STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION
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Executive Secretary

December 18, 1980

No. 80/185

TO COUNTY ASSESSORS, COUNTY COUNSELS,
AND OTHER INTERESTED PARTIES:

PROPERTY TAXES RULE 135

On October 14, 1980, the State Board of Equalization adopted proposed amendments to Property Taxes Rule 135, Homeowners' Property Tax Exemption, on an emergency basis effective October 27, 1980.

The amendments change the deadline date for filing a notice of termination of homeowner's exemption form from June 30 to December 10. The amendments also provide that the form shall be mailed with the tax bill.

Enclosed is a notice of public hearing to be held Monday, February 2, 1981, at 2:00 p.m., in room 102, 1020 N Street, Sacramento, on these emergency amendments. It is anticipated that additional amendments to rule 135 will be proposed in the near future. A separate public hearing will be scheduled for those additional amendments.

Written comments with respect to the enclosed notice are welcome and should be directed to me by January 14, 1981. If you wish to testify at the hearing please notify me at the above telephone number by January 14, 1981.

Sincerely,

Janice Masterton

Janice Masterton
Assistant to Executive Secretary

JM:ms
Enclosures

NOTICE OF PROPOSED REGULATORY ACTION
BY THE
STATE BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN that the State Board of Equalization, pursuant to the authority vested by Section 15606 of the Government Code, and to implement, interpret, or make specific Sections 255.3 and 2615.5 of the Revenue and Taxation Code, has amended and filed as an emergency on October 27, 1980, Regulation 135(b)(1) and 135(b)(2) in Title 18, Chapter 1, Subchapter 2, Article 3 of the California Administrative Code, relating to property tax.

PUBLIC HEARING: Notice is further given that a public hearing relevant to this action will be held in Room 102, Consumer Affairs Building, 1020 N Street, Sacramento, California, at 2:00 p.m. on February 2, 1981. Any person interested may present statements or arguments orally at that time and place.

INFORMATIVE DIGEST: The provisions of AB 199 (Ch. 65, Stats. 1979) added Section 2615.5 and amended Section 255.3 of the Revenue and Taxation Code. This statutory action would cause an unfair imposition of tax penalties unless the existing rule is amended as proposed.

The existing rule, as written, calls for the homeowner to file a notice of termination of the homeowners' exemption by

June 30 (Rule 135(b)(2)). The June 30 date was originally selected as being the last day to make a timely filing as required by Revenue and Taxation Code Section 531.6 since technically this was the last day the assessor had control of the tax roll before the roll was completed and delivered to the county auditor (Rev. & Tax. Code §§ 616, 617). The June 30 date originally gave the homeowner reasonable time to file, because prior law required the assessor to mail a notice to the homeowner on March 15 (see Rule 135(b)(1) and 1979 version of § 255.3, Rev. & Tax. Code) which described the necessity of terminating the homeowners' exemption upon becoming ineligible. A 1980 statute (Rev. & Tax. Code, § 2615.5 with revised § 255.3) moved the mailing of this notice to November 1 when the tax bill is mailed. So the homeowner this year (1980) got notice of a requirement to terminate the exemption some four months after the last date to file without suffering a 25% tax penalty. In order to promote equity, we are moving the latest date for the homeowner to file termination notice of ineligibility for the exemption to December 10 which is about 30 days after receipt of the notice of the requirement to terminate.

ESTIMATE OF COST OR SAVINGS: The State Board of Equalization has determined that the proposed regulation change will not result in any direct or indirect cost or savings to any state, local, or federal agency, school district, nor to any gain or loss in federal funding to the state.

INQUIRIES: Inquiries concerning this matter may be directed to Janice Masterton at (916) 445-6479.

WRITTEN COMMENTS: Written statements or arguments will be considered by the Board if received on or before January 14, 1981.

STATEMENT OF REASONS: The Board has prepared a statement of the purpose of the proposed action and the information relied upon in making this regulation change. The statement is available to the public upon request.

The State Board of Equalization upon its own motion or at the instance of any interested person may adopt the changes proposed without further notice on or after February 2, 1981.

Dated: December 5, 1980

STATE BOARD OF EQUALIZATION

D. D. Bell

DOUGLAS D. BELL
Executive Secretary