



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

1020 N STREET, SACRAMENTO, CALIFORNIA
(P.O. BOX 1799, SACRAMENTO, CALIFORNIA 95808)

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February 25, 1985

NOTICE OF PROPOSED REGULATORY ACTION
BY THE
STATE BOARD OF EQUALIZATION

DOUGLAS D. BELL
Executive Secretary

No. 85/22

RULE 136 - Welfare Exemption Claim Review Procedure

PUBLIC HEARING: April 10, 1985

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 Section 254.5 of the Revenue and Taxation Code, proposes to adopt Rule 136 in Title 18 of the California Administrative Code, relating to property tax.

PUBLIC NOTICE: 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 April 10, 1985. Any person interested may present statements or arguments orally or in writing at that time and place.

INFORMATIVE DIGEST: Existing law (Revenue and Taxation Code Section 254.5) requires that the State Board of Equalization review and approve or deny every claim for the property tax welfare exemption filed pursuant to Revenue and Taxation Code Section 214 and authorizes Board hearings with respect to the eligibility of the applicant and the applicant's property, but the law does not provide a procedural sequence for the orderly processing of such claims when exemption claimants seek to appeal a staff finding that the property does not qualify for exemption. The proposed new regulation establishes the time sequence and material actions to be taken by both the claimant and the staff so as to insure the orderly progression of the claim to final action by the Board.

ESTIMATE OF COST OR SAVINGS: The State Board of Equalization has determined that the proposed change does not impose a mandate on local agencies or school districts. Further, the Board has determined that the change will result in no direct or indirect cost or savings to any State agency, any local agency or school district that is required to be reimbursed under Section 2231 of the Revenue and Taxation Code, or other non-discretionary cost or savings imposed on local agencies, or cost or savings in Federal funding to the State of California.

The cost impact on private persons or businesses will be insignificant. This proposal will not have a significant adverse economic impact on small businesses.

WRITTEN COMMENTS: Written statements or arguments will be considered by the Board if received by April 10, 1985; they are requested by March 29, 1985. Please send comments to Janice Masterton, Regulation Coordinator, at 1020 N Street, Sacramento, California 95814.

STATEMENT OF REASONS; EXPRESS TERMS; RULEMAKING FILE: The Board has prepared a statement of reasons and a strike-out and underscore version (express terms) of the proposed changes. Both of these documents are available to the public upon request. The rulemaking file is available for public inspection at Room 128, 1020 N Street, Sacramento, California.

STAFF MEMORANDA AFTER PUBLIC HEARING OR REVISIONS TO PUBLISHED VERSION OF THE REGULATION: In the event there are any staff memoranda included in the rulemaking file after the close of the public hearing, these memoranda will be available to the public upon request from Mrs. Masterton for a period of 15 days after the public hearing.

In the event there are any revisions sufficiently related to the published version of the rule, these revisions will be available to the public from Mrs. Masterton for a period of 15 days before adoption.

Following the hearing, the State Board of Equalization, upon its own motion, or at the request of any interested person, may in accordance with law adopt the changes proposed without further notice.

INQUIRIES

CONTENT

Questions regarding the content of the regulation should be directed to Gordon P. Adelman, Assistant Executive Secretary, Property Taxes, (916) 445-1516, at 1020 N Street, Sacramento, CA 95814.

HEARING

Written comments for the Board's consideration or requests to present testimony and bring witnesses to the public hearing should be directed to Janice Masterton, Assistant to Executive Secretary, (916) 445-6479, at the same address.

STATE BOARD OF EQUALIZATION

Douglas D. Bell

Douglas D. Bell
Executive Secretary

Rule 136. Welfare Exemption Claim Review Procedure

(a) APPLICATION. The provisions of this section shall apply to property tax welfare exemption claims received by the Board pursuant to Revenue and Taxation Code Section 254.5.

(b) SUPPLEMENTARY MATERIAL. Where, after analysis of a claim by the Board's staff, it is determined that the requirements of Revenue and Taxation Code Section 214 and following have not been met for any of the following reasons, indicated on the Board's annual welfare exemption finding sheet to the claimant:

- (1) Fund Raising Purposes (Coded - F.R.P.);
- (2) Religious Aspect Not Apparent (Coded - R.N.A.);
- (3) Not Exclusively Used (Coded - N.E.U.);
- (4) Charitable Aspect Not Apparent (Coded - C.N.A.);
- (5) Vacant, Unused Property (Coded - V.U.P.);

a notice shall accompany the finding sheet informing the claimant that it has 30 days from the date of the notice to submit supplementary material supporting the claim. Upon written application filed within the noticed time limit, the claimant shall be granted an additional 30 days to submit the material.

(c) BOARD HEARING: PETITION TIME LIMIT. Upon receipt of supplementary material, the exemption officer shall conduct a

complete review of the claim. A notice, informing the claimant that the supplementary material provides, or does not provide, a basis for changing the original finding shall be issued. A no-change notice shall advise the claimant that it has 30 days from the date of the notice to petition the Board for hearing on the claim.

(d) HEARING PETITION: CONTENTS. The petition for hearing shall be in writing and addressed to the Executive Secretary. It shall state all of the grounds upon which qualification is claimed. The petition shall indicate whether an oral hearing is desired, and if so, claimant's estimate of the time necessary therefor. The petition must be signed by an authorized representative of the claimant and shall be mailed to the Board at Post Office Box 1799, Sacramento, California 95808, or shall be deposited personally at the Board's office at 1020 N Street, Sacramento.

(e) ORAL HEARING. The Board may decline to grant a hearing on a petition. On those petitions for which an oral hearing is granted, the Executive Secretary shall notify the claimant of the time and place where the hearing shall be conducted. The time of the hearing shall be no sooner than 15 days from the date of the notice and may be extended for good cause. Oral hearing may be waived by the claimant and the matter submitted for decision on the basis of the written petition.

(f) SUBMISSION: NOTICE OF DECISION. After the hearing the matter may be taken under submission. Whether or not a hearing has been granted, a written notice of decision will be sent to the claimant and to the assessor concerned.

Authority: Section 15606, Government Code.

Reference: Section 254.5, Revenue and Taxation Code.