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April 28, 2006

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

No. 2006/019

INCOME LEVELS FOR LEASED PROPERTY USED EXCLUSIVELY FOR LOW-INCOME HOUSING AND TRIBAL HOUSING EXEMPTION

Enclosed is the listing of the *Lower Income Family Household Income Limits For 2005* issued by the California Department of Housing and Community Development which is to be used for affidavits filed for the 2006-2007 claim year on leased property used exclusively for low-income housing eligible for exemption as provided in Revenue and Taxation Code¹ section 236, and tribal owned low-income rental housing as provided by section 237.

Leased Property Used Exclusively for Low-Income Housing

Section 236 provides exemption for low-income rental housing property that is leased for a term of 35 years or more where the lessor does not otherwise qualify for tax exemption pursuant to section 214. The property must be leased and operated by religious, hospital, scientific, or charitable funds, foundations, corporations, public housing authorities, public agencies, or limited partnerships in which the managing general partner has received a determination that it is a charitable organization under section 501(c)(3) of the Internal Revenue Code and is operating the property in accordance with its exempt purpose. Qualified organizations may receive exemption from taxation on the possessory interest and the fee interest in the property throughout the term of the lease.

All claimants requesting exemption from property taxes on leased property used exclusively for low-income housing must file annually with the county assessor claim form BOE-236, *Exemption of Leased Property Used Exclusively for Low-Income Housing*, and form BOE-236-A, *Supplemental Affidavit for BOE-236 Housing-Lower Income Households*. The claim form may be filed by either the lessor or the lessee of the property.

Tribal Housing Exemption – Low-Income Rental Housing

Section 237 provides exemption for low-income rental housing owned and operated by an Indian tribe or a housing entity designated by a tribe meeting certain requirements. All claimants requesting the tribal housing exemption from property taxes must file annually with the county assessor claim form BOE-237, *Exemption of Low-Income Tribal Housing*, and form BOE-237-A, *Supplemental Affidavit for BOE-237 Housing-Lower Income Households*.

¹ All statutory references are to the Revenue and Taxation Code unless otherwise indicated.

Claimants are required to submit the following information with the initial claim:

- Documents establishing that the designating tribe is federally recognized.
- Documents establishing that the housing entity has been designated by the tribe.
- Documents establishing that there is a deed restriction, agreement, or other legally binding document requiring that the property be used in compliance with section 237, subdivision (a)(2)(A).

Claimants are to provide a description of the property for which exemption is claimed, including the entire project property and the portion for which the exemption is claimed. If the property includes units that do not qualify for the exemption, the description must list the qualifying and nonqualifying units.

Summary

The enclosed income limits are designed to be used for affidavits filed for the 2006-2007 claim year. The claimant is required to file affidavits listing the income levels of the tenants for the exemptions above. These income levels should be reviewed and compared to the enclosed income limits to determine the portion of the property that is eligible for exemption from property taxes. Determination of qualifying units is based on the use of the property on the lien date. In all cases, the exemption from property taxes is available only to the extent that household incomes of families residing therein do not exceed the specified limits and the rents are within the prescribed limits in the statute or regulatory agreement. The property is entitled to an exemption amount that is equal to the percentage of the property's value that the portion of the property serving lower income households is of the total property.

Vacant units may also qualify for exemption if the unit is restricted by a deed, regulatory agreement, or other legal document. These documents are required to restrict the property usage to lower income housing by expressly stating that "the units designated for use by lower income households are continuously available to or occupied by lower income households at rents within the prescribed limits of the statutes or regulatory agreements."

If you have any questions concerning the enclosed income levels or questions concerning the exemptions described in this letter, please contact the Exemptions Section at 916-445-3524.

