

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Lumber Co.*, 200 U. S. 321, 337.

## SUPREME COURT OF THE UNITED STATES

### Syllabus

#### NORDLINGER v. HAHN, IN HIS CAPACITY AS TAX ASSESSOR FOR LOS ANGELES COUNTY, ET AL.

CERTIORARI TO THE COURT OF APPEAL OF CALIFORNIA, SECOND  
APPELLATE DISTRICT

No. 90-1912. Argued February 25, 1992—Decided June 18, 1992

In response to rapidly rising real property taxes, California voters approved a statewide ballot initiative, Proposition 13, which added Article XIII A to the State Constitution. Among other things, Article XIII A embodies an "acquisition value" system of taxation, whereby property is reassessed up to current appraised value upon new construction or a change in ownership. Exemptions from this reassessment provision exist for two types of transfers: exchanges of principal residences by persons over the age of 55 and transfers between parents and children. Over time, the acquisition-value system has created dramatic disparities in the taxes paid by persons owning similar pieces of property. Longer-term owners pay lower taxes reflecting historic property values, while newer owners pay higher taxes reflecting more recent values. Faced with such a disparity, petitioner, a former Los Angeles apartment renter who had recently purchased a house in Los Angeles County, filed suit against respondents, the county and its tax assessor, claiming that Article XIII A's reassessment scheme violates the Equal Protection Clause of the Fourteenth Amendment. The County Superior Court dismissed the complaint without leave to amend, and the State Court of Appeal affirmed.

*Held:* Article XIII A's acquisition-value assessment scheme does not violate the Equal Protection Clause. Pp.7-15.

(a) Unless a state-imposed classification warrants some form of heightened review because it jeopardizes exercise of a fundamental right or categorizes on the basis of an inherently suspect characteristic, the Equal Protection Clause requires only that the classification rationally further a legitimate state interest. Pp.7-8.

(b) Petitioner may not assert the constitutional right to travel as a basis for heightened review of Article XIII A. Her complaint does not allege that she herself has been impeded from

traveling or from settling in California because, before purchasing her home, she already lived in Los Angeles. Prudential standing principles prohibiting a litigant's raising another person's legal rights may not be overlooked in this case, since petitioner has not identified any obstacle preventing others who wish to travel or settle in California from asserting claims on their own, nor shown any special relationship with those whose rights she seeks to assert. P.8.

(c) In permitting longer-term owners to pay less in taxes than newer owners of comparable property, Article XIII A's assessment scheme rationally furthers at least two legitimate state interests. First, because the State has a legitimate interest in local neighborhood preservation, continuity, and stability, it legitimately can decide to structure its tax system to discourage rapid turnover in ownership of homes and businesses. Second, the State legitimately can conclude that a new owner, at the point of purchasing his property, does not have the same reliance interest warranting protection against higher taxes as does an existing owner, who is already saddled with his purchase and does not have the option of deciding not to buy his home if taxes become prohibitively high. Pp.8-12.

(d) *Allegheny Pittsburgh Coal Co. v. Webster*, 488 U.S. 336, is not controlling here, since the facts of that case precluded any plausible inference that the purpose of the tax assessment practice there invalidated was to achieve the benefits of an acquisition-value tax scheme. Pp.12-14.

(e) Article XIII A's two reassessment exemptions rationally further legitimate purposes. The people of California reasonably could have concluded that older persons in general should not be discouraged from exchanging their residences for ones more suitable to their changing family sizes or incomes, and that the interests of family and neighborhood continuity and stability are furthered by and warrant an exemption for transfers between parents and children. Pp.14-15.

(f) Because Article XIII A is not palpably arbitrary, this Court must decline petitioner's request to invalidate it, even if it may appear to be improvident and unwise yet unlikely ever to be reconsidered or repealed by ordinary democratic processes. P.15.

225 Cal. App. 3d 1259, 275 Cal. Rptr. 684, affirmed.

BLACKMUN, J., delivered the opinion of the Court, in which REHNQUIST, C. J., and WHITE, O'CONNOR, SCALIA, KENNEDY, and SOUTER, JJ., joined, and in which THOMAS, J., joined as to Part II-A. THOMAS, J., filed an opinion concurring in part and concurring in the judgment. STEVENS, J., filed a dissenting opinion.