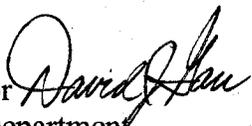


# Memorandum

To: Mr. Ramon J. Hirsig  
Executive Director

Date: September 3, 2010

From: David J. Gau, Deputy Director   
Property and Special Taxes Department

Subject: ***Board Meeting, September 2010—Item N—Administrative Session  
Adoption of Property Tax Forms***

I am requesting that the attached property tax forms be submitted to the Board for adoption. Government Code section 15606 requires that the Board prescribe and enforce the use of all forms for the assessment of property for taxation. Pursuant to that mandate, the attached forms were adopted by the Board at its July 2010 meeting. However, on August 17, 2010, the Governor signed Assembly Bill 2314 (Stats. 2010, ch. 150) which requires revisions to the forms prior to use on the January 1, 2011 lien date. Copies of the proposed revisions to the forms were distributed to the California Assessors' Association Forms Subcommittee and staff received concurrence on the proposed revisions.

Revisions specific to the forms are shown in brackets following the title of the forms.

*BOE-261-G, 2011 Claim for Disabled Veterans' Property Tax Exemption*

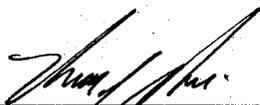
[Revised to increase amount of time a claimant has to file a claim from 30 days to 90 days; deletes requirement that the disabled veteran has a "pending" application with the U.S. Department of Veterans' Affairs.]

*BOE-261-GNT, 2011 Disabled Veterans' Exemption Change of Eligibility Report*

[Revised to increase amount of time a claimant has to file a claim from 30 days to 90 days; deletes requirement that the disabled veteran has a "pending" application with the U.S. Department of Veterans' Affairs.]

Please place these forms on the Board's September 2010 Administrative Session for approval.

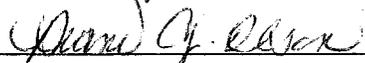
DJG:sk  
Attachments  
cc: Ms. Diane Olson

Approved: 

Ramon J. Hirsig, Executive Director

BOARD APPROVED

At the 9/15/2010 Board Meeting

  
Diane Olson, Chief  
Board Proceedings

## 2011 CLAIM FOR DISABLED VETERANS' PROPERTY TAX EXEMPTION

Filing deadlines vary depending upon the event which a claimant is filing.  
Please see instructions on page 3 for filing deadlines.

CLAIMANT NAME AND MAILING ADDRESS (Make necessary corrections to the printed name and mailing address)		<b>FOR ASSESSOR'S USE ONLY</b>	
<div style="border: 1px solid black; height: 100px; width: 100%;"></div>		DATE RECEIVED _____	
		APPROVED <input type="checkbox"/> DENIED <input type="checkbox"/>	
<div style="border: 1px solid black; height: 100px; width: 100%;"></div>		REASON FOR DENIAL	
		<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
		ASSESSOR'S PARCEL NUMBER	
CLAIMANT'S NAME		SOCIAL SECURITY NUMBER	
SPOUSE'S NAME		SOCIAL SECURITY NUMBER	
STREET ADDRESS OF DWELLING (IF DIFFERENT FROM MAILING ADDRESS)	CITY	ZIP CODE	
IF THE CLAIMANT IS AN UNMARRIED SURVIVING SPOUSE, ENTER THE NAME OF THE VETERAN AS SHOWN ON THE DISCHARGE DOCUMENTS		SOCIAL SECURITY NUMBER	

Article XIII of the California Constitution, section 4(a), and Revenue and Taxation Code section 205.5 provide an exemption for property which constitutes the home of a veteran, or the home of the unmarried surviving spouse of a veteran, who, because of injury or disease incurred in military service, is blind in both eyes, has lost the use of two or more limbs, or is totally disabled. There are two exemption levels - a basic exemption and one for low-income household claimants, both of which are adjusted annually for inflation\*. The exemption does not apply to direct levies or special taxes. Once granted, the Basic Exemption remains in effect without annual filing until terminated. Annual filing is required for any year in which a Low-Income Exemption is claimed. Please refer to the attached schedule for the current amount and household income limits.

