

CALIFORNIA PROP 43

Requires a Two-Thirds Vote to Approve Local Special Tax Initiatives

Purpose

Proposition 43 is a constitutional amendment proposed by the legislature that would raise the vote share required to enact special tax initiatives proposed by citizens from a simple majority to a two-thirds majority.¹

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Background

In 1978, California voters passed Proposition 13, requiring that any special tax proposed by a local government must receive a two-thirds vote from the electorate before being enacted,² with a special tax being defined as any tax imposed for a specific purpose rather than general governmental need.³ In 1996, Proposition 218 further increased the power of voters to approve taxes by requiring that any general tax imposed by a local government must receive majority voter approval, and reaffirmed that special taxes require two-thirds voter approval.⁴

Two decades later, a court decision narrowed the scope of Proposition 218. In 2017, the California Supreme Court ruled in *California Cannabis Coalition v. City of Upland* that a significant requirement for general taxes — that they be placed on the ballot during general elections — did not apply to citizen initiatives.⁵ Ultimately, the court categorized taxes imposed by local governments as different from taxes imposed by citizen initiatives.

The ruling raised an important question: Are special taxes imposed by citizen initiatives exempt from the two-thirds vote requirement that applies to special taxes placed on the ballot by local governments? A memo from the San Francisco attorney's office interpreting the ruling seemed to indicate that the answer was yes.⁶ But the Howard Jarvis Taxpayers Association disagreed. In 2018, the Association sued San Francisco for allowing two separate citizen-driven measures to pass with a simple-majority vote rather than a supermajority vote. A judge ruled against the Association, affirming that the special tax measures were rightfully passed by majority vote since they were proposed by citizens.⁷ A state appeals court shot down the Association's further attempts to overturn citizen-initiated local taxes passed in 2020⁸ and 2021.⁹

In 2023, the Association and the California Business Roundtable qualified an initiative¹⁰ for the 2024 ballot cycle that would have mandated any special tax initiative to require a two-thirds majority vote regardless of whether a local government or citizens proposed it.¹¹ But in June 2024, the California Supreme Court ruled unanimously that passage of the initiative would lead to a "revision," rather than an amendment, of the state constitution, "based on its far-reaching changes to existing processes by which revenue measures are enacted and maintained at the state and local levels." While amendments may be made by citizen initiatives, revisions require "a constitutional convention and popular ratification."¹² Thus, enacting the proposal by initiative would be unconstitutional.

In 2026, the same two organizations qualified an initiative for the 2026 general election ballot that would have amended the state constitution to require a two-thirds majority to pass citizen-led local special tax initiatives, alongside other tax limiting provisions.¹³ Following a legislative compromise, which included the passage of ACA 22,¹⁴ the organizations withdrew the initiative in favor of Proposition 43 being placed on this year's ballot as a legislatively referred constitutional amendment.¹⁵ Though ACA 22 passed nearly unanimously in the Assembly (68-2) and Senate (35-1), its author, Assemblymember Buffy Wicks (D-14), announced on June 29 that she was "adamantly opposed to it."¹⁶

Proposal

Proposition 43 would amend the California Constitution to require that citizen-driven special tax initiatives require a two-thirds majority vote for passage. It would add Section 4.5 to Article XIII A of the California Constitution, detailing that any local government — including voters within a local government exercising the initiative power — must obtain a two-thirds vote to enact, extend, or increase a special tax starting on January 1, 2027.

The amendment also prohibits local government and members of the electorate from levying ad valorem property taxes — taxes based on the value of real estate or tangible personal property — except for certain preapproved, dedicated property taxes, whose terms are delineated in the Constitution.¹⁷

Fiscal Impact

The California Legislative Analyst's Office (LAO) estimates that Proposition 43 would reduce local government tax revenues. The total fiscal impact is largely unknown, however, as it depends on future decisions by voters and local governments.¹⁸

SUPPORT FOR PROPOSITION 43

Supporters of Proposition 43 Include:¹⁹

- Howard Jarvis Taxpayers Association²⁰
- California Taxpayers Association
- California Small Business Association
- Family Business Association of California
- California Hispanic Chambers of Commerce
- Reform California²¹
- California Republican Party

The proponents' official website is "Yes on 43: Taxpayer Protection," <https://yesonprop43.com/>.

