



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

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Executive Director

March 24, 1989

TO COUNTY ASSESSORS:

No. 89/25

WELFARE EXEMPTION -- HOMES FOR THE ELDERLY AND HANDICAPPED
INCOME STATEMENTS

Section 214(f) of the Revenue and Taxation Code provides that property owned by nonprofit organizations providing housing for low- and moderate-income elderly and handicapped families can qualify for the welfare exemption from property taxes only to the extent that household incomes of families residing therein do not exceed specified limits.

Property which would otherwise be exempt, except that it includes some housing and related facilities for other than low- or moderate-income elderly or handicapped families, shall be entitled to a partial exemption. The partial exemption shall be equal to that percentage of the value of the entire property which is equal to the percentage which the number of qualifying low- and moderate-income elderly and handicapped families occupying the property is of the total number of families occupying the property.

Enclosed are the following forms and procedures to be used in the administration of the income requirements for homes for the elderly and handicapped:

1. The Supplemental Affidavit, Housing - Elderly or Handicapped Families, SBE-ASD AH 267H Income - 1989.

This form must be filed by the claimant, in duplicate, at the same time that its duplicate claims for the welfare exemption are filed with the county assessor. This form has been prescribed by the Board.

2. A copy of the Supplemental Affidavit, referred to above, that includes the family household income limits based upon number of persons in families, to be specifically used for families occupying properties owned by claimants in your county. The set of eight income limits is different for each county. Your affidavit must not be used for filing in another county.
3. A copy of the Family Household Income Limits for 1988 showing the limits based upon number of persons in families for each of the 58 counties.

Amended Section 214 states, "as used in this section, 'low and moderate income' has the same meaning as the term 'persons and families of low or moderate income' as defined by Section 50093 of the Health and Safety Code." Thus, the Family Household Income Limits for 1989 are the "moderate income" limits taken from the Department of Housing and Community Development's Family Eligibility and Affordability Income Limits. Per the Department, such moderate income limits were derived from HUD's income limits and, as you can see, are different for each county. Therefore, depending upon number of persons in families, the combined income(s) of such person(s) cannot exceed the corresponding amounts set forth on the Supplemental Affidavit and Family Household Income Limits for 1988 for your county.

4. A suggested form that you should provide to organizations so that the organization can provide the forms to each family occupying a portion of its property in order to determine if the household income of each family does not exceed the specified limit for the family. The suggested form is titled, "Statement of Family Household Income." The eight income limits, based upon number of persons in families, for your county must be included on each form.

Please note that the form does not ask for the amount of family income, only that the form be signed if family income does not exceed a stated amount.

PROCEDURES FOR PROCESSING THE SUPPLEMENTAL AFFIDAVIT,

Housing - Elderly or Handicapped Families,
SBE-ASD AH 267H, Income - 1989

You must provide a copy of the affidavit to each home for the elderly and/or handicapped or the separate homes, convalescent homes, or other dwellings occupied by such individuals where the organization files for the welfare exemption. A home for the handicapped may include persons who are not elderly such as housing for physically disabled, mentally retarded, nursing homes, sanitariums, etc. The organization will not be allowed the exemption unless the proper information in a completed affidavit, in duplicate, is provided to the assessor, who will forward a copy of the affidavit, along with a copy of the welfare exemption claim, to the Assessment Standards Division, State Board of Equalization, for review under the provisions of Section 254.5, Revenue and Taxation Code.

It is imperative that the assessor provide adequate information and explanation to each claimant organization so the organization can properly complete the affidavit. The assessor should make certain that the income

limits provided to the occupants of the homes are exactly the same as the income limits shown on the claimant's affidavit. Though the form to be completed by occupants is NOT prescribed, the assessor may choose to provide copies of the form to the claimant organizations.

The instruction for processing the affidavit by the claimant are included in the following section.

The assessor should determine that an officer or manager of the organization verified that:

- 1) The income limits used on each statement provided to each occupant were correct.
- 2) The correct number of names of family members is entered on each statement completed by an occupant, and that the same number of persons and corresponding income limit are entered on the claimant's affidavit.