Sincerely,

/s/David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:lf
Enclosure

LOWER INCOME FAMILY HOUSEHOLD INCOME LIMITS FOR 2005
EXEMPTION OF LEASED PROPERTY USED EXCLUSIVELY FOR LOW INCOME HOUSING, AND
EXEMPTION FOR LOW INCOME TRIBAL HOUSING
 (To be used for Affidavits to be Filed in 2006)

COUNTY	Number of Persons in Family							
	1	2	3	4	5	6	7	8
Alameda	46,350	53,000	59,600	66,250	71,550	76,850	82,150	87,450
Alpine	36,200	41,350	46,550	51,700	55,850	59,950	64,100	68,250
Amador	35,100	40,100	45,150	50,150	54,150	58,150	62,200	66,200
Butte	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Calaveras	32,550	37,200	41,850	46,500	50,200	53,950	57,650	61,400
Colusa	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Contra Costa	46,350	53,000	59,600	66,250	71,550	76,850	82,150	87,450
Del Norte	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
El Dorado	36,600	41,850	47,050	52,300	56,500	60,650	64,850	69,050
Fresno	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Glenn	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Humboldt	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Imperial	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Inyo	30,600	34,950	39,350	43,700	47,200	50,700	54,200	57,700
Kern	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Kings	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Lake	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Lassen	29,400	33,600	37,800	42,000	45,350	48,700	52,100	55,450
Los Angeles	38,800	44,350	49,900	55,450	59,900	64,300	68,750	73,200
Madera	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Marin	63,350	72,400	81,450	90,500	97,700	104,950	112,200	119,450
Mariposa	28,750	32,850	36,950	41,050	44,350	47,600	50,900	54,200
Mendocino	28,650	32,700	36,800	40,900	44,150	47,450	50,700	54,000
Merced	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Modoc	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Mono	34,800	39,750	44,750	49,700	53,700	57,650	61,650	65,600
Monterey	34,900	39,900	44,850	49,850	53,850	57,850	61,800	65,800
Napa	41,700	47,700	53,650	59,600	64,350	69,150	73,900	78,650
Nevada	35,950	41,100	46,200	51,350	55,450	59,550	63,650	67,800
Orange	45,450	51,900	58,400	64,900	70,100	75,300	80,500	85,650
Placer	36,600	41,850	47,050	52,300	56,500	60,650	64,850	69,050
Plumas	31,300	35,750	40,250	44,700	48,300	51,850	55,450	59,000
Riverside	32,200	36,800	41,400	46,000	49,700	53,350	57,050	60,700
Sacramento	36,600	41,850	47,050	52,300	56,500	60,650	64,850	69,050
San Benito	41,500	47,450	53,350	59,300	64,050	68,800	73,550	78,300
San Bernardino	32,200	36,800	41,400	46,000	49,700	53,350	57,050	60,700
San Diego	38,650	44,150	49,700	55,200	59,600	64,050	68,450	72,850
San Francisco	63,350	72,400	81,450	90,500	97,700	104,950	112,200	119,450
San Joaquin	32,000	36,550	41,150	45,700	49,350	53,000	56,650	60,300
San Luis Obispo	35,750	40,850	45,950	51,050	55,150	59,200	63,300	67,400
San Mateo	63,350	72,400	81,450	90,500	97,700	104,950	112,200	119,450
Santa Barbara	36,850	42,100	47,400	52,650	56,850	61,050	65,300	69,500
Santa Clara	59,400	67,900	76,400	84,900	91,650	98,450	105,250	112,050
Santa Cruz	43,950	50,250	56,500	62,800	67,800	72,850	77,850	82,900
Shasta	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Sierra	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Siskiyou	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Solano	41,450	47,350	53,300	59,200	63,950	68,650	73,400	78,150
Sonoma	41,700	47,700	53,650	59,600	64,350	69,150	73,900	78,650
Stanislaus	30,450	34,800	39,150	43,500	47,000	50,450	53,950	57,400
Sutter	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Tehama	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Trinity	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Tulare	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650
Tuolumne	30,350	34,700	39,000	43,350	46,800	50,300	53,750	57,200
Ventura	45,150	51,600	58,050	64,500	69,650	74,800	79,950	85,100
Yolo	34,650	39,600	44,550	49,500	53,450	57,400	61,400	65,350
Yuba	28,450	32,500	36,600	40,650	43,900	47,150	50,400	53,650