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December 1, 2006

No. 2006/049

TO COUNTY ASSESSORS:

DISASTER RELIEF – HOMEOWNERS' EXEMPTION

Assembly Bill 1798 (Stats. 2006, Ch. 896) and Assembly Bill 2735 (Stats. 2006, Ch. 897) both amend section 218 of the Revenue and Taxation Code to extend the homeowners' exemption to homes that were damaged or destroyed in recent disasters for which the Governor proclaimed a state of emergency. Both bills included double-joining language, and Chapter 897 (AB 2735) became operative because it was chaptered last.

Effective September 30, 2006, Chapter 897 amends section 218 by adding new subdivisions (i) and (j) and reletters current subdivision (i) to subdivision (k). New subdivisions (i) and (j) read:

(i) Any dwelling that qualified for an exemption under this section prior to December 19, 2005, that was damaged or destroyed by severe rainstorms, floods, mudslides, or the accumulation of debris in a disaster, as declared by the Governor in January 2006, April 2006, May 2006, or June 2006, and that has not changed ownership since December 19, 2005, shall not be disqualified as a “dwelling” or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to floods, mudslides, the accumulation of debris, or washed-out or damaged roads.

(j) Any dwelling that qualified for an exemption under this section prior to July 9, 2006, that was damaged or destroyed by the wildfires and any other related casualty that occurred in the County of San Bernardino, as declared by the Governor in July 2006, and that has not changed ownership since July 9, 2006, shall not be disqualified as a “dwelling” or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.

Subdivision (i) applies to homes damaged or destroyed by severe rainstorms, related flooding and slides, and any other related casualties between December 2005 and June 2006 in the counties of Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, San Luis Obispo,

San Mateo, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba.

Subdivision (j) applies to homes damaged or destroyed by the July 2006 wildfires in the county of San Bernardino.

Previously, section 218 was amended to extend the homeowners' exemption to homes that were damaged or destroyed¹ in the following disasters:

- 1991 Oakland-Berkeley Hills fire.
- October and November 2003 Southern California fires in Los Angeles, Riverside, San Bernardino, San Diego, and Ventura Counties.
- December 2003 earthquake affecting San Luis Obispo and Santa Barbara Counties.
- June 3, 2004 levee break in San Joaquin County.
- August 2004 fire in Shasta County.
- Winter 2004-05 severe rainstorms, related flooding, and slides in Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura Counties.

I hope this information is helpful. If you have any questions, please contact our Exemptions Unit at 916-445-3524.

Sincerely,

/s/David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

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¹ Section 218.1 extended the homeowners' exemption to homes that were damaged or destroyed by the Los Angeles civil riots of April and May 1992.