



STATE BOARD OF EQUALIZATION

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Executive Secretary  
No. 81/46

March 27, 1981

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 4

Following are brief summaries of selected proposed property tax bills and amendments introduced by the Legislature which relate to assessment practices or Revenue and Taxation law.

AB 19

Author: Assemblyman Lockyer  
Action: Amended in Assembly  
Date: March 16, 1981  
Affected Reference: Amends Section 100.4 and adds Section 100.35 to the Revenue and Taxation Code

This bill would tax producers of oil and gas at an unspecified percentage of gross value, as defined, in lieu of ad valorem property taxes. The Board would administer the tax and local government would retain the proceeds up to the Gann limits with the surplus going into the Local Agencies Fund.

AB 20

Author: Assemblyman Lockyer  
Action: Amended in Assembly  
Date: March 5, 1981  
Affected Reference: Adds Sections 37 and 155.21 to the Revenue and Taxation Code - Urgency Statute

This bill cancels all interest and penalties due to late payment of supplemental unsecured property taxes levied 1978/79 (Lonergan Case) if payment made by December 31, 1981. It further eliminates the need to reappraise the real property if it were done under the Proposition 13 provision.

AB 81

Author: Assemblyman Dennis Brown, et al.  
Action: Amended in Assembly  
Date: March 18, 1981  
Affected Reference: Amends Sections 206, 214, 214.4, 251, 254, 254.5, and 255; adds Section 256 and 256.1 to the Revenue and Taxation Code

This bill would provide that church property used for church school purposes and operated by the church as an integral and inseparable ministry of the church, including property used for preschool purposes, nursery school purposes, kindergarten purposes, school purposes of less than collegiate grade and schools less than collegiate grade but excluding

## AB 81 (Continued)

property used solely for purposes of schools of collegiate grade, shall be deemed to be used exclusively for religious worship for purposes of that exemption.

This bill would further cancel delinquent taxes, for specified taxable years, of churches which failed to file claim for exemptions due to compelling religious convictions.

## AB 151

Author: Assemblyman Deddeh

Action: Amended in Assembly

Date: March 16, 1981

Affected Reference: Adds Sections 2237.2, 2237.3, and 2237.4 to the Revenue and Taxation Code

This bill would require each local agency, school district, community college district, and county superintendent of schools to annually report to the county auditor for transmittal to the Controller specified information concerning that portion of the ad valorem property tax rate levied by, or on behalf of, the agency which is in excess of the tax rate limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution. It would require each of those jurisdictions to report to the county auditor for transmittal to the Controller that specified information for fiscal years 1978-79, 1979-80, and 1980-81. It would also require the Controller to compile and publish annually that information.

## AB 375

Author: Assemblyman Wyman

Action: Amended in Assembly

Date: March 16, 1981

Affected Reference: Amends Section 73 of the Revenue and Taxation Code

Under existing law the Legislature may provide that, for purposes of subdivision (a) of Section 2 of Article XIII A of the Constitution, the term "newly constructed" shall not include the construction or addition of any active solar energy system.

This bill would modify current law implementing that exclusion and would specifically define "active solar energy system" for that purpose.

## AB 947

Author: Assemblyman Frizzelle

Action: Introduced

Date: March 12, 1981

Affected Reference: Adds Section 73 to the Revenue and Taxation Code

Under existing law, property is generally assessed for purposes of property taxation at its value in 1975, as increased by 2% per year, except when purchased, newly constructed, or a change in ownership has occurred.

## AB 947 (Continued)

This bill would provide that an increase in assessed value shall not result solely from the installation of fire sprinkler systems, fire alarm systems, or other fire safety devices.

## AB 1043

Author: Assemblyman Elder

Action: Introduced

Date: March 17, 1981

Affected Reference: Adds Section 107.5 to the Revenue and Taxation Code

This bill would exclude the possession of, claim to, or right to the possession and use of any property owned by any agency of the government of the United States from the definition of possessory interest.

## AB 1093

Author: Assemblyman Elder

Action: Introduced

Date: March 17, 1981

Affected Reference: Amends Section 61 of the Revenue and Taxation Code

This bill would provide that transfers of development rights between parcels which entitle the recipient to develop the parcel in a manner not permitted prior to the transfer would be considered a change in ownership for reassessment purposes.

## AB 1215

Author: Assemblyman Lehman

Action: Introduced

Date: March 19, 1981

Affected Reference: Amends Sections 51201, 51205, 51205.1, and 51280 of the Government Code

This bill would define commercial agricultural use as the use of land for the purpose of producing an agricultural commodity for commercial purposes, and would make other conforming changes.

