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May 2, 2007

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

2007/024

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 2006* issued by the California Department of Housing and Community Development which is to be used for affidavits filed for the 2007-2008 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 2007-2008 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/Lynn Bartolo for

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:lf
Enclosure

LOWER INCOME FAMILY HOUSEHOLD INCOME LIMITS FOR 2006
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 2007)

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	36,850	42,100	47,400	52,650	56,850	61,050	65,300	69,500
Amador	35,650	40,750	45,850	50,950	55,050	59,100	63,200	67,250
Butte	29,100	33,300	37,450	41,600	44,950	48,250	51,600	54,900
Calaveras	32,950	37,700	42,400	47,100	50,850	54,650	58,400	62,150
Colusa	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Contra Costa	46,350	53,000	59,600	66,250	71,550	76,850	82,150	87,450
Del Norte	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
El Dorado	37,650	43,000	48,400	53,750	58,050	62,350	66,650	70,950
Fresno	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Glenn	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Humboldt	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Imperial	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Inyo	30,800	35,200	39,600	44,000	47,500	51,050	54,550	58,100
Kern	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Kings	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Lake	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Lassen	29,800	34,050	38,300	42,550	45,950	49,350	52,750	56,150
Los Angeles	41,450	47,350	53,300	59,200	63,950	68,650	73,400	78,150
Madera	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Marin	63,350	72,400	81,450	90,500	97,700	104,950	112,200	119,450
Mariposa	29,000	33,150	37,300	41,450	44,750	48,100	51,400	54,700
Mendocino	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Merced	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Modoc	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Mono	35,950	41,100	46,200	51,350	55,450	59,550	63,650	67,800
Monterey	36,100	41,300	46,450	51,600	55,750	59,850	64,000	68,100
Napa	41,700	47,700	53,650	59,600	64,350	69,150	73,900	78,650
Nevada	36,450	41,700	46,900	52,100	56,250	60,450	64,600	68,750
Orange	48,500	55,450	62,350	69,300	74,850	80,400	85,950	91,500
Placer	37,650	43,000	48,400	53,750	58,050	62,350	66,650	70,950
Plumas	31,700	36,250	40,750	45,300	48,900	52,550	56,150	59,800
Riverside	33,150	37,900	42,600	47,350	51,150	54,950	58,700	62,500
Sacramento	37,650	43,000	48,400	53,750	58,050	62,350	66,650	70,950
San Benito	41,500	47,450	53,350	59,300	64,050	68,800	73,550	78,300
San Bernardino	33,150	37,900	42,600	47,350	51,150	54,950	58,700	62,500
San Diego	39,300	44,900	50,550	56,150	60,650	65,150	69,650	74,100
San Francisco	63,350	72,400	81,450	90,500	97,700	104,950	112,200	119,450
San Joaquin	33,800	38,600	43,450	48,250	52,100	55,950	59,850	63,700
San Luis Obispo	35,950	41,100	46,200	51,350	55,450	59,550	63,650	67,800
San Mateo	63,350	72,400	81,450	90,500	97,700	104,950	112,200	119,450
Santa Barbara	37,600	42,950	48,350	53,700	58,000	62,300	66,600	70,900
Santa Clara	59,400	67,900	76,400	84,900	91,650	98,450	105,250	112,050
Santa Cruz	44,350	50,700	57,000	63,350	68,400	73,500	78,550	83,600
Shasta	29,500	33,700	37,950	42,150	45,500	48,900	52,250	55,650
Sierra	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Siskiyou	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
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	31,350	35,850	40,300	44,800	48,400	51,950	55,550	59,150
Sutter	28,950	33,100	37,200	41,350	44,650	47,950	51,250	54,600
Tehama	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Trinity	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Tulare	28,850	32,950	37,100	41,200	44,500	47,800	51,100	54,400
Tuolumne	30,800	35,200	39,600	44,000	47,500	51,050	54,550	58,100
Ventura	48,000	54,850	61,700	68,550	74,050	79,500	85,000	90,500
Yolo	36,800	42,050	47,300	52,550	56,750	60,950	65,150	69,350
Yuba	28,950	33,100	37,200	41,350	44,650	47,950	51,250	54,600