

## Legislation

### Property Taxes

#### Assessment Appeals

Extends conflict of interest safeguards for persons associated with the assessment appeals board to county counsel employees. Also, allows the assessment appeals board from another county to hear appeals in cases of a conflict of interest.

*Assembly Bill 824, Chapter 477, Statutes of 2009; effective January 1, 2010*

#### Assessment Appeal Solicitations

Extends prohibitions and protections related to property tax appeal solicitations to solicitations related to informal valuation review requests with the assessor.

*Assembly Bill 992, Chapter 496, Statutes of 2009; effective January 1, 2010*

#### Disaster Relief

Allows persons whose homes were destroyed in various wildfires to retain the homeowners' exemption while rebuilding.

*Assembly Bill 1568, Chapter 299, Statutes of 2009; effective January 1, 2010*

#### Williamson Act Cancellation Value Appraisals

Allows the assessor to require a deposit from a landowner that disagrees with the assessor's estimate of value for purposes of determining the cancellation fee to recover the county's costs in reviewing the appraisal.

*Senate Bill 671, Chapter 358, Statutes of 2009; effective January 1, 2010*

#### Change in Ownership Reporting

Establishes a penalty when a legal entity does not report a change in control or change in ownership to the BOE within 45 days of the event. Also eliminates automatic penalty abatement for failure to respond to a BOE request to file a change in ownership statement.

*Senate Bill 816, Chapter 622, Statutes of 2009; effective January 1, 2010*

#### Documentary Transfer Tax

Authorizes the assessor to provide confidential information to the county recorder when investigating whether a documentary transfer tax should be imposed. Also authorizes the county board of supervisors to establish an administrative appeal process for the tax. Specifies that the value determined for purposes of the documentary transfer tax is not binding on the value determined for property tax purposes.

*Senate Bill 816, Chapter 622, Statutes of 2009; effective January 1, 2010*

#### California Assessors' Association Property Tax Omnibus Bill

*Building Plans.* Allows the county assessor to require scale copies of building plans to be in electronic format, if available.

*Low Value Ordinance Exemption.* Increases maximum amount from \$5,000 to \$10,000.

*Disabled Veterans' Exemption.* Requires the Board to monitor claims for the homeowner's exemption and the disabled veterans' exemption to prevent duplications on a statewide basis.

*Business Property Statements.* Deletes requirement that property owners sign the property statements mailed by the assessor and instead allows the attachment itself to be signed.

*Parcels Splits.* At a county's option, allows separate valuations for new subdivision lots created after the lien date.

*Senate Bill 822, Chapter 204, Statutes of 2009; effective January 1, 2010*

### Board-sponsored Property Tax Omnibus Bill

*Disaster Base Year Value Transfers.* Treats land and improvements as separate units in meeting the "substantially damaged or destroyed" threshold of 50 percent for purposes of qualifying for disaster relief via a base year value transfer.

*Property Leased to Schools.* Clarifies the filing procedures for obtaining a property tax exemption on property owned by a church or a nonprofit organization and leased to a public school.

*Preliminary Change in Ownership Report.* Removes the specific detail of the *Preliminary Change of Ownership* from statute and instead authorizes the Board to prescribe the form after consultation with interested parties.

*Board Meeting Locations.* Among other things, requires the Members of the Board to meet monthly in the state but not exclusively in Sacramento so long as they hold at least one regular meeting in Sacramento each quarter.

*Senate Bill 824, Chapter 67, Statutes of 2009; effective January 1, 2010*

## Sales and Use Taxes

### Businesses Required to Register and Pay Use Tax

Requires purchasers that are not otherwise registered with the BOE who receive at least \$100,000 in gross receipts from business operations to register with the BOE and report and pay use tax on their taxable purchases directly to the BOE by April 15 each year.

*Assembly Bill x4 18, Chapter 16, Statutes of 2009; effective October 23, 2009*

### Confidentiality: Taxpayer Communications

Reinstates the provisions related to the tax practitioner-client confidentiality privilege that expired on January 1, 2009.

*Assembly Bill 129, Chapter 411, Statutes of 2009, effective October 11, 2009*

### Nonprofit Organizations' Promotional Items

Provides that from April 1, 2010 until January 1, 2015, an organization described under Section 501(c) of the Internal Revenue Code is the consumer of tangible personal property transferred to its members, under specified conditions.

*Assembly Bill 1486, Chapter 538, Statutes of 2009, effective October 11, 2009, but operative April 1, 2010*

### Reinstatement Fee Increase

Increases the reinstatement fee on revoked seller's permits from \$50 to \$100.

*Assembly Bill 1547, Chapter 545, Statutes 2009; effective January 1, 2010*

**Vehicles, Vessels, and Aircraft Purchased Outside California**

Clarifies the definition of “California resident” and the exception for repair, retrofit, and modification for purposes of the 12-month test for out-of-state purchases of vehicles, vessels, and aircraft.

