

SHIFTING THE BURDEN? OR SKIN IN THE GAME

QUESTION: How would eliminating the Louisiana Homestead Exemption lower property taxes?

BACKGROUND: First, 65% of all the properties in Orleans Parish pay zero property taxes via Non-Profits and the Homestead Exemption. Hence, all those “ghettos” in Orleans Parish, because their properties are valued below the Homestead Exemption of \$75,000, pay zero taxes. Yet, those ghettos use massive amounts of Social Services that the Middle Class, e.g., Jefferson Parish, pays for....as most of the property owners in Jefferson Parish actually do pay property taxes because their homes are not blighted, e.g., *ghetto welfare crack houses*.

ANSWER: It would be like a work requirement for welfare, and cause “behavior changes” in those who have *No Skin-In-The-Game*. **(And a property tax rate reduction on those who do pay.)** Hence, crime would drop, and those budget items could be reduced significantly, and accordingly, it would be a Tax-Cut-Across-The-Board. Next, since more Sales would increase due to less crime, and hence, the Sales Tax RATE could be REDUCED, causing even more *Sales Transactions* to occur. e.g., A Chain Reaction in the positive direction instead of the downward House of Cards (of Free Stuff like Endless Welfare and the Homestead Exemption) that creates and fuels the Ghetto.

SUMMARY: Eliminating the Homestead Exemption (including Non-Profits) causes everyone to have “*Skin-In-The-Game*” and an “*attitude*” change, which causes a positive chain reaction of better-paying jobs, lower crime, lower taxes, etc.