

NAME: _____

**2015-2016 PROPERTY TAX LEGISLATION
SELF STUDY SESSION**

REVIEW QUESTIONS

2015 LEGISLATION

1. Assembly Bill 571 amends sections 463 and 483 of the Revenue and Taxation Code to modify both the *Business Property Statement* and *Change in Ownership Statement* penalty abatement provisions to conform the language to other provisions of law by substituting the phrase "circumstances beyond the assessee's control, and occurred notwithstanding the exercise of ordinary care and in the absence of willful neglect" for "not due to willful neglect."
☐ True
☐ False
2. The amendments to Revenue and Taxation Code section 402.1 made by Assembly Bill 668 require an assessor to consider the effect upon value of a contract with specified nonprofit corporations that have received the Welfare Exemption to the list of enforceable restrictions when valuing land for assessment purposes, if which of the following provisions are met?
☐ The contract must restrict the land's use for at least 50 years to owner occupied housing available at an affordable cost.
☐ The nonprofit corporation imposing the restriction must have received the Welfare Exemption under the law that provides for corporations organized and operated for the specific and primary purpose of building and rehabilitating single or multifamily residences for sale at cost to low-income families, with financing in the form of a zero interest rate loan and without regard to religion, race, national origin, or the sex of the head of household.
☐ The contract includes a deed of trust (silent second mortgage) on the property in favor of the nonprofit corporation to ensure homeowner compliance with program terms.
☐ All of the above
3. A home's purchase price should take into account a silent second mortgage because the law requires the assessment basis to be total consideration, whether paid in money or otherwise.
☐ True
☐ False

4. For surveys started on or after January 1, 2016, the BOE must issue a final survey report within 21 months after the date the BOE began the survey. Assembly Bill 681 allows a gradual transition, depending on the year the survey was started.
- ☐ True
- ☐ False
5. Assembly Bill 1157, extended the sunset date for commercial air carriers assessment methodology and the centralized "lead county" administrative procedures to what date?
- ☐ December 31, 2015
- ☐ December 31, 2016
- ☐ December 21, 2017
- ☐ December 31, 2020
6. If the provisions for commercial air carriers sunset, administration returns to the pre-2006 system without unallocated fleet value calculations by a lead county. Without centralization, each county would calculate the total aircraft fleet value and audit each airline that lands in their county if the assessment qualifies as a mandatory audit. The valuation method returns to pre-1999 "fair market value" standard without a delineated methodology specific to certificated aircraft.
- ☐ True
- ☐ False
7. Assembly Bill 1251 amends Revenue and Taxation Code section 402.1 to require the assessor to consider any negative value impact result from what type of recorded easement?
- ☐ Conservation
- ☐ Greenway
- ☐ Scenic
- ☐ Utility
8. A greenway is defined as a separate path for bikes and pedestrians that must be located within 600 feet of an urban waterway where access to the property has been granted through an agreement with the property owner.
- ☐ True
- ☐ False

9. BOE-certified appraisers or assessors who make change in ownership or property tax exemption decisions must have a BOE-issued assessment analyst certificate.

☐ True

☐ False

10. If a county board of supervisors opts to participate in the assessment analyst certification program, county assessor employees who make change in ownership or property tax exemption decisions must complete which of the following requirements?

☐ Annually disclose financial interests in any legal entity.

☐ Annually receive 24 hours of BOE-approved or BOE-conducted training.

☐ Pass a certification exam.

☐ All of the above

11. Match the phrase with the appropriate description.

1	Temporary Certification
2	Interim Certification
3	Advanced Certification

	County assessor employees certificated for at least 3 years can complete a complex course of study or pass a higher level exam.
	New county assessor employees that the BOE finds competent to make change in ownership and exemption decisions are eligible for this certification. New county assessor employees could perform their duties for up to a one-year period before passing the exam.
	Existing county assessor employees currently making change in ownership and exemption decisions are provided this certification that allows them to continue to do so for up to four years until they pass the new exam.

12. Effective January 1, 2016, Government Code section 7510 was amended to replace a valuation methodology related to possessory interests in state retirement system-owned property with a reference to Property Tax Rule 21.

☐ True

☐ False

13. The transfer between parents and their child of a pro rata interest in a legal entity that owns a mobilehome park or a floating home marina is a transfer of an interest in a legal entity and is not eligible for the parent-child exclusion.

☐ True

☐ False

14. What type of relief is available for late-filed claims for the base year value transfer for property taken through eminent domain?

- ☐ No relief is available
- ☐ Relief is available for the lien dates for the last four fiscal years
- ☐ Relief is available prospectively beginning with the year in which the claim is filed
- ☐ All of the above

15. What is the new sunset date for the assessment methodology for intercounty pipeline rights-of-way?

- ☐ January 1, 2016
- ☐ January 1, 2017
- ☐ January 1, 2021
- ☐ January 1, 2027

16. Match the bill number(s) enacted in 2015 with the code section that each bill amends or adds.

1	AB 571
2	AB 668
3	AB 681
4	AB 1157
5	AB 1251
6	AB 1534
7	SB 803

	Government Code section 7510
	Revenue and Taxation Code section 402.1
	Government Code section 15643
	Revenue and Taxation Code section 401.17
	Revenue and Taxation Code section 463
	Revenue and Taxation Code section 63.1
	Government Code section 65560
	Revenue and Taxation Code section 68
	Revenue and Taxation Code section 674

