Proposition 42

July 3, 2026
Initiative 25-0041

BALLOT TITLE AND SUMMARY

PROHIBITS NEW STATE PERSONAL PROPERTY TAXES AND CERTAIN RETROACTIVE STATE TAXES. INITIATIVE CONSTITUTIONAL AMENDMENT.

- Prohibits new state taxes on personal property, including business interests, intellectual property, and financial assets (including assets in retirement and investment accounts).
- Prohibits new state taxes that apply retroactively based on the taxpayer's conduct, activities, or a status that occurred before the new tax's effective date.
- Applies to new taxes that are enacted or take effect on or after January 1, 2026.
- States that other voter-approved measures appearing on the same ballot are void if they conflict with this measure and this measure receives more affirmative votes.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- Possibility that tax revenues will not go up as much in the future.

SUBJECT TO COURT
ORDERED CHANGES