

GOP's Proposals Favor Homeowners in States Without an Income Tax

The seven states without an income tax are obviously less impacted by the GOP's proposed elimination of deductibility for state and local income tax. But what is

less evident is how it actually helps homeowners in those states. Homeowners in those states benefit from eliminating that deduction because property taxes — which remain deductible — tend to be much higher in states without an income tax.

Texas is a good example. People who move to states like Texas because they don't have an income tax are fooling themselves, because state government has to get its money from somewhere, and property tax is a common replacement for funds that an income tax would generate.

Colorado's property taxes on residential properties are quite low compared to other states, and one reason is that our state has an income tax in addition to state and local sales taxes. Coloradans were hurt when the deductibility of sales tax was eliminated, and elimination of the income tax deduction would add to that hurt. Meanwhile, homeowners in states that get most of their general funds through property taxes would hardly feel it at all.

It doesn't seem fair, does it? Of course, a large number of Congress members, including Republicans, are from states with income taxes, making passage of the GOP tax bill as written difficult at best.

Overlooked in most discussions of tax reform is the progressive nature of the mortgage interest deduction, and I'm heartened that, under the GOP plan, it would remain in place for mortgages under \$1 million. Another tax proposal that is not getting as much coverage as it should is the proposed elimination of the estate tax. Currently, estates under \$5 million are exempt from estate tax. Instead of entirely eliminating this tax, how about raising the exemption to, say, \$10 million? This would preserve the intent of the current

What Due Diligence Should You Do When Buying a Home?

Here's some advice I give to buyers I work with:

1) Do the home inspection immediately, so that you have time to do secondary inspections. These could relate to electrical, mold or plumbing issues identified by your inspector. Ask about our trusted inspectors.

2) Order a sewer scope, even for a newer home. It's \$100 well spent, because it could identify issues that cost thousands to fix.

3) If buying a home with an HOA, read the minutes of the board meetings, looking for controversies or recurring issues. We have agents with special expertise in studying HOA financials for our buyers.

4) Look for neighbors — they can tell you a lot!

law, which is to provide relief for family farmers and others who may have a large non-cash estate which would have to be liquidated by heirs to pay the inheritance tax. At the same time, exempting only the first \$10 million would mean that billionaires could not pass their entire fortune to their children without those chil-

dren paying a single penny on their inheritance. I disagree with those who refer to this as a death tax. Instead, I view it as a tax on unearned income (on a grand scale) and believe that it is quite reasonable to require the beneficiaries of such windfalls to pay taxes on it.

REAL ESTATE TODAY



By JIM SMITH, Realtor®

North Golden Townhome on Quiet Cul-de-Sac With Views

Located at the end of a quiet cul-de-sac with- in walking distance of Mitchell Elementary School, a city park, Clear Creek and downtown Golden, this home has the best location in Canyon Point Villas — away from the noise of Highway 58, yet with an expansive view of the foothills and Clear Creek Canyon! The owner has made some changes to the main-floor plan that other owners here might want to emulate — the sliding glass door to the patio was moved from the living room to the dining room, making the living room effectively much bigger. Also the kitchen was nearby doubled in size by expanding it to include part of the foyer and all of the laundry/mud room. Other improvements include maple hardwood throughout the main floor as well as the stairs and the loft. Bathrooms are tiled and only the bedrooms have carpeting. The flagstone patio measures over 250 sq. ft., 80 of that covered by a retractable awning. The covered porch is private, out of view from the street, with mature trees providing additional privacy. Take a narrated video tour at www.CanyonPointVillas.com, then come to my open house on Saturday, Nov. 18, 1-3 p.m.



Downtown Englewood Home Just Listed by Chuck Brown



Looking for an affordable starter home in a terrific neighborhood? Be sure to take a look at this cute two-story house at 490 W. Nassau Ave. in Englewood's Broadway Heights neighborhood. The home sits on a quiet street located on a corner lot with sweeping seasonal views of the Front Range. On the main floor you'll find a nice sized kitchen, living room, laundry room and full bathroom. Upstairs you'll find two bedrooms and a 3/4 bathroom. For storing your stuff you can choose either the old bomb shelter located under the house or the Tuff Shed outside. The large yard comes alive during the growing season with flower gardens, lilacs that provide privacy, shrubs, perennial flowers and raspberry bushes. This is a great Englewood location close to light rail, the Platte River trail, shopping, Riverpoint and all of the hot new food and culture spots popping up along Broadway. This is a fun home, you'll love it. Call your agent or Chuck Brown at 303-885-7855 for a showing. He'll be holding an open house on Saturday, Nov. 18th, 1-3 pm. You can also take a narrated video tour at www.EnglewoodHome.info.

