



## STATE BOARD OF EQUALIZATION

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May 6, 1991

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No. 91/34

TO COUNTY ASSESSORS:

PROPOSITION 110  
NEW CONSTRUCTION EXCLUSION FOR DISABLED PERSONS

Senate Constitution Amendment 37 (Proposition 110) was approved by the voters at the direct primary election on June 5, 1990. This amendment, in part, authorizes the Legislature to exclude from the term "newly constructed" certain construction, installation, or modification of an existing single- or multiple-family dwelling eligible for the homeowners' exemption. The exclusion applies if the construction, installation, or modification is for the purpose of making the dwelling more accessible to a severely disabled person who is a permanent resident of the dwelling. Section 4 of Chapter 1494 of the Statutes of 1990 (Assembly Bill 3843, Cannella) adds Section 74.3 to the Revenue and Taxation Code to implement these provisions.

Senate Constitutional Amendment 37 also authorizes the Legislature to extend existing base year value transfer provisions available to persons over the age of 55 to severely and permanently disabled persons. Sections 2.7 and 3.7 of Chapter 1494 amend Section 69.5 of the Revenue and Taxation Code to implement these provisions. A separate letter to assessors, number 91/33, addresses the specifics on base year value transfers for disabled persons.

**QUALIFICATION REQUIREMENTS**

To qualify for the new construction exclusion the following conditions must be met:

- \* The dwelling must be eligible for the homeowners' exemption.
- \* The exclusion applies only to new construction completed on or after June 6, 1990 on existing dwellings. The construction of an entirely new dwelling cannot be excluded.
- \* The work performed must be for the purpose of making the dwelling more accessible to a severely and permanently disabled person who is a permanent resident of the dwelling.

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Section 74.3(c) defines "accessible" as:

". . . that combination of elements with regard to any dwelling which provides for access to, circulation throughout, and the full use of, the dwelling and any fixture, facility, or item therein."

Section 74.3(b) defines "a severely and permanently disabled person" as:

". . . any person who has a physical disability or impairment, whether from birth or by reason of accident or disease, which results in a functional limitation as to employment or substantially limits one or more major life activity of that person, and which has been diagnosed as permanently affecting the person's ability to function, including but not limited to, any disability or impairment which affects sight, speech, hearing, or the use of any limbs."

Only improvements or features that specially make the dwelling more accessible, as defined, to a disabled resident may be excluded. The value of any other improvement, addition, or modification is not excluded from assessment unless it is merely incidental to the qualified improvements or features.

#### CLAIMS

To receive the exclusion the disabled person, his or her legal spouse, or his or her legal guardian must submit the following statements:

- (1) A statement signed by a licensed physician or surgeon, of appropriate specialty, certifying that the person is severely and permanently disabled as defined in Section 74.3(b). This statement must also identify specific disability-related reasons why the accessibility improvements or features are needed.

and

- (2) A statement by the claimant identifying the construction, installation, or modification that was in fact necessary to make the dwelling more accessible to the disabled resident.

Section 74.3(g) allows the assessor to charge a fee to cover the costs of processing and administering the claim.

If you have questions regarding this information, please feel free to contact our Real Property Technical Services Unit at (916) 445-4982.

Sincerely,



Verne Walton, Chief

Assessment Standards Division

VW:sk