2016 LEGISLATION

17. Under which conditions may the Governor proclaim a state of emergency?

- ☐ Existence of conditions of disaster or of extreme peril to the safety of persons and property within the territorial limits of a county, city and county, or city
- ☐ Existence of conditions of disaster or of extreme peril to the safety of persons and property within the state
- ☐ A condition which exists immediately, whenever this state or nation is attacked by an enemy of the United States, or upon receipt by the state of a warning from the federal government indicating that such an enemy attack is probable or imminent
- ☐ All of the above

18. Effective January 1, 2017, Assembly Bill 2168 amends the Public Utilities Code to require the Public Utilities Commission provide the county assessor with their public utilities' audit reports.

- ☐ True
- ☐ False

19. Effective January 1, 2017, public agencies must notify the assessor when they intend to acquire taxable property.

- ☐ True
- ☐ False

20. Choose the best statements that describe the law changes regarding enforceable restrictions of affordable owner-occupied homes.

- ☐ Contracts with government agencies restricting the use of property for owner-occupied housing available at affordable housing cost must be recorded.
- ☐ A recording requirement does not prevent the assessor from considering specified enforceable restrictions when making value determinations.
- ☐ An assessor cannot consider any governmentally-imposed restriction upon property use when valuing real property.
- ☐ All of the above

21. Effective September 27, 2016, Assembly Bill 2818 amends section 402.1 to allow an assessor to consider community land trust-imposed enforceable restrictions when setting the assessed values of homes sold to low and moderate income families with a 99-year ground lease and limited equity due to resale price restrictions.

- ☐ True
- ☐ False

22. In order for an assessor to consider if community land trust-imposed restrictions negatively impact property value when determining the assessed value of homes that have a ground lease and limited equity due to resale price restrictions that are sold to low and moderate income buyers, which of the following conditions are necessary?
- ☐ The community land trust has the right to repurchase the dwelling or unit to preserve the dwelling or unit as affordable to qualified owners.
 - ☐ The initial sale and future resales must be to persons and families of low or moderate income and the home must be the buyer's primary residence.
 - ☐ The sale or resale price is determined by a formula that ensures the dwelling or unit has a purchase price that is affordable to qualified owners.
 - ☐ All of the above
23. When determining value for property tax purposes, the assessor must consider the effect upon value of any government-imposed restriction or any recorded contract involving a government agency. For nonprofit organization-imposed restrictions, the law provides three exceptions, one of which relates to housing for sale to low-income persons. The other two relate to easements entered into between a private land owner and a nonprofit organization for an open space, scenic, or trail easement.
- ☐ True
 - ☐ False
24. Senate Bill 996 decreases the exemption cap from \$10,000,000 to \$2,000,000 of assessed value for non-government assisted low-income rental housing owned and operated by eligible nonprofit organizations under the welfare exemption.
- ☐ True
 - ☐ False
25. A nonprofit organization that owns and operates a low-income housing property that does not receive any government financing or low-income housing credits may be eligible for the welfare exemption, provided that it does not exceed the exemption cap and certain requirements are met. Which of the following requirements must be met for the exemption?
- ☐ Ninety percent or more of the property's occupants are lower income households.
 - ☐ The owner certifies that the funds otherwise spent to pay taxes are instead used to maintain his household.
 - ☐ The property is subject to a recorded deed restriction, regulatory agreement, or other legal documents restricting the property's use to low-income housing.
 - ☐ All of the above

26. Choose the statement(s) that best describes how Senate Bill 1458 expands the disabled veterans' exemption.

- ☐ Allows that a veterans' character of discharge from military service *must* be under "honorable" conditions.
- ☐ Allows that a veteran have a 75 percent disability rating.
- ☐ Allows that a veterans' character of discharge from military service may be under "other than honorable" conditions.
- ☐ All of the above

27. Beginning with the 2017-18 lien date, how many years of roll corrections may an assessor process for the disabled veterans' exemption?

- ☐ Six
- ☐ Eight
- ☐ Ten
- ☐ None of the above

28. Senate Bill 1480 removes from statute the contents of certain exemption renewal forms and instead allows the BOE to prescribe the detail of the notice. This applies to the annual exemption renewal filing for the welfare exemption on property leased to government for a governmental purpose and Habitat for Humanity property.

- ☐ True
- ☐ False

29. Effective January 1, 2017, what is the appeal filing deadline for taxable government-owned property?

- ☐ July 20
- ☐ August 14
- ☐ September 15
- ☐ November 30

30. Match the bill number(s) enacted in 2016 with the code section that each bill amends.

1	AB 1559
2	AB 2168
3	AB 2450
4	AB 2818
5	SB 996
6	SB 1458
7	SB 1480

	Revenue and Taxation Code section 1840
	Revenue and Taxation Code section 205.5
	Revenue and Taxation Code section 214
	Revenue and Taxation Code section 254.5
	Public Utilities Code section 314.5
	Revenue and Taxation Code section 38405
	Revenue and Taxation Code section 402.1
	Revenue and Taxation Code section 4831.1
	Revenue and Taxation Code section 402.2