Broomfield Condo Just Listed by David Dlugasch

This lovely first floor, end-unit condo at 1158 Opal Street #102 features two large bedrooms, two full bathrooms, and a great location that faces open space with walking trails. It has new carpet, new laminate wood floors, and two decks. The master suite has a large walk-in closet. In addition to this unit's 1-car detached garage with opener, there is plenty of other open parking. Enjoy the clubhouse with fitness room and outdoor pool. The Miramonte Ranch complex is within walking distance of shopping and bike trails and benefits from top-rated schools. Take a narrated video tour at www.BroomfieldCondo.info, then call David Dlugasch at 303-908-4835 for a private showing.



Jim Smith

Broker/Owner

Golden Real Estate, Inc.

CALL OR TEXT: 303-525-1851

OFFICE PHONE: 303-302-3636

EMAIL: Jim@GoldenRealEstate.com

WEBSITE: www.GoldenRealEstate.com

ARCHIVES: www.JimSmithColumns.com

17695 South Golden Road, Golden 80401



Why Do We Refer to 110-Volt and 220-Volt Electricity, When It's Actually 120 and 240?

By **JIM SMITH, Realtor®**

I'm not an electrician, although I've done my share of DIY home wiring over the years. Ever since I started driving electric cars, which utilize 240-Volt charging stations, I've been curious why REcolorado (Denver's MLS) refers to 110-Volt and 220-Volt service instead of 120-Volt and 240-Volt service. And they're not alone in doing so.

Recently I asked someone at Xcel Energy to explain this dichotomy. What I was told was that 120 volts became the standard as a result of the Rural Electrification Act in 1930. As for how you get 240-

volt service, it's created when two 120-volt lines of opposite phase are combined.

Nevertheless, most Americans continue to refer to electricity as being 110 or 220 volts, even though

those voltages no longer exist and haven't for nearly a century in the United States.

Using a voltmeter, I verified that my own home's outlets are running 120 volts and 240 volts.

If You're Into Horses, You'll Like This Book — About My Brother

My brother, Pete Smith, was a highly respected and greatly loved veterinarian who built his own big-animal practice and clinic in Athens County, Ohio, but he earned his DVM degree in Fort Collins, at CSU in 1961.

I thought I knew Pete well, but my respect and admiration for him grew tremendously from reading this biography by Gina McKnight.

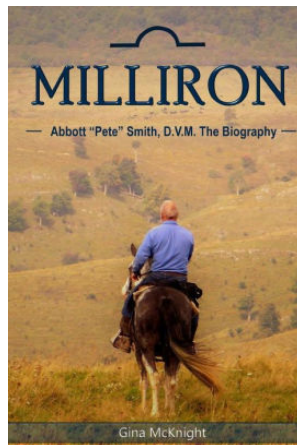
When it was announced that this book was being written, I thought it was a nice memorial to my brother, but after reading the stories of his service to clients, I realized this book would be of interest to a much wider audience — in particular anyone who loves horses and values the work of a remarkable veterinarian.

Pete's love of horses was matched by his love of logging and sawmills. In addition to building his own

clinic on his Milliron farm, he also built a lumber mill, and used the sawmill to process logs that he cut on his expansive land holdings north of Athens, Ohio. It was while he was logging by himself that he misjudged how to cut a big tree and was critically injured by it. After a month or two in intensive care, his heart gave out.

Pete had had so many near-death experiences that family members like myself didn't take the news of his accident as seriously as we should have, but we traveled from

Colorado, Sweden and Maine to attend his standing room-only memorial service. That, too, is documented in this well researched and well written book that you can buy (in paperback, \$15) at www.BarnesandNoble.com. It's a worthy tribute to my brother, but also a great read for horse lovers.



We welcome the opportunity to meet with you in your home to discuss your real estate needs.
Call Jim Smith at 303-525-1851

GOLDEN
REAL ESTATE

Jim Smith

Broker/Owner

Golden Real Estate, Inc.

CALL OR TEXT: 303-525-1851

OFFICE PHONE: 303-302-3636