As we are now in the new assessment year, advise welfare exemption claimants to file the information requested in this letter as soon as possible.

If you have any questions concerning these procedures, please contact our Exemption Unit at (916) 445-4982.

Sincerely,



Verne Walton, Chief
Assessment Standards Division

VW:wpc
Enclosures
AF-03-2539A

WELFARE EXEMPTION

Supplemental Affidavit

HOUSING - ELDERLY OR HANDICAPPED FAMILIES

ELIGIBILITY BASED ON FAMILY HOUSEHOLD INCOME

(Yearly Filing)

(Read instructions carefully before preparing claim.)

This affidavit is required under the provisions of Sections 251 and 254.5 of the Revenue and Taxation Code for those organizations where the income of the occupants must not exceed certain limits.

The affidavit must accompany the claim for welfare exemption and be filed with the assessor, in duplicate, by March 15. Failure to complete and file this form is grounds for denial of the exemption.

A. _____ states:
(Name of Person Making Affidavit)

1. that as _____
(Title, such as President, etc.)

2. of the _____
(Corporate or Organization Name)

3. the address of which is _____
(Complete Mailing Address)

4. for the property located at _____
(Address of Property)

5. this affidavit is made in behalf of said organization in support of a claim for exemption for the 19__ - 19__ fiscal year.

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 Affidavit Date

THIS AFFIDAVIT IS A PUBLIC RECORD AND IS SUBJECT TO PUBLIC INSPECTION

HOUSING - ELDERLY OR HANDICAPPED FAMILIES

ELIGIBILITY BASED ON FAMILY HOUSEHOLD INCOME

Section 214(f) of the California Revenue and Taxation Code provides that property owned by nonprofit organizations providing housing for low- and moderate-income elderly or handicapped families can qualify for the welfare exemption from property taxes only to the extent that household incomes of families residing therein do not exceed amounts listed below:

<u>No. of Persons in Family</u>	<u>Maximum Income</u>	<u>No. of Persons in Family</u>	<u>Maximum Income</u>	<u>No. of Persons in Family</u>	<u>Maximum Income</u>
1		4		7	
2		5		8	
3		6			

In order to qualify all or a portion of the total property for the exemption, you must have: (1) a signed statement for each family that qualifies (you keep the statement in case of further audit) and (2) you must complete the report below:

B. LIST OF QUALIFIED FAMILIES

(Complete or attach list showing desired information,
use additional sheets if necessary)

<u>Unit Number</u> (Use two lines if there are two families in a unit)	<u>No. of Persons in Family</u> (May be more than one family in unit)	<u>Maximum Income for Family Does Not Exceed</u>
1. _____	_____	\$ _____
2. _____	_____	\$ _____
3. _____	_____	\$ _____
4. _____	_____	\$ _____
5. _____	_____	\$ _____

C. RECAP FOR ALL FAMILIES, ELIGIBLE AND INELIGIBLE

	<u>Example</u>	<u>Actual</u>
1. Total number of families	120	___
2. Number of qualified families (one for each line filled in above)	110	___
3. Number of nonqualified families (occupant(s) did not sign statement, refused to report, amount of income is over the limit, or unit was occupied by other than an elderly or handicapped family)	10	___

D. Exemption Calculation

Percentage which the number of low- and moderate-income elderly and handicapped families occupying the property is of the total number of families occupying the property.

110/120 /

Maximum Percentage of Value of Property Eligible for Exemption

91.66%

WELFARE EXEMPTION

Instructions for Completion of Supplemental Affidavit

Housing - Elderly or Handicapped Families
Eligibility Based on Family Household Income
SBE-ASD AH 267H, Income -1989

Section 214(f) of the Revenue and Taxation Code provides that property owned by nonprofit organizations providing housing for low- and moderate-income elderly or handicapped families can qualify for the welfare exemption from property taxes only to the extent that household incomes of families residing therein do not exceed certain specified limits.

