

Losing the American Dream.....One Tax Levy at a Time

I have come to the conclusion that the American dream of home ownership is really just an illusion. We are merely renters that possess a home, but never truly own it.

Upon comparing the Lake County real estate taxes billed for all of the political sub-divisions in 2008 versus 2018, it is obvious that the ever-increasing real estate taxes is pricing seniors and those living on fixed incomes out of their homes that they have worked all their lives to achieve.

It is inevitable because of the government model for financing of public schools. It is simply not sustainable since expenditures will continue to increase annually, either due to inflation, new school buildings or increasing operational expenses. For those living on fixed incomes, the reasons for the increases are irrelevant.

In 1997, the Ohio Supreme Court ruled in the DeRolph versus State of Ohio lawsuit that the use of real estate taxes for school funding was unconstitutional. After twelve years the Supreme Court yielded their authority over this issue back to the legislative branch. However, the legislators have simply 'kicked the can' down the road, unwilling to address or solve the problem.

The Center for Community Studies, a 100+ year old think tank, stated that the generally accepted Housing Affordability Threshold is 30% of a taxpayer's annual income. If homeowners spend more than 30% of their annual income on their mortgage, utilities, and real estate taxes (monthly rent and utilities for renters), then their home is deemed unaffordable.

In a 2013 study, the Center found that 28% of Lake County homeowners and 55% of renters pay more than 30% of their annual income. Their study also showed that 26% of Lake County residents were 60 years of age or older, and by the year 2030 that age group will grow to 34% of the population.

The statistics get even more alarming when you consider that in the same study only 49% of seniors have retirement income, and 78% only have social security paying them on average \$18,488 per year. It is estimated that 14% of the Lake County population lives at or near the poverty line - \$15,510 in 2013. If we assume that the current population is 235,000, that means approximately 32,900 live in poverty.

We, as Lobbyists for Citizens, are trying to raise the alarm to the residents of Lake County. Unless something is done to significantly reduce the real estate tax impact on seniors, they will eventually decide that either they can no longer afford their home, or other daily necessities may not be met. The problem is where do they go when taxes continue to escalate in all communities.

A review of the Board of Election's statistics indicates that 67% of the registered voters in Lake County are 50 years of age or older. I contend nothing should happen in Lake County without this voting bloc wanting it to happen. They just have to wake up to the deception being thrust upon us.

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