

The Good, Bad, and the Ugly

The Good: Successes: (over the past few years)

- **PRESERVED: Property Profiles:** Title insurance companies stopped providing property profiles in a reaction to a letter issued by the California Department of Insurance. C.A.R. worked to restore access to protect your business.
- **DEFEATED: 3% Independent Contractor Withholding:** 4 times within the past 2 years! Politicians proposed an acceleration of income tax payment in the form of 3% withholding.
- **DEFEATED: Point-of-Sale Bills:** Multiple bills were introduced, which if passed, could have resulted in, as much as, \$20,000 of costs per home to close escrow.

The Bad: Just some of the upcoming threats:

- **MORTGAGE INTEREST DEDUCTION:** Could be eliminate
- **GSE & MORTGAGE REFORM:** This could significantly increase the down payment requirements, limit the amount of mortgage money available, and raise interest rates
- **SERVICE TAX:** Sales tax on all services including real estate commissions, title, escrow, and home inspection fees;
- **INDEPENDENT CONTRACTOR WITHHOLDING:** This issue will be back again;
- **POINT-OF-SALE:** Always more to come...stayed tuned!

The Ugly: We currently have a state and federal deficit that is out of control! Funds are needed to bridge this gap. Where will these funds come from? Need we say more?

Your support is vital in order to help protect the real estate industry in every capacity!