

Capitola City Council

Agenda Report



Meeting: February 10, 2022

From: City Manager Department

Subject: Consider Letter in Support for California Senate Bill 843
Regarding Renter's Tax Credit

Recommended Action: Direct the Mayor to sign a letter in support of California Senate Bill 843, which would increase California renter's tax credit.

Background: At the January 27, 2022, City Council meeting, Council Member Petersen requested an item be brought forward to Council to support the proposed California State Senate Bill 843 (SB843), which will increase renter's tax credit for low-income California renters.

SB843 would increase the California renter's tax credit for the first time since 1979; the renter's tax credit was first established in 1972. The increase proposed would account for inflation and is intended to offer relief to Californian's burdened by high rent. Single households making \$43,533 or less would receive \$500, and joint filers making \$87,066 or less would receive \$1,000 in tax credit (in contrast to the current offset of \$60 for single filers and \$120 for joint filers).

The Bill is supported by more than 40 California legislators, and our region's Senator John Laird is a co-author. California Community Action Partnership Association (CalCAPA), the mission of which is to address poverty and help communities and families of low-income reach self-sustainability, also supports the Bill.

Discussion: Attached is a draft letter of support for SB843, which, once signed, will be sent to Senator Steve Glazer, who presented the bill to California State legislator on January 12, 2022.

Fiscal Impact: None.

Attachments:

1. Draft letter of support

Report Prepared By: Chloé Woodmansee, City Clerk

Reviewed/Approved By: Jamie Goldstein, City Manager