*Totally disabled* means that the United States Veterans Administration or the military service from which discharged has rated the disability at 100 percent or has rated the disability compensation at 100 percent by reason of being unable to secure or follow a substantially gainful occupation.

The Disabled Veterans' Property Tax Exemption is also available to the unmarried surviving spouse of a veteran who, as a result of service-connected injury or disease: 1) died either while on active duty in the military service or after being honorably discharged and 2) served either in time of war or in time of peace in a campaign or expedition for which a medal has been issued by Congress. This law provides that the Veterans Administration shall determine whether an injury or disease is service-connected.

The Disabled Veterans' Property Tax Exemption provides for the cancellation or refund of taxes paid 1) when property becomes eligible after the lien date (new acquisition or occupancy of a previously owned property) or 2) upon a veteran's disability rating or death. This further provides for the termination of the exemption on the date of sale or transfer of a property to a third party who is not eligible for the exemption or on the date a person previously eligible for the exemption becomes ineligible.

\* As provided by Revenue and Taxation Code section 205.5, the exemption amount and the household income limit shall be compounded annually by an inflation factor tied to the California Consumer Price Index.

STATEMENTS

This claim form may be used to file for the Disabled Veterans' Exemption for the regular assessment roll and the supplemental assessment roll. Separate claims are required for each fiscal year when filing the Low-Income Exemption. Please carefully read the information and instructions before answering the questions listed below. If you received the Disabled Veterans' Exemption last year and are filing this form solely to claim the Low-Income Exemption, check here  and proceed directly to item 4.

- 1. a. When did you acquire this property? (month/day/year)
b. Date you occupied or intend to occupy this property as your principal residence: (month/day/year)
c. Have you claimed the exemption on the home where you most recently resided? Yes No
If yes, see Question 1d below.
d. Has that home been sold or transferred? Yes No What is the address of that home, including the city and county where the home is located?
Address:
City: County:

2. a. Effective date of disability rating from the USDVA\*?

b. Date received disability rating from the USDVA\*?

\*United States Department of Veterans Affairs

- 3. The basis for this claim is (please check the appropriate boxes):
a. Blind in both eyes (blind means having a visual acuity of 5/200 or less, or concentric contraction of the visual field to 5 degrees or less; proof is attached);
b. Disabled because of loss of use of 2 or more limbs (loss of the use of a limb means that the limb has been amputated, or its use has been lost by reason of ankylosis, progressive muscular dystrophies, or paralysis; proof is attached);
c. Totally disabled as a result of a service-connected injury or disease (totally disabled means that the United States Veterans Administration or the military service from which discharged has rated the disability at 100 percent or has rated the disability compensation at 100 percent by reason of being unable to secure or follow a substantially gainful occupation; proof is attached);
d. Unmarried surviving spouse of a deceased veteran who during his or her lifetime qualified for this exemption or who would have qualified for this exemption under the laws effective on January 1, 1977 (January 1, 1979, for disease) except that the veteran died prior to January 1, 1977 (January 1, 1979, for disease). Disability: blindness; loss of use of two or more limbs; total disability because of injury; or total disability because of disease (check applicable box; proof of disability, copy of marriage license, and copy of death certificate must be submitted to the Assessor). My spouse died on: (month/day/year)
e. Unmarried surviving spouse of a person who, as a result of service-connected injury or disease, died while on active duty in the military service or after being honorably discharged (copy of marriage license, proof that the cause of death was service-connected, dates of service, and copy of death certificate or report of casualty must be submitted to the Assessor). My spouse died on: (month/day/year)

4. To be completed only by claimants for the Low-Income Exemption:
My yearly household income (see the instructions) for the prior calendar year was \$ . If the amount entered does not exceed the indexed low-income limit for the year you are claiming, the Low-Income Exemption shall apply. If you enter an amount greater than the limit, or you do not enter an amount, the Assessor will only allow the Basic Exemption. See attached schedule for income limits.

Telephone No. (8 a.m. - 5 p.m.) ( ) Email:

CERTIFICATION

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing and all information hereon, including any accompanying statements or documents, is true, correct and complete to the best of my knowledge and belief.