As of September 19, 2026, proponents had raised a total of \$14,856,760.²²

Supporters argue that Proposition 43 would:²³

- Restore the protections of Prop. 13 (1978) by closing loopholes created by courts so that local special taxes must be approved by two-thirds of voters.
- Make it more difficult for special interests to collude with local governments to impose costly taxes on homeowners, renters, and small businesses.
- Ensure that taxpayers are in charge by fully protecting their right to vote on taxes.
- Prevent other rollbacks of Proposition 13.

OPPOSITION TO PROPOSITION 43

Opponents of Proposition 43 Include:²⁴

- California Democratic Party²⁵
- State Assemblymember Buffy Wicks (D-14)²⁶
- Evolve California²⁷
- Sierra Business Council
- California Professional Firefighters
- Nurse Alliance of SEIU California
- California School Employees Association
- California State Association of Counties
- League of Women Voters of California
- California Teachers Association

The opponents' official website is "No on 43," <https://www.noprop43ca.com/>.

As of September 19, 2026, opponents had raised a total of \$4,864,393.²⁸

Opponents argue that Proposition 43 would:²⁹

- Threaten funding for parks, affordable housing, firefighting, and other crucial local services that rely on local revenue.³⁰
- Make it more difficult for cities to secure future revenue measures.³¹
- Make California "the hardest place in the country" to raise local revenue.³²
- Undermine majority rule by empowering a minority to block tax measures favored by a supermajority of voters.

A YES VOTE ON PROPOSITION 43

A YES vote for Proposition 43 would increase the threshold to pass citizen-led special tax initiatives to a two-thirds majority vote.

A NO VOTE ON PROPOSITION 43

A NO vote for Proposition 43 would maintain a simple majority requirement to pass citizen-led special tax initiatives.