INSTRUCTIONS

The claimant (organization) must follow the instructions listed below. The claimant should provide each "family" living on the property with a copy of the attached form titled "Elderly and Handicapped Families - Statement of Family Household Income." The organization's property will not be allowed the exemption unless the proper information in a completed affidavit, in duplicate, is provided to the assessor, who will forward a copy of the affidavit, along with a copy of the welfare exemption claim, to the Assessment Standards Division, State Board of Equalization, for review under the provisions of Section 254.5, Revenue and Taxation Code.

Processing of the Affidavit by the Claimant

- A. The claimant (organization) should complete the front of the affidavit; it must be filed, in duplicate, along with the copies of the claim for welfare exemption by March 15.
- B. The claimant must list on the affidavit the following information for only those elderly and/or handicapped families that qualify:
 - 1) Home address, apartment number, room number, etc. Use two lines if there are two families at the same location, etc.
 - 2) The number of persons claimed to be in the family (one family for each line item).
 - 3) The maximum income limit reported by each family (this figure should agree with the income limit based upon number of persons in the family that is printed on the affidavit).

Note: No reporting by line item is necessary for vacant room (areas), families that did not report, families that may not be elderly or handicapped, or for families whose incomes exceed the applicable income limits.

C. The claimant must complete the Recap section of the affidavit for all families, eligible and ineligible, by entering:

	<u>Example</u>
1) The total number of families.	120
2) The number of <u>qualified</u> families (one for each line item completed in B, above).	110
3) The number of nonqualified families (occupants did not sign statement; refused to report; amount of income, if reported, is over the limit; or unit was occupied by other than an elderly or handicapped family).	10

D. The claimant must complete the Exemption Calculation Percentage and enter the Maximum Percentage of Value of Property Eligible for Exemption on the appropriate line.

The exemption calculation percentage is computed by:

- 1) Enter the number of low- and moderate-income elderly and handicapped families occupying the property, in the example the number is 110.
- 2) Enter the total number of families occupying the property, in the example the number is 120.
- 3) Divide the number in 1 (110) by the number in 2 (120) to obtain the Maximum Percentage of Value of Property Eligible for Exemption: $110/120 = 91.66\%$ (percent).

Note: If a dollar amount is not entered in the upper portion of the second page of the affidavit for each number of persons, 1-8, contact the assessor for the figures which are found in schedule SBE-ASD AH 267H Income Limits, the title of the schedule is Welfare Exemption - Family Household Income Limits for 1988 (to be used for affidavits to be filed in 1989), the amounts are different for each county and they change annually.

Income includes but is not limited to:

- 1) Wages, salaries, fees, tips, bonuses, commissions and other employee compensation.
- 2) Net income from the operation of a business or profession or from rental of real or personal property.
- 3) Interest and dividends.
- 4) Periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or other similar types of periodic receipts.

- 5) Unemployment and disability compensation, workers compensation and severance pay.
- 6) Public assistance exclusive of any amount specified for shelter and utilities.
- 7) Alimony, child support payments and regular contributions or gifts from persons not residing in the dwelling.
- 8) All regular pay, special pay and allowances of a member of the Armed Forces who is head of the family or spouse.

The following items shall not be considered as income:

- 1) Casual, sporadic or irregular gifts.
- 2) Amounts specifically for or in reimbursement of the cost of medical expenses.
- 3) Lump sum additions to family assets such as inheritances, insurance payments (including payments under health and accident insurance and workers' compensation), capital gains and settlement for personal or property losses.
- 4) Amounts of educational scholarships paid directly to the student of educational institution and veteran benefits for costs of tuition, fees, books, and equipment.
- 5) The value of food coupons.
- 6) Payments received from the ACTION Agency, VISTA, Service Learning Programs, Special Volunteer Programs, National Older American Volunteer Program, Retired Senior Volunteer Program, Foster Grandparent Program, Older American Community Services Program, SCORE and ACE.
- 7) Foster Child Care payments.