SIGNATURE OF PERSON MAKING CLAIM

DATE



## DISABLED VETERANS' EXEMPTION INFORMATION AND INSTRUCTIONS

### GENERAL INFORMATION

There are a number of alternatives by which a Disabled Veterans' Property Tax Exemption may be granted:

**Alternative 1:** The exemption is available to an eligible owner of a dwelling that is occupied as the owner's principal place of residence as of: **a)** 12:01 a.m. January 1 each year; **b)** the date of the veteran's qualifying disability or compensation rating from the USDVA; **c)** the date residency is established at a property already owned by the qualifying claimant; or **d)** the date the veteran died as a result of a service-connected injury or disease where the unmarried surviving spouse is the claimant.

**Alternative 2:** The exemption is available to an eligible owner of a dwelling subject to Supplemental Assessment(s) resulting from a change in ownership or completion of new construction on or after January 1 provided,

- (a) The owner occupies or intends to occupy the property as his or her principal place of residence within 90 days after the change in ownership or completion of construction, **and**
- (b) The property is **not** already receiving the Disabled Veterans' Exemption or another property tax exemption of greater value. If the property received an exemption of **lesser** value on the current roll, the difference in the amount between the two exemptions shall be applied to the supplemental assessment.
- (c) The owner does not own other property which is currently receiving the Disabled Veterans' Exemption.

Exemption under Alternative 2 will apply to the supplemental assessment(s), if any, and any remaining exemption amount may be applied toward the regular assessment.

**Effective date:** The Disabled Veteran's Exemption applies beginning on: 1) the effective date, as determined by the USDVA, of a disability rating that qualifies the claimant for the exemption, or 2) the date the claimant purchases and/or moves into a qualified property, or 3) the date of a qualified veteran's death where the unmarried surviving spouse is the claimant.

To obtain the exemption, the claimant must be an owner or co-owner, a purchaser named in a contract of sale, or a shareholder in a corporation where the rights of shareholding entitle the claimant to possession of a home owned by the corporation. The dwelling may be any place of residence subject to property tax; a single-family residence, a structure containing more than one dwelling unit, a condominium or unit in a cooperative housing project, a houseboat, a manufactured home (mobilehome), land you own on which you live in a state-licensed trailer or manufactured home (mobilehome), whether leased or owned, and the cabana for such a trailer or manufactured home (mobilehome). A dwelling does not qualify for the exemption if it is, or is intended to be, rented, vacant and unoccupied, or the vacation or secondary home of the claimant.

If the Disabled Veterans' Exemption is granted and the property later becomes ineligible for the exemption, you are responsible for notifying the Assessor of that fact immediately. You will be sent a notice on or shortly after January 1 each year to ascertain whether you have retained your eligibility. Section 279.5 of the Revenue and Taxation Code provides for a penalty of 25 percent of the escape assessment added for failure to notify the Assessor when the property is no longer eligible for the exemption. To avoid the penalty, you must so notify the Assessor by the following June 30.

**Once granted, the Basic Exemption remains in effect until terminated. Annual filing is required where the Low Income Exemption is claimed. Once terminated, a new claim form must be obtained from and filed with the Assessor to regain eligibility.**

### DEADLINES FOR TIMELY FILINGS

**Alternative 1a:** The full exemption is available to the Low-Income Exemption claimant if the filing is made by 5 p.m. on February 15 of each year. If a claim for the Low-Income exemption is filed after that time but by 5 p.m. on December 10, 90 percent of the exemption is available. For claims filed after that time, 85 percent of the exemption is available.

If a late filed claim is made for the Low-Income Exemption, subsequent to a timely filed claim for the Basic Exemption, a claimant shall qualify for 90 percent or 85 percent of the additional exemption amount, depending upon the filing date:  
 (\$150,000 - \$100,000 = \$50,000 x 90% = \$45,000 additional exemption amount allowed.)

