



Chamber Opposes Proposition 15

At the August 13, 2020, Torrance Area Chamber of Commerce Government Affairs Policy (GAP) meeting, the voting members voted to oppose Proposition 15 which will appear on the November ballot.

Proposition 15 is a \$11.5 billion a year property tax increase—the largest in state history—that is riddled with flaws that will hurt all Californians. Contrary to what its supporters claim, passage of this proposition will hurt the small businesses that employ half of all California employees. As a business organization, the Chamber considers small businesses to be the backbone of the economy.

Most small businesses rent the property on which they operate and have standard triple net lease agreements, which make the tenants responsible for paying property tax increases, insurance, and maintenance costs. Prop 15's higher property taxes will be passed on to business tenants in the form of skyrocketing rents during a time when they can least afford it.

Amid an unprecedented economic crisis, Prop 15 will raise taxes on commercial and industrial property by requiring reassessment at current market value at least every three years. This type of property tax, known as 'split-roll tax' because it splits the property tax roll, assessing business property differently than residential property.

The Torrance Area Chamber of Commerce has joined CalChamber and BizFed coalitions to oppose Prop 15. The four areas of concerns are: loss of jobs, increase in prices for consumers, impact on small business and the lack of accountability. The Torrance Area Chamber of Commerce, an association of businesses organized to encourage a strong local economy and quality of life by promoting sound government and an informed membership and community, opposes Prop 15.