

Vote on California Tax Law May Have Nationwide Import

*State Golf Associations Conduct Campaign
to Revise Course Assessment Policy*

By **TOM McMAHON**

A very important vote is coming up Nov. 8th in California that could lead to the establishment of new policies for the assessment of golf courses throughout the country.

On the above date, California residents will vote on Proposition 6 which provides that the state's golf courses shall be assessed on the basis of their actual use as courses rather than on "their highest and most profitable use."

The California GA and independent associations in both the northern and southern parts of the state are organizing a campaign to generate support for this measure. On a larger scale, it is thought that Proposition 6 will have nationwide significance because, if approved by the voters, it may serve as a model for other states in their course assessment policies.

Cite Public Importance

The California campaign is based on the public importance and social value of golf courses. The aid of Chambers of Commerce and other civic organizations as well as the newspapers is being enlisted in an effort to return a favorable vote on Proposition 6. Large commercial and industrial organizations also are being asked to bring to the attention of their em-

ployees the value and wisdom of a "Yes" vote on the proposition. Nine reasons why courses shouldn't be taxed practically out of existence are being advanced by the association. They are:

(1) Maintenance of open areas and green belts at private expense gives the public the benefit of open parks and decontamination of the atmosphere as the result of the action of large planted areas absorbing carbon dioxide, converting it to oxygen, then discharging the oxygen as a purifying agent into the atmosphere.

(2) The elimination of private courses would further aggravate existing serious local governmental revenue problems rather than help them. In some cases, counties or cities have taken over private golf courses on the verge of selling out. This means increased taxpayer expense for many courses previously operated at private expense with simultaneous removal of taxpaying properties from the tax rolls.

Land Values Increased

(3) Golf courses normally increase the value of the surrounding land, resulting in greater tax revenue for local governments. When courses are taxed out of existence, the result frequently is a drop in the value of the adjacent land with diminishing tax returns.

One national magazine has pointed out:

"Short-sighted tax assessors often dun clubs almost as heavily as the surrounding built-up areas, claiming their land has risen in market value. Clubs have had to sell out, and their courses have been bulldozed and built over. The result is that the value of the adjacent development has dropped and eventually so will its tax base."

(4) When courses are wiped out, sufficient land to establish new courses is rare, hard to come by, and located in remote and inaccessible areas.

(5) When courses are erased and not replaced, additional pressure is placed on all existing recreational facilities, both public and private. Such facilities are already badly overcrowded due to rapid population growth.

Two-Year Clause

(6) It has been suggested that Proposition 6 might favor land speculators. Speculators who buy land as individuals or as corporations would not be affected or protected by Proposition 6. Proposition 6 applies only to courses more than two years old, a feature of questionable appeal to the speculative mind.

(7) Courses are an important facility appealing to tourists who bring into Southern California \$645 million, a figure predicted to triple in 20 years.

(8) Both houses of the State Legislature passed this measure by a two-thirds vote.

(9) Courses and their facilities, generally speaking, render a public service to the community. For example, most clubs allow high school and college golf teams to practice on their courses. Their facilities are used for tournament and other recreational purposes which reach far beyond the membership. Clubhouses often are used by the community for business meetings, conventions and social affairs.

Opponents of Proposition 6 maintain that if it were enacted into law it would in effect constitute an exemption or tax subsidy. However, proponents of the proposal have stoutly maintained that they are not asking for a tax exemption, but only for modification of an existing and onerous policy to prevent it from taxing courses out of existence. They back up their stand by pointing out that between 1931 and 1959, California has lost 29 private courses or nearly one-third of its total, largely because of tax pressure. In the meantime, the state's population has easily more than doubled.

The future threat to courses in Cali-



Willie Turnesa, Fred McKenna, pres. of Knollwood CC, Elmsford, N. Y., and Mike Turnesa, the pro there (l to r), figured prominently in staging the \$13,000 Triangle Round Robin for women pros in June. Receipts from the tournament went to the Reinach-Turnesa caddie scholarship fund.

fornia is emphasized by the case of a new multi-million dollar development that is being planned for metropolitan Los Angeles. Kratter Corp. of New York City is expected to erect a 22-story office building, retail stores, supermarkets and a large multiple apartment development between properties occupied by Los Angeles CC and Hillcrest CC. This will create a new "downtown" area in the present location of the 20th Century Fox Studios. Sharp increases in assessments and tax rates on the property will follow. Under present policy, the county assessor will be empowered to sharply increase the tax rates of the two clubs.

Taxed as Recreation Sites

If Proposition 6 is enacted, however, Los Angeles CC and Hillcrest will rightfully continue to be assessed on the basis of their actual use as recreation sites and not at their highest and most profitable use.

In their campaign, the California golf associations will emphasize that the continued existence of courses in rapidly growing metropolitan areas, of which there are many in the state, is in the interest of everybody. There is no doubt that golfers throughout the country will be carefully watching the effects of the associations' campaign, and the results of the Nov. 8 election since it may set a nationwide assessment precedent.

USGA Senior Amateur

Sixth USGA Senior Amateur Championship will be played Sept. 19-24 at Oyster Harbor Club, Osterville, Mass., Sept. 19-24. Entries must be received by the USGA by Aug. 24th. There is no handicap limit.