**Alternatives 1b, 1c, and 1d:** The full exemption is available, prorated to the date of eligibility, if the filing is made on or before January 1 of the year next following the year in which 1) the disability rating was received, or 2) residency is established on a property already owned by the claimant, or 3) the veteran died due to a service-connected injury or disease, or **90 days** after any such event, whichever is later. Thereafter, if an appropriate application for exemption is filed, 85 percent of the exemption available shall be allowed, subject to a four-year statute of limitations.

**Alternative 2:** The full exemption (up to the amount of the supplemental assessment), if any, is available if the filing is made by 5 p.m. on the 30th day following the Notice of Supplemental Assessment issued as a result of a change in ownership or completed new construction. If a claim is filed after the 30th day following the date of the Notice of Supplemental Assessment but on or before the date on which the first installment of taxes on the supplemental tax bill becomes delinquent, 90 percent of the exemption available shall be allowed. Thereafter, if an appropriate application for exemption is filed, 85 percent of the exemption shall be allowed subject to a four-year statute of limitations. If no supplemental notice is received, the claim must be filed on or before January 1 of the year next following the year in which the property was purchased.

### INSTRUCTIONS

If your name is printed on the form, make sure that it is correct and complete. Change the printed address if it is incorrect. If you are the unmarried surviving spouse of a veteran, enter the veteran's name as shown on the discharge documents; if you are using your maiden name or a surname other than the deceased veteran's name, attach an explanation.

If there are no entries printed on the form when you receive it, enter your full name and mailing address, including your zip code.

**LOCATION OF THE DWELLING.** If the parcel number or the legal description of the property and the address of the dwelling are printed on the form, check to see that they are printed correctly and correct them if they are not. These entries identify the dwelling on which you claim the exemption.

If the dwelling has no street address, so state. Do not enter a post office box number for the address of the dwelling.

## INSTRUCTIONS FOR STATEMENTS

Item 1. Please answer the applicable questions. The Assessor will allow the proper exemption(s).

Item 2. Please answer the applicable questions.

Item 3. A veteran must check one of the boxes (a), (b), or (c). An unmarried surviving spouse must check either box (d) or box (e); if box (d) is checked, the surviving spouse must also check the box indicating the disability of the deceased veteran. Proof of disability must be attached to the claim. If original documents are forwarded to the Assessor, the Assessor will make a copy and return the originals to you. The unmarried surviving spouse must include both a marriage license and proof of the deceased veteran's disability.

Item 4. If you are claiming the Low-Income Exemption, compute your household income as determined below and enter the net household income (*total of A less total of B*) on item 4 of the claim.

### Household Income (section 20504)

*Household income* means all income received by all persons of a household while members of such household. Include only the income of persons who were members of the household during the calendar year prior to the year of this claim (if the claim is for 2010, the income would be for the calendar year 2009.)

The term *household* includes the claimant and all other persons, except bona fide renters, minors, or students.

#### A. Household income includes:

(You will not be required to attach a list showing your income, but such a list should be retained by you for audit purposes.)

- (1) Wages, salaries, tips, and other employee compensation.
- (2) Social Security, including the amount deducted for Medi-Care premiums.
- (3) Railroad retirement.
- (4) Interest and dividends.
- (5) Pensions, annuities and disability retirement payments.
- (6) SSI/SSP (Supplemental Security Income/State Supplemental Plan), AB (Aid to the Blind), ATD (Aid to Totally Disabled), AFDC (Aid to Families with Dependent Children), and APSB (Aid to the Potentially Self-Supporting Blind).
- (7) Rental income (or loss).
- (8) Net income (or loss) from a business.
- (9) Income (or loss) from the sale of capital assets.
- (10) Life insurance proceeds that exceed expenses.
- (11) Veterans benefits received from the Veterans Administration.
- (12) Gifts and inheritances in excess of \$300, except between members of the household.
- (13) Unemployment insurance benefits.
- (14) Workers compensation for temporary disability (not for permanent disability).
- (15) Amounts contributed on behalf of the claimant to a tax sheltered or deferred compensation plan (also a deduction), see (c) below.
- (16) Sick leave payments.
- (17) Nontaxable gain from the sale of a residence.
- (18) Income received by all other household members while they lived in the claimant's home during the last calendar year except a minor, student, or renter.

