

NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

## **2024 PROPERTY TAX LEGISLATION**

### **SELF STUDY SESSION**

### **REVIEW QUESTIONS**

1. The Property Tax Legislative Bulletin is an annual publication that describes the enacted legislation in the past year that impacts property tax programs administered by County Assessors.  
☐ True  
☐ False
2. BOE staff analysis is provided to address various administrative, cost, revenue, and policy issues. It is not to be construed to reflect or suggest the BOE's formal position.  
☐ True  
☐ False
3. Assembly Bill 1868 amends Revenue and Taxation Code section 402.1 and establishes a rebuttable presumption that, at the time of purchase, the value of real property subject to a recorded contract that meets certain affordability requirements will exclude the deed of trust value for purposes of valuing property by a financial lending company.  
☐ True  
☐ False
4. Which Revenue and Taxation Code section establishes a rebuttable presumption that after a change in ownership, the fair market value of the property is the purchase price paid if the terms were negotiated under specified conditions reflecting an open market transaction?  
☐ Section 402.1  
☐ Section 214.15  
☐ Section 110  
☐ Section 60

5. When determining a property's fair market value, Revenue and Taxation Code section 60 requires the Assessor to consider the effect of enforceable restrictions on a property's use.
- ☐ True
- ☐ False
6. When assessing land, Revenue and Taxation Code section 402.1(a) requires the Assessor to consider the effect upon the value of any enforceable restrictions to which the use of land may be subjected.
- ☐ True
- ☐ False
7. Revenue and Taxation Code section 402.1(a)(10) requires an Assessor to consider restrictions imposed by certain nonprofit corporations when determining the value of a home purchased from a nonprofit corporation housing program. Which contractual conditions must exist for an Assessor to consider the impact of those restrictions on land value? Mark all that apply.
- ☐ The contract must restrict the use of the land for at least 30 years to owner-occupied housing available at affordable housing cost in accordance with Health and Safety Code section 50052.5.
- ☐ The contract is recorded and provided to the Assessor.
- ☐ The local housing authority or an equivalent agency, or, if none exists, the city attorney or county counsel, has made a finding that the long-term deed restrictions in the contract serve a public purpose.
- ☐ The contract must include a deed of trust on the property in favor of the nonprofit corporation to ensure compliance with the terms of the program, which has no value unless the owner fails to comply with the covenants and restrictions of the terms of the home sale.
- ☐ The contract must be with a for profit corporation organized pursuant to Internal Revenue Code section 501(c)(3) that has received a welfare exemption under Revenue and Taxation Code section 214.15 for properties intended to be sold to low-income families who participate in a special no-interest loan program.
- ☐ All of the above.

8. Under Assembly Bill 1868, for real property subject to a contract that satisfies the requirements described in Revenue and Taxation Code Section 402.1(a)(10)(A), there shall be a rebuttable presumption that the value of the real property at the time of purchase will exclude the value of the deed of trust referenced in clause (iii).
- ☐ True
- ☐ False
9. Relevant to Assembly Bill 1868, some government and nonprofit organizations' affordable housing programs use silent second mortgages. Which of the following are true of silent second mortgages? Mark all that apply.
- ☐ Restricts its homebuyers' ability to sell, lease, refinance, encumber, or mortgage the home.
- ☐ Typically, has no, or a deferred, repayment obligation.
- ☐ In the case of silent seconds that involve a governmental agency, the BOE advises Assessors to estimate the property's purchase price by adding the sum of the down payment, the first mortgage face amount, and the Assessor's estimate of the future economic value of the silent second reflecting all the agreement's terms and conditions.
- ☐ Property tax law does not address how to determine value when the total consideration for a property includes a silent second mortgage.
- ☐ Used to assist low-income home buyers to purchase homes they could not otherwise afford.
- ☐ All of the above.
10. In the case of silent seconds, after determining the property's purchase price, the Assessor may consider the effect on the value of any imposed restrictions on use. The Assessor exercises their judgment under Revenue and Taxation Code section 402.1 to determine whether the property's value is equal to, more, or less than the purchase price as a result of the enforceable restrictions on the use of the land.
- ☐ True
- ☐ False
11. Assembly Bill 1879 amends sections 441 and 168.1 of the Revenue and Taxation Code.
- ☐ True
- ☐ False

12. Which of the following are true of Assembly Bill 1879? Mark all that apply.

- ☐ Clarifies in Revenue and Taxation Code section 168.1 that "digital signature" has the same meaning as that term defined in subdivision (h) of section 1633.2 of the Civil Code.
- ☐ Authorizes every County Assessor to accept an electronic signature on any required taxpayer document if the Assessor authorizes the submission of a BOE-prescribed form by the use of electronic media.
- ☐ Requires every county to adopt any necessary ordinances, resolutions, or other procedures to effectuate the bill's provisions.
- ☐ Provides that, upon compliance with the bill's provisions, an electronic signature shall have the same legal effect as a manual, facsimile, or other signature of the taxpayer.
- ☐ Amends Revenue and Taxation Code