

Homeowners are rich only on paper. Don't expect them to fix the housing crisis

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To the editor:

Homeowners may be making money while we sleep, but it does little good until we sell. (“A new California gold rush for homeowners, the poorhouse for renters,” Nov. 25)

And then what? We can't afford to buy another home unless we leave the state. Some of us are “rich” only on paper and shouldn't be penalized for owning a home.

We already pay tacked-on taxes to help the schools and our communities.

Jayne Gordon, Santa Monica

To the editor:

While columnist Steve Lopez is correct that a scarcity of housing is the reason for California's housing inequity, suggesting that homeowners are partly to blame for the inequity is absurd. The only way to reduce the inequity is to increase the supply of housing.

Moreover, the call to tax homeowners' equity at the time of sale is dangerous thinking. Homeowners are already taxed plenty, and if the current federal tax reform bills are signed into law, homeowners will be penalized with reduced deductions for mortgage interest and state and local taxes, among other more restrictive provisions.

The California Assn. of Realtors supported state Sen. Toni Atkins' (D-San Diego) affordable housing bill, which provides a permanent source of funding for affordable housing.

To improve housing affordability, local governments need to do more to create greater housing supply. Enacting policies that better match housing development with cities' population growth, instead of rent control or housing tax schemes, will help California return to its status a great state in which to live, work and raise a family.

Steve White, Valencia

The writer is president of the California Assn. of Realtors.

To the editor:

UCLA urban planning professor Michael Manville, who suggests a “modest” tax on a homeowner's equity at the time of sale, must know that both the city and county of Los Angeles impose transfer taxes on the sale of property.

For example, in 2016 I sold a single-family residence in Woodland Hills for \$750,000 and paid a transfer tax of \$4,200, most of which went to the city.

Second, a homeowner's growing equity is already taxed, since property taxes increase with assessed value. The property taxes on my modest condominium more than doubled from 1989 to 2017.

Third, taxes that are “modest” never remain so. Homeowners are sitting ducks for bureaucratic largess. Attempting to penalize them will not fix the housing crisis.

People who invest in, develop or buy rental property do so to make money. The process is profit driven, and unless government makes the regulatory scheme less burdensome, the housing crisis will not be abated.

William Bullis, Oxnard