#### B. Adjustments to Income

Section 17072 of the Revenue and Taxation Code provides for an *adjusted gross income*, which means, in the case of an individual, gross income minus the following deductions:

- (a) Forfeited interest penalty.
- (b) Alimony paid.
- (c) Individual retirement arrangement, Keogh (HR 10), Simplified Employee Plan (SEP), or SIMPLE plans.
- (d) Employee business expenses.
- (e) Moving expenses and deductions of expenses (already taken) for the production of income (or loss) reported in Items 7 (rental), 8 (business), and 9 (sale of capital assets) included in *income*.
- (f) Student loan interest.
- (g) Medical savings account.

SCHEDULE FOR DISABLED VETERANS' EXEMPTION

## EXEMPTION AMOUNTS AND HOUSEHOLD INCOME LIMITS

Lien Date	Basic Exemption *	Low-Income Exemption *	Low-Income Household Limit **
<b>2011</b>	<b>\$116,845</b>	<b>\$175,269</b>	<b>\$52,470</b>
2010	\$115,060	\$172,592	\$51,669
2009	\$114,634	\$171,952	\$51,478
2008	\$111,296	\$166,944	\$49,979
2007	\$107,613	\$161,420	\$48,325
2006	\$103,107	\$154,661	\$46,302
2005	\$100,000	\$150,000	\$44,907
2004	\$100,000	\$150,000	\$44,302
2003	\$100,000	\$150,000	\$42,814
2002	\$100,000	\$150,000	\$41,814
2001	\$100,000	\$150,000	\$40,000

\* Inflation indexing for the exemption amounts commenced on January 1, 2006.

\*\* Inflation indexing for the household income limit commenced on January 1, 2002.



**SIGN HERE ONLY IF YOU NO LONGER QUALIFY FOR THE DISABLED VETERANS' EXEMPTION AS OF JANUARY 1, 2011**

*I no longer qualify for the Disabled Veterans' Exemption.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Daytime Phone Number (      ) \_\_\_\_\_ Social Security Number: \_\_\_\_\_ - \_\_\_\_ - \_\_\_\_\_

**REASON AND DATE OF DISQUALIFICATION** *(It is extremely important that you enter the date that you became ineligible.)*

- The property was sold on *(date)* \_\_\_\_\_  
If sale is unrecorded, enter name of purchaser \_\_\_\_\_
- I am still the owner but as of *(date)* \_\_\_\_\_ this was not my principal place of residence.
- I am no longer blind; visual acuity in both eyes was not rated at 5/200 or less, or have a concentric contraction of 5 degrees or less on *(date)* \_\_\_\_\_
- I have no longer lost the use of two limbs; use was restored on *(date)* \_\_\_\_\_
- My disability or disability compensation was rated at less than 100 percent on *(date)* \_\_\_\_\_
- I am the surviving spouse of a deceased disabled veteran and I remarried on *(date)* \_\_\_\_\_

**If you change your principal place of residence on or after January 1, 2011, and the new resident of the property is not eligible for the exemption, the exemption shall cease to apply to that property on the date of the sale or transfer. An exemption will not be allowed on your new residence until you qualify and file a claim with the Assessor or within 30 days of the date of notice of supplemental assessment. In the case where a supplemental notice was not mailed or not required, you must file a claim the later of:**

**(a) 90 days of acquisition of your new residence, or 90 days after you establish residency at a property you previously owned; or**

**(b) On or before the next following lien date after the year that your property was acquired, or when you established residency in a previously owned property.**

**Note:** If you were not eligible for the exemption on January 1, 2011, you **must** notify the Assessor on or before June 30, 2011, or you will be subject to payment of the amount of taxes the exemption represents, plus a 25 percent penalty and interest.

SCHEDULE FOR DISABLED VETERANS' EXEMPTION

## EXEMPTION AMOUNTS AND HOUSEHOLD INCOME LIMITS

<b>Lien Date</b>	<b>Basic Exemption *</b>	<b>Low-Income Exemption *</b>	<b>Low-Income Household Limit **</b>
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