,000. It is this figure and not that of \$61,000,000 that should be used for the estimation of the taxes.

THE PROPERTY OUTSIDE THE CITIES IS UNDER-ASSESSED \$142,000,000!!!!

The proposed tax rate for 1960-61 is \$2.36 per \$100.00. The cities will pay \$731,600. The absentee landowners, local wealthy farmers and the little farmers will pay \$1,439,600 taxes on a \$61,000,000 valuation. But they should pay on a \$203,000,000 valuation and the taxes on this would be \$4,790,800. This means they escaped paying \$3,351,200!!!!!!!

Since the absentee landowners have 70% of this property, they do not pay \$2,345,840 in taxes. The local big farmers do not pay \$670,240 because they own 20% of the property. The little farmers who are struggling not to be squeezed out by the big outfits only save \$335,120, as they have only 10% of the property. These absentee landowners and local wealthy farmers consist of about 300 persons and corporations who own 90% of the farmland. These land monopolists save in taxes more money than is paid by the city people and little farmers. To be exact, they save 3 times more money than the city people and little farmers pay.

The little farmers are hoodwinked by the big landholders to vote on the side of the large landholders. These absentee landowners buy nothing in the towns of Imperial Valley. The local wealthy landowners buy some food and a few simple items in the towns. They are not entitled to this special tax consideration. The little struggling farmers are entitled to any tax savings because they come to the towns to spend it and in that way help the city inhabitants who are paying the higher taxes.

When the County of Imperial has this tremendous under-assessment for farmland, it is unfair to the other counties of California which have higher assessments. I will not discuss this further but suffice to say this is the reason that the State Board of Equalization ordered about a 37% boost in assessed valuations in Imperial County. Since this was done at the 37% rate to city and outside city property, the same gross inequality exists today in the assessed valuation between city and outside city property. There would not be any need for the State Board of Equalization having to make this order if the farmland had been correctly assessed.

Now the State Board has ordered a 15% increase. Do not believe the propoganda of the big landowners. The only increase that has to be done is to the farmlands and not to the residences in the cities!!!!