



STATE BOARD OF EQUALIZATION
PROPERTY AND SPECIAL TAXES DEPARTMENT
450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064
916 445-4982 • FAX 916 323-8765
www.boe.ca.gov

BETTY T. YEE
First District, San Francisco

BILL LEONARD
Second District, Ontario/Sacramento

MICHELLE STEEL
Third District, Rolling Hills Estates

JUDY CHU
Fourth District, Los Angeles

JOHN CHIANG
State Controller

RAMON J. HIRSIG
Executive Director

June 14, 2007

No. 2007/028

TO COUNTY ASSESSORS:

DISABLED VETERANS' EXEMPTION INCREASES FOR 2008

Revenue and Taxation Code section 205.5, subdivisions (g) and (h) provide that the exemption amount and the household income limit for the disabled veterans' exemption shall be compounded annually by an inflation factor.¹ Specifically, subdivisions (g) and (h) of section 205.5 provide that, for each assessment year, the inflation factor shall be the annual percentage change, measured from February to February of the two previous assessment years, rounded to the nearest one-thousandth of 1 percent, in the California Consumer Price Index (CCPI) for all items, as determined by the California Department of Industrial Relations.

Information from the Department of Industrial Relations shows that the CCPI increased from 207.8 in February 2006 to 214.910 in February 2007. Rounded to the nearest one-thousandth of 1 percent, this is an increase of 3.422 percent (factor of 1.03422).

Applying the factor to the 2007 exemption amounts of \$107,613/\$161,420 results in **2008** exemption amounts of **\$111,296/\$166,944**.

Applying this increase to the 2007 household income limit of \$48,325 results in a **2008** household income limit of **\$49,979**.

For your information, the exemption amounts and household income limits for prior years are enclosed. The disabled veterans' exemption forms (BOE-261-G and BOE-261-GNT) have been updated and will be mailed with the other Board-prescribed forms. Please call our Exemptions Unit at 916-445-3524 if you have any questions regarding this exemption.

Sincerely,

/s/Dean R. Kinnee for

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:grs
Enclosure

¹ Inflation indexing for the household income limit commenced on January 1, 2002. Inflation indexing for the exemption amounts commenced on January 1, 2006 (SB 764, Chapter 544, Statutes of 2004).

DISABLED VETERANS' EXEMPTION

EXEMPTION AMOUNTS AND HOUSEHOLD INCOME LIMITS FOR PRIOR YEARS

Lien Date	Factor	Exemption *		Income Limit
2007	1.04370	\$107,613	\$161,420	\$48,325
2006	1.03107	\$103,107	\$154,661	\$46,302
2005	1.01365	\$100,000	\$150,000	\$44,907
2004	1.03476	---	---	\$44,302
2003	1.02392	---	---	\$42,814
2002	1.04535	---	---	\$41,814
2001	---	---	---	\$40,000

* Inflation indexing for the exemption amounts commenced on January 1, 2006 (SB 764, Chapter 544, Statutes of 2004).