For a complete listing of income and deductions, see Department of Housing and Community Development Regulations, Section 6914.

(Suggested Family Household Income Reporting Form for 1989)

WELFARE EXEMPTION

ELDERLY OR HANDICAPPED FAMILIES
(One person or two or more persons)

STATEMENT OF FAMILY HOUSEHOLD INCOME

Sign and file this statement by March 1, 1989 with an officer or the manager of the organization on whose property you reside.

Name(s) of Occupants: _____

Address or Unit No.
(No P.O. Box Nos.) _____

If there is more than one person residing in a unit, do you consider yourselves family? Yes No

If no, report on line 1 the number of persons in your family. EACH NONFAMILY MEMBER MUST COMPLETE A SEPARATE STATEMENT. (See instructions.)

Complete the statement and return it to the manager of the organization that provides the housing.

1. Number of persons in "family household." (See instructions.) _____
2. I certify (or declare) under penalty of perjury under the laws of the State of California that the family household income for the prior calendar year, 1988, did not exceed \$_____. (Enter the amount of the income limit, shown below, for the number of persons in family household.)

<u>Number of Persons in Family Household</u>	<u>Income Limit</u>
1	\$
2	\$
3	\$
4	\$
5	\$
6	\$
7	\$
8	\$

Date: _____, 19__ Signature: _____

(Suggested Family Household Income Reporting Form for 1989)

GENERAL INFORMATION

Section 214(f) of the Revenue and Taxation Code provides that property owned by nonprofit organizations providing housing for low- and moderate-income elderly or handicapped families can qualify for the welfare exemption from property taxes only in the percentage which the number of low- and moderate-income elderly and handicapped families occupying the property is of the total number of families occupying the property.

INSTRUCTIONS

FAMILY HOUSEHOLD INCOME

1. Enter the names of the persons who comprise your "family." Also, enter address or unit number.
2. Enter on line 1 the number of persons who comprise your family.
3. Enter on line 2 the income limit figure for the number of persons shown on line 1.
4. Sign the statement if your combined family income is the same as or less than the income limit.
5. Return the statement to an officer or the manager of the organization on whose property you reside by March 1 so the organization will have time to complete the form that must be filed with the assessor.

HOUSEHOLD INCOME

Income includes but is not limited to:

- (1) Wages, salaries, fees, tips, bonuses, commissions and other employee compensation.
- (2) Net income from the operation of a business or profession or from rental of real or personal property.
- (3) Interest and dividends.
- (4) Periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or other similar types of periodic receipts.
- (5) Unemployment and disability compensation, workers compensation and severance pay.
- (6) Public assistance exclusive of any amount specified for shelter and utilities.
- (7) Alimony, child support payments and regular contributions or gifts from persons not residing in the dwelling.
- (8) All regular pay, special pay and allowances of a member of the Armed Forces who is head of the family or spouse.

The following items shall not be considered as income:

- (1) Casual, sporadic or irregular gifts.
- (2) Amounts specifically for or in reimbursement of the cost of medical expenses.
- (3) Lump sum additions to family assets such as inheritances, insurance payments (including payments under health and accident insurance and workers' compensation), capital gains and settlement for personal or property losses.
- (4) Amounts of educational scholarships paid directly to the student or to the educational institution and veteran benefits for costs of tuition, fees, books, and equipment.
- (5) The value of food coupons.
- (6) Payments received from the ACTION Agency, VISTA, Service Learning Programs, Special Volunteer Programs, National Older American Volunteer Program, Retired Senior Volunteer Program, Foster Grandparent Program, Older American Community Services Program, SCORE and ACE.
- (7) Foster Child Care payments.

For a complete listing of income and deductions, see Department of Housing and Community Development Regulations, Section 6914.