## AB 1224

Author: Assemblyman Elder

Action: Introduced

Date: March 19, 1981

Affected Reference: Amends Section 480 of the Revenue and Taxation Code

This bill would require that a statement must be filed whenever there is a change in ownership involving a document which is not recorded, and would add the penalty to the current assessment roll for each year that the new base year value should have been established.

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AB 1248

Author: Assemblyman Costa

Action: Introduced

Date: March 19, 1981

Affected Reference: Amends Section 65560 of the Government Code

Existing law requires each city or county to adopt an open space element, in the form of an open space plan, as part of its general plan for land use. "Open space land" for these purposes is currently defined to include, but not be limited to, agricultural lands.

This bill would change the definitional reference for these purposes from "agricultural lands" to "commercial agricultural lands."

SB 355

Author: Senator Sieroty

Action: Introduced

Date: February 25, 1981

Affected Reference: Adds Section 11024 to the Business and Professions Code

Under the subdivided land laws, purchasers of a lot or parcel in a land project, as defined, regulated by the Real Estate Commissioner have a limited right to rescind their contract or agreement to purchase.

Legislation enacted in 1980 made certain provisions of the existing subdivided land laws applicable to sales of time-share estates and time-share uses in a time-share project. This bill would extend to prospective purchasers of time-share estates and uses a limited right of rescission.

SB 465

Author: Senator Beverly

Action: Introduced

Date: March 5, 1981

Affected Reference: Adds Section 107.5 to the Revenue and Taxation Code

This bill would exclude the possession of, claim to, or right to the possession and use of any property, other than land and structural components of buildings, owned by any agency of the government of the United States from the definition of possessory interest.

SB 481

Author: Senator Mello

Action: Introduced

Date: March 9, 1981

Affected Reference: Amends Sections 16142 and 51246 of the Government Code

Existing law prohibits a city or county from renewing an existing contract restricting the use of land to agricultural uses, including timber production, on or after February 28, 1977, and prescribes the method for valuing timberland within an existing contract which has been nonrenewed.

## SB 481 (Continued)

This bill would require that land still subject to that type of contract be valued, commencing with the lien date for the 1982-83 fiscal year and on each lien date thereafter, under a specified provision applicable to timberland located in a timberland preserve zone.

## SB 563

Author: Senator Marks

Action: Introduced

Date: March 12, 1981

Affected Reference: Amends Section 232 of the Revenue and Taxation Code

Under existing law, cargo containers, as defined, principally used for the transportation of cargo by vessels in ocean commerce are exempt from property taxation.

This bill would extend the exemption to cargo containers in aircraft.

## SB 574 (See AB 232)

Author: Senator Mills

Action: Introduced

Date: March 12, 1981

Affected Reference: Amends Section 201.1 of the Revenue and Taxation Code

Under the California Constitution, real property owned by a local government that is within its area of jurisdiction is exempted from property taxation.

For purposes of that property tax exemption, existing law deems, until January 1, 1982, property owned by a nonprofit entity that is solely owned by a transit development board to be property owned by the transit development board.

This bill would delete the January 1, 1982, date so as to make the property tax exemption permanent for property owned by a nonprofit entity that is solely owned by a transit development board.

## ACA 1

Author: Assemblyman Lockyer

Action: Amended in Assembly

Date: March 16, 1981

Affected Reference: Adds Section 2.5 to Article XIII of the Constitution

This measure would authorize the Legislature to provide for a severance tax system for taxing oil, gas, and other hydrocarbons, in lieu of property taxation.

## SCA 19

Author: Senator Marz Garcia, et al.

Action: Introduced

Date: March 12, 1981

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SCA 19 (Continued)

This measure would exempt all land within the jurisdiction of any local or regional governmental entity which has imposed a moratorium on the development of land from all taxes, fees, and assessments until the moratorium is removed.

AB 232 (See SB 574)

Action: Signed by the Governor

Date: February 27, 1981

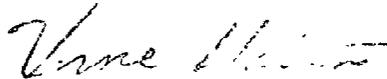
Affected Reference: Adds Section 201.1 to the Revenue and Taxation Code

This bill would deem property owned by a nonprofit entity that is solely owned by a transit development board to be property owned by the transit development board. The bill would state that this exemption would be in effect only during the 1981-82 assessment year.

The bill would remain in effect only until January 1, 1982, unless a later enacted statute extends or deletes that date.

This bill is an urgency statute.

Sincerely,



Verne Walton, Chief  
Assessment Standards Division

VW:sk

Enclosure

Copies of bills may be ordered from:  
Legislative Bill Room, State Capitol, Room 1149, Sacramento 95814