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No. 2011/032

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TO COUNTY ASSESSORS:

2012-2013 INCOME LEVELS FOR LEASED PROPERTY USED FOR
 LOW-INCOME HOUSING AND TRIBAL HOUSING EXEMPTION

The listings reflecting the various income levels of households to qualify for exemption of leased property used for low-income housing and tribal housing are developed by the California Department of Housing and Community Development (HCD). By statute, HCD obtains certain information from the U.S. Department of Housing and Urban Development (HUD) to compile the household income levels to be used by county assessors.

Enclosed is the listing of the *Lower Income Family Household Income Limits* issued by HCD which are to be used for affidavits filed for the 2012-2013 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 (welfare exemption). 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.

Claimants requesting exemption on leased property used exclusively for low-income housing must annually file 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 forms 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 must annually file claim form BOE-237, *Exemption of*

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

Low-Income Tribal Housing, and form BOE-237-A, *Supplemental Affidavit for BOE-237, Housing—Lower-Income Households*. 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(a)(2)(A).

Claimants must provide a description of the property for which 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 2012-2013 claim year. The claimant is required to file affidavits listing the income levels of the tenants for the exemptions. The income levels should be reviewed and compared to the enclosed income limits to determine the portion of the property that is eligible for exemption. Determination of qualifying units should be 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 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 total value that is serving low-income households.

Vacant units may also qualify for exemption if the units are restricted by a deed, regulatory agreement, or *other legal document*.² These documents are required to restrict the property usage to lower income housing by expressly stating that:

The units designated for use by low-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 questions regarding the enclosed income levels or questions concerning the exemptions described in this letter, please contact the Assessment Services Unit at 916-274-3350.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:mds
Enclosure

² See Property Tax Rule 140 for a definition of *other legal documents*.

LOWER INCOME FAMILY HOUSEHOLD INCOME LIMITS FOR 2012
EXEMPTION OF LEASED PROPERTY USED EXCLUSIVELY FOR LOW-INCOME HOUSING AND
EXEMPTION FOR LOW INCOME TRIBAL HOUSING
 (To be used with Affidavits filed in 2012)

Number of Persons in Family

County	1	2	3	4	5	6	7	8
Alameda	45500	52000	58500	64950	70150	75350	80550	85750
Alpine	39550	45200	50850	56500	61050	65550	70100	74600
Amador	37450	42800	48150	53450	57750	62050	66300	70600
Butte	32450	37050	41700	46300	50050	53750	57450	61150
Calaveras	37850	43250	48650	54050	58400	62700	67050	71350
Colusa	32050	36600	41200	45750	49450	53100	56750	60400
Contra Costa	45500	52000	58500	64950	70150	75350	80550	85750
Del Norte	32050	36600	41200	45750	49450	53100	56750	60400
El Dorado	42100	48100	54100	60100	64950	69750	74550	79350
Fresno	32050	36600	41200	45750	49450	53100	56750	60400
Glenn	32050	36600	41200	45750	49450	53100	56750	60400
Humboldt	32050	36600	41200	45750	49450	53100	56750	60400
Imperial	32050	36600	41200	45750	49450	53100	56750	60400
Inyo	35400	40450	45500	50550	54600	58650	62700	66750
Kern	32050	36600	41200	45750	49450	53100	56750	60400
Kings	32050	36600	41200	45750	49450	53100	56750	60400
Lake	32050	36600	41200	45750	49450	53100	56750	60400
Lassen	34100	39000	43850	48700	52600	56500	60400	64300
Los Angeles	47850	54650	61500	68300	73800	79250	84700	90200
Madera	32050	36600	41200	45750	49450	53100	56750	60400
Marin	59850	68400	76950	85450	92300	99150	106000	112800
Mariposa	32900	37600	42300	46950	50750	54500	58250	62000
Mendocino	32450	37050	41700	46300	50050	53750	57450	61150
Merced	32050	36600	41200	45750	49450	53100	56750	60400
Modoc	32050	36600	41200	45750	49450	53100	56750	60400
Mono	39850	45550	51250	56900	61500	66050	70600	75150
Monterey	38000	43400	48850	54250	58600	62950	67300	71650
Napa	46050	52600	59200	65750	71050	76300	81550	86800
Nevada	40150	45850	51600	57300	61900	66500	71100	75650
Orange	51700	59100	66500	73850	79800	85700	91600	97500
Placer	42100	48100	54100	60100	64950	69750	74550	79350
Plumas	33050	37750	42450	47150	50950	54700	58500	62250
Riverside	37350	42700	48050	53350	57650	61900	66200	70450
Sacramento	42100	48100	54100	60100	64950	69750	74550	79350
San Benito	43900	50150	56400	62650	67700	72700	77700	82700
San Bernardino	37350	42700	48050	53350	57650	61900	66200	70450
San Diego	45850	52400	58950	65500	70750	76000	81250	86500
San Francisco	59850	68400	76950	85450	92300	99150	106000	112800
San Joaquin	36650	41850	47100	52300	56500	60700	64900	69050
San Luis Obispo	41650	47600	53550	59500	64300	69050	73800	78550
San Mateo	59850	68400	76950	85450	92300	99150	106000	112800
Santa Barbara	40500	46300	52100	57850	62500	67150	71750	76400
Santa Clara	55550	63500	71450	79350	85700	92050	98400	104750
Santa Cruz	56500	64550	72600	80650	87150	93600	100050	106500
Shasta	32600	37250	41900	46550	50300	54000	57750	61450
Sierra	35800	40900	46000	51100	55200	59300	63400	67500
Siskiyou	32050	36600	41200	45750	49450	53100	56750	60400
Solano	44950	51400	57800	64200	69350	74500	79650	84750
Sonoma	44950	51400	57800	64200	69350	74500	79650	84750
Stanislaus	34250	39150	44050	48900	52850	56750	60650	64550
Sutter	32850	37550	42250	46900	50700	54450	58200	61950
Tehama	32050	36600	41200	45750	49450	53100	56750	60400
Trinity	32050	36600	41200	45750	49450	53100	56750	60400
Tulare	32050	36600	41200	45750	49450	53100	56750	60400
Tuolumne	35100	40100	45100	50100	54150	58150	62150	66150
Ventura	49850	57000	64100	71200	76900	82600	88300	94000
Yolo	42500	48550	54600	60650	65550	70400	75250	80100
Yuba	32850	37550	42250	46900	50700	54450	58200	61950