WELFARE EXEMPTION - MODERATE FAMILY HOUSEHOLD INCOME LIMITS FOR 1988
(TO BE USED FOR AFFIDAVITS TO BE FILED IN 1989)

COUNTY	NUMBER OF PERSONS IN FAMILY							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Alameda	\$35,600	40,700	45,800	50,900	54,050	57,250	60,400	63,600
Alpine	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Amador	24,100	27,550	31,000	34,450	36,600	38,750	40,900	43,050
Butte	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Calaveras	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Colusa	28,200	32,250	36,300	40,300	42,850	45,350	47,900	50,400
Contra Costa	35,600	40,700	45,800	50,900	54,050	57,250	60,400	63,600
Del Norte	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
El Dorado	30,300	34,650	39,000	43,300	46,050	48,750	51,450	54,150
Fresno	25,700	29,400	33,050	36,700	39,000	41,300	43,600	45,900
Glenn	26,300	30,050	33,800	37,550	39,900	42,250	44,600	46,950
Humboldt	25,600	29,300	32,950	36,600	38,900	41,200	43,450	45,750
Imperial	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Inyo	24,550	28,050	31,550	35,050	37,250	39,400	41,600	43,800
Kern	26,050	29,750	33,500	37,200	39,550	41,850	44,200	46,500
Kings	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Lake	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Lassen	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Los Angeles	31,900	36,500	41,050	45,600	48,450	51,300	54,150	57,000
Madera	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Marin	36,950	42,250	47,500	52,800	56,100	59,400	62,700	66,000
Mariposa	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Mendocino	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Merced	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Modoc	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Mono	26,950	30,800	34,650	38,500	40,950	43,350	45,750	48,150
Monterey	29,150	33,300	37,500	41,650	44,250	46,850	49,450	52,050
Napa	32,600	37,250	41,900	46,550	49,450	52,400	55,300	58,200
Nevada	26,700	30,550	34,350	38,150	40,550	42,950	45,300	47,700
Orange	39,400	45,000	50,650	56,300	59,800	63,300	66,850	70,350
Placer	30,300	34,650	39,000	43,300	46,050	48,750	51,450	54,150
Plumas	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Riverside	27,050	30,900	34,800	38,650	41,050	43,450	45,900	48,300
Sacramento	30,300	34,650	39,000	43,300	46,050	48,750	51,450	54,150
San Benito	25,700	29,400	33,050	36,700	39,000	41,300	43,600	45,900
San Bernardino	27,050	30,900	34,800	38,650	41,050	43,450	45,900	48,300
San Diego	30,850	35,250	39,650	44,050	46,800	49,550	52,300	55,050
San Francisco	36,950	42,250	47,500	52,800	56,100	59,400	62,700	66,000
San Joaquin	26,950	30,800	34,650	38,500	40,950	43,350	45,750	48,150
San Luis Obispo	27,650	31,600	35,550	39,500	41,950	44,400	46,900	49,350
San Mateo	36,950	42,250	47,500	52,800	56,100	59,400	62,700	66,000
Santa Barbara	37,700	43,100	48,500	53,900	57,250	60,600	64,000	67,350
Santa Clara	42,900	49,050	55,200	61,300	65,150	69,000	72,800	76,650
Santa Cruz	32,000	36,600	41,150	45,700	48,600	51,450	54,300	57,150
Shasta	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Sierra	25,850	29,550	33,250	36,950	39,250	41,600	43,900	46,200
Siskiyou	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Solano	32,600	37,250	41,900	46,550	49,450	52,400	55,300	58,200
Sonoma	32,950	37,650	42,350	47,050	50,000	52,900	55,850	58,800
Stanislaus	26,700	30,550	34,350	38,150	40,550	42,950	45,300	47,700
Sutter	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Tehama	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Trinity	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Tulare	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Tuolumne	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750
Ventura	36,600	41,850	47,100	52,300	55,600	58,850	62,150	65,400
Yolo	30,300	34,650	39,000	43,300	46,050	48,750	51,450	54,150
Yuba	23,950	27,350	30,800	34,200	36,350	38,500	40,600	42,750