STATE OF CALIFORNIA

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December 7, 1982

No. 82/137

TO COUNTY ASSESSORS:

TIMBER LEGISLATION, 1982

The purpose of this letter is to apprise you of recent legislation that affects the assessment of timber properties. These bills have been previously discussed in past legislative summaries.

AB 2770 - Chapter 1489, Statutes of 1982 - approved September 27, 1982

This bill amended and added many sections of the Government, Public Resources and Revenue and Taxation Codes. Its primary impact on tax assessments was to add a residence or other structure necessary for parcel management to the list of compatible uses of lands zoned Timber Production Zone (change by this bill from the former designation "Timber Preserve Zone"). Now, the largest minimum parcel size that a county may require for inclusion in a Timber Production Zone is 80 acres, whereas it was formerly 160 acres. "Nonconforming use" has been defined as any use in a TPZ that was legally in existence as of the date TPZ zoning was established and has continued since then, but is not a compatible use.

AB 3296 - Chapter 1058, Statutes of 1982 - approved September 15, 1982

This bill amended many sections of the Government and Revenue and Taxation Codes, relating to timber taxation. It revised the method of allocating yield tax revenues to counties through a phase-out of the annual yield tax revenue guarantees and a phase-in of an allocation based on the yield tax revenue obtained from each county. Within the counties the allocation will be based on the former guarantee structure. This bill also required that the minimum revenue guarantees of timber yield tax be included in the determination of base 1983-84 fiscal year revenues for each community college district and in the determination of state apportionments to these districts. These minimum revenue guarantees must also be included in these determinations for all future fiscal years.

SB 2086 - Chapter 760, Statutes of 1982 - approved September 7, 1982; effective September 8, 1982

This bill provided a procedure for implementing the Soper-Wheeler Co. appellate court decision in October 1981 that declared Board Rule 1025 invalid in part, and that consequently meant there had been overpayment of property taxes for the 1980-81 and 1981-82 fiscal years by some

assessees. This bill allows county boards of supervisors to handle overpayments either by refunding the amount of the overpayment to the assessee or by crediting this amount against the assessee's 1982-83 property taxes, provided that the latter procedure establishes an adequate audit trail.

Copies of each of these chaptered bills are enclosed. If you have any questions relating to them, please call our Technical Services Unit (Real Property) at (916) 445-4982.

Sincerely,

Verne Walton

Verne Walton, Chief
Assessment Standards Division

VW:ab
Enclosure
AL-06-1193A