STATE OF CALIFORNIA

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June 19, 1981

No. 81/72

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 10

Following are brief summaries of selected proposed property tax bills and amendments introduced by the Legislature which relate to assessment practices or Revenue and Taxation law.

AB 11
Author: Assemblyman Lockyer
Action: Amended in Senate
Date: May 28, 1981
Affected Reference: Adds Sections 97.1, 17069.6, 17071.1, 23603, and 24271.1 to the Revenue and Taxation Code - Urgency Statute

This legislation would divert the property tax revenue from the 1978-79 unsecured roll that was collected or is to be collected in excess of the 1978-79 secured roll rates to the State General Fund via school districts for 1982-83 only. All taxpayers paying this increased amount would be entitled to a tax credit on their state income tax up to specified limits, depending upon the type of the taxpayer's property.

AB 20
Author: Assemblyman Lockyer
Action: Amended in Senate
Date: June 8, 1981
Affected Reference: Adds Sections 37 and 155.21 to the Revenue and Taxation Code - Urgency Statute

This legislation cancels all interest and penalties on supplemental unsecured property tax levies if paid by December 31, 1981. This provision applies to those supplemental billings resulting from the California Supreme Court decision on the rate applicable to the 1978-79 unsecured assessment roll.

This bill would remove under certain conditions the requirement of reappraising the real property on the 1978-79 unsecured roll for the 36 counties found to be wrong by using the provisions of Proposition 13 by the State Supreme Court.

AB 81
Author: Assemblyman Dennis Brown, et al.
Action: Amended in Assembly
Date: May 26, 1981
Affected Reference: Amends Sections 214.4, 251, and 255; adds Sections 207, 257, and 257.1 to the Revenue and Taxation Code

This legislation would establish the "religious property" exemption. Those properties granted the "religious exemption" would not be required to file exemption applications annually; rather they will be required to return to the assessor's office a card designating no change in the religious activity.

AB 1423
Author: Assemblywoman Bergeson
Action: Amended in Assembly
Date: June 5, 1981
Affected Reference: Amends Section 4831 of the Revenue and Taxation Code

Existing law authorizes the correction of errors of the county assessor resulting in the entry of incorrect values on the assessment roll, but precludes the correction of errors involving the exercise of value judgments.

This bill would authorize the correction of errors of the county assessor resulting in incorrect entries on the assessment roll and would authorize the correction of certain errors in the roll involving the exercise of a value judgment, as specified.

AB 1963
Author: Assemblyman Elder
Action: Amended in Assembly
Date: May 27, 1981
Affected Reference: Repeals and adds Sections 408.2 and 409 to the Revenue and Taxation Code

This legislation would substantially alter the confidential nature of data compiled by the Los Angeles County Assessor.

AB 1964
Author: Assemblyman Elder
Action: Amended in Assembly
Date: May 28, 1981
Affected Reference: Amends Section 5146; adds Section 4808 to the Revenue and Taxation Code

This bill would permit a taxpayer to bring a declaratory relief action on the illegality or unconstitutionality of an assessment or property tax, if that action is brought no later than 30 days after payment. Property tax actions would also have precedence over other civil actions, with specified exceptions.

AB 2074
Author: Assemblyman Robinson, et al.
Action: Amended in Assembly
Date: June 5, 1981
Affected Reference: Amends Sections 51280 and 51282; adds Sections 51282.1 and 51286 to the Government Code

This legislation would allow the county board or city council more discretion in determining when an agricultural preserve contract can be cancelled.

AB 2178
Author: Assemblyman Konnyu
Action: Amended in Assembly
Date: May 27, 1981
Affected Reference: Amends Section 534 of the Revenue and Taxation Code

This legislation modifies the time period during which the taxpayer is notified of the enrolling of an escaped assessment for property tax purposes.

ACA 46
Author: Assemblyman Kapiloff
Action: Amended in Assembly
Date: June 3, 1981
Affected Reference: Various sections of the Constitution

This amendment to the Constitution makes numerous changes to the property tax and on state and local finance. It provides for 100 percent exemption for owner-occupied dwellings and certain small agricultural properties. It would increase the tax rate on the remaining property tax base and return these values to annual market value determination. It would further shift the financial responsibility for public schools to the state. To assist the state with this added expenditure, much of the local sales and use tax would be retained by the state.

SB 139
Author: Senator Speraw
Action: Amended in Assembly
Date: June 10, 1981
Affected Reference: Amends Sections 51 and 170 of the Revenue and Taxation Code

With respect to property tax relief for property which is damaged or destroyed by misfortune or calamity, this measure would prohibit an assessment increase until the property is repaired, restored or reconstructed, and makes related changes in the method of assessing such property.

SB 377
Author: Senator Nielsen
Action: Amended in Senate
Date: June 9, 1981
Affected Reference: Amends Section 107; adds Sections 17069.6, 17071.1, 23603, and 24271.1 to the Revenue and Taxation Code - Urgency Statute

This legislation diverts all revenues collected from the 1978-79 unsecured roll on the amount derived from that portion of the tax rate that exceeded the 1978-79 secured roll rate. The state would then allow tax credits to all taxpayers paying this excess amount. The credit will be applicable against the individual personal income tax or the bank and corporation tax with a carryover provision to subsequent years but not beyond the 1988 taxable year.

This legislation would permit counties who applied the tax rate limitations of Article XIII A to possessory interests assessed on the 1978-79 unsecured roll to place the possessory interests on the 1978-79 secured roll except for possessory interest accounts delinquent for fiscal year 1978-79 as of July 1, 1981; and rescinds the provisions which authorize a county board of supervisors the option of reappraising real property assessed on the 1978-79 unsecured roll.

SB 462
Author: Senator Johnson
Action: Amended in Senate
Date: June 2, 1981
Affected Reference: Amends Sections 38905 and 38907; adds Section 38303.5 to the Revenue and Taxation Code - Urgency Statute

This measure would alter the method used by the State Board of Equalization to compute the Timber Reserve Fund tax rate so that the 1981 administrative costs of the Board and the State Forester will not be recovered, and will be absorbed by the counties rather than paid by timber owners.

Sincerely,

Verne Walton, Chief
Assessment Standards Division

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Enclosures