Endnotes

- 1 The text of this proposed constitutional amendment is at California Secretary of State, *Official Voter Information Guide, General Election, November 3, 2026*, p. 153, <https://vig.cdn.sos.ca.gov/2026/general/pdf/complete-vig.pdf>.
- 2 California Constitution, Art. XIII A, sec. 4.
- 3 California Constitution, Art. XIII C, sec. 1.
- 4 California Constitution, Art. XIII C, sec. 2.
- 5 *California Cannabis Coalition v. City of Upland*, 3 Cal. 5th 924 (2017).
- 6 Matthew Lee, memorandum to Nicole Elliott, “Validity of State Administrative Rule Purporting to Preempt Local Regulation of Cannabis Deliveries,” February 21, 2025, City and County of San Francisco, <https://media.api.sf.gov/documents/Opinion-re-Validity-of-State-Cannabis-Delivery-Rule.pdf>.
- 7 Dominic Fracassa, “Judge Says SF Correct in Passing Two Tax Measures on Simple Majority Vote,” *San Francisco Chronicle*, July 5, 2019, <https://www.sfchronicle.com/bayarea/article/Judge-says-SF-correct-in-passing-two-tax-measures-14074436.php>.
- 8 City and County of San Francisco v. All Persons Interested in the Matter of Proposition C, 51 Cal. 5th 703 (2020), <https://cases.justia.com/california/court-of-appeal/2020-a158645.pdf?ts=1593558072>.
- 9 *Howard Jarvis Taxpayers Association v. City and County of San Francisco*, 60 Cal. 5th 227 (2021), <https://www4.courts.ca.gov/opinions/documents/A157983.PDF>.
- 10 Ballotpedia, “California Two-Thirds Legislative Vote and Voter Approval for New or Increased Taxes Initiative (2024),” [https://ballotpedia.org/California_Two-Thirds_Legislative_Vote_and_Voter_Approval_for_New_or_Increased_Taxes_Initiative_\(2024\)](https://ballotpedia.org/California_Two-Thirds_Legislative_Vote_and_Voter_Approval_for_New_or_Increased_Taxes_Initiative_(2024)).
- 11 Amendment #1 to Initiative No. 21-0042 “The Taxpayer Protection and Government Accountability Act,” January 4, 2022, p. 7, <https://oag.ca.gov/system/files/initiatives/pdfs/21-0042A1%20%28Taxes%29.pdf#page=7>.
- 12 *Legislature of the State of California v. Weber*, Cal. (2024), p. 12, <https://cases.justia.com/california/supreme-court/2024-s281977.pdf?ts=1718902909#page=13>.
- 13 Amendment for Proposed Initiative 25-0006, “Local Taxpayer Protection Act to Save Proposition 13 (Version 3) Amendment #1,” <https://oag.ca.gov/system/files/initiatives/pdfs/25-0006A1%20%28%26quot%3BLocal%20Taxpayer%20Protection%20Act%20to%20Save%20Proposition%2013%20%28Version%203%29%26quot%3B%29.pdf#page=2>.
- 14 *Assembly Constitutional Amendment No. 22*, California Assembly, Chapter 132 (2026), https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260ACA22.
- 15 Ballotpedia, “California Proposition 43, Two-Thirds Vote Requirement for Local Special Tax Initiatives and Property Tax Initiative Prohibition Amendment (2026),” [https://ballotpedia.org/California_Proposition_43,_Two-Thirds_Vote_Requirement_for_Local_Special_Tax_Initiatives_and_Property_Tax_Initiative_Prohibition_Amendment_\(2026\)#cite_note-17](https://ballotpedia.org/California_Proposition_43,_Two-Thirds_Vote_Requirement_for_Local_Special_Tax_Initiatives_and_Property_Tax_Initiative_Prohibition_Amendment_(2026)#cite_note-17).
- 16 Buffy Wicks (@BuffyWicks), “I’m the author of ACA 22. I’m also adamantly opposed to it,” Twitter/X, June 29, 2026, 10:43 PM, <https://x.com/BuffyWicks/status/2071801817915421109>.
- 17 California Legislative Analyst’s Office (LAO), “Understanding California’s Property Taxes,” November 29, 2012, <https://lao.ca.gov/reports/2012/tax/property-tax-primer-112912.aspx>.
- 18 LAO, Propositions on the November 3, 2026 Ballot, “Proposition 43,” <https://lao.ca.gov/BallotAnalysis/Proposition?number=43&year=2026>.
- 19 CA Secretary of State, *Official Voter Information Guide*, pp. 68-69.
- 20 Jon Coupal, “The Two-Thirds Vote Requirement for Taxes Is Fair,” Howard Jarvis Taxpayers Association, <https://www.hjta.org/california-commentary/the-two-thirds-vote-requirement-for-taxes-is-fair/>.
- 21 “Stop CA Tax Hikes - 2026,” Reform California, <https://www.reformcalifornia.org/campaigns/stop-the-tax-hikes>.
- 22 Ballotpedia, “Proposition 43.”
- 23 CA Secretary of State, *Official Voter Information Guide*, pp. 68-69.
- 24 CA Secretary of State, *Official Voter Information Guide*, pp. 68-69.
- 25 California Democratic Party, 2026 Executive Board Meeting (Floor Packet), August 2, 2026, <https://cadem.org/wp-content/uploads/2026/08/2026-July-EBoard-Floor-Report-Packet.pdf>.
- 26 Buffy Wicks (@BuffyWicks), “I’m the author of ACA 22. I’m also adamantly opposed to it,” Twitter/X.
- 27 Evolve California, “Stop Prop. 43,” <https://www.evolve-ca.org/stop-prop-43>.
- 28 Ballotpedia, “Proposition 43.”
- 29 CA Secretary of State, *Official Voter Information Guide*, pp. 68-69.
- 30 Buffy Wicks (@BuffyWicks), “I’m the author of ACA 22. I’m also adamantly opposed to it,” Twitter/X.
- 31 Evolve California, “Stop Prop. 43.”
- 32 Evolve California, “Stop Prop. 43.”