*Assembly Bill 1547, Chapter 545, Statutes of 2009; effective January 1, 2010*

**Military Thrift Stores**

Provides until January 1, 2014, an exemption from the sales and use tax for sales of tangible personal property by thrift stores operated on a military installation and by a specified designated entity.

*Senate Bill 765, Chapter 615, Statutes of 2009, effective October 11, 2009*

**Certain Disabled Veterans as Consumers**

Provides that, from April 1, 2010 until January 1, 2012, a “qualified itinerant vendor” is a consumer of, and shall not be considered a retailer of, tangible personal property owned and sold by the qualified itinerant vendor, except alcoholic beverages and tangible personal property sold for more than \$100.

*Senate Bill 809, Chapter 621, Statutes of 2009; effective October 11, 2009, but operative April 1, 2010*

**Special Taxes and Fees**

**Underground Storage Tank Maintenance Fee Increase**

Temporarily increases the underground storage tank maintenance fee by an additional \$0.006 per gallon of petroleum stored, beginning January 1, 2010, and ending January 1, 2012.

*Assembly Bill 1188, Chapter 649, Statutes of 2009; effective November 4, 2009, but operative January 1, 2010*

**BOE-Sponsored Business Tax Omnibus Bill**

This bill contains BOE-sponsored provisions that, among other things, accomplish the following:

*Fuel Terminals*

Redefines “fuel terminals” so that facilities outside the bulk transfer system have the same reporting requirements as terminals supplied by pipeline or vessel for fuel reporting requirements.

*Diesel Fuel Refunds*

Consolidating several statutes, allows a supplier of diesel fuel to file a claim for refund or claim a credit on behalf of a retailer for qualified sales to consulate officers or consulate employees, or to the United States and its agencies and instrumentalities for specified sales.

*Final Returns*

Requires annual fee payers under programs administered pursuant to the Fee Collection Procedures Law to file a closing return.

*Assembly Bill 1547, Chapter 545, Statutes of 2009; effective January 1, 2010*

**Fuel Tax Swap**

Exempts gasoline from the General Fund portion of the state sales and use tax rate and increases the excise tax rate on gasoline (excluding aviation gasoline) by 17.3 cents per gallon beginning July 1, 2010. Also requires each supplier, wholesaler, and retailer to file a return and pay a floor stock tax of 17.3 cents per gallon on 1,000 or more gallons of tax-paid gasoline (except aviation gasoline) in storage as of July 1, 2010.

Increases the sales and use tax rate by 1.75 percent beginning July 1, 2011, on diesel fuel, and exempts from the sales and use tax rate increase diesel fuel users currently exempt from the excise tax on diesel fuel if they furnish the seller with an exemption certificate. Includes train operators, exempt bus operators, and other users who may file claims for refund of diesel fuel tax paid on fuel used off-highway or for any other exempt purpose.

Decreases the excise tax rate on diesel fuel by 4.4 cents per gallon also beginning July 1, 2011.

The BOE will adjust the excise tax rate on gasoline, up or down, so that the revenues equal the amount of General Fund revenue losses attributable to the state General Fund sales and use tax exemption on gasoline. For diesel fuel, the BOE will adjust the excise tax rate, up or down, so that the revenue loss equals the amount of revenue gain from the sales and use rate increase of 1.75 percent on diesel fuel.

The bill also allows the BOE to adjust the sales tax prepayment rates on gasoline and diesel fuel if the established rate could result in prepayments that consistently exceed or are significantly lower than the retailer’s sales tax liability.

*Assembly Bill x8 6, Chapter 11, Statutes of 2010; effective March 22, 2010, with specified provisions operative July 1, 2010, or July 1, 2011*

*Senate Bill 70, Chapter 9, Statutes of 2010; effective March 23, 2010, with specified provisions operative July 1, 2010, or July 1, 2011*

#### Solid Waste Postclosure and Corrective Action Fee

Increases, beginning January 1, 2012, the integrated waste management fee by an additional 12 cents per ton upon each solid waste landfill operator electing to participate in a financial assurance program to fund solid waste landfill corrective action and postclosure activities. The increased fee will only become operative if the CalRecycle receives letters of participation from landfill operators representing at least 50 percent of the total volume of waste disposed of in 2010.

*Assembly Bill 274, Chapter 318, Statutes of 2009; effective January 1, 2010, but operative January 1, 2012, only if CalRecycle receives letters of participation in the fund from landfill operators representing at least 50 percent of the total volume of waste disposed of in 2010.*

#### Insurance Tax—Medi-Cal Managed Care Plans

Imposes the insurance gross premiums tax upon a Medi-Cal managed care plan doing business in this state at a rate of 2.35 percent, until December 31, 2010.

*Assembly Bill 1422, Chapter 157, Statutes of 2009; effective September 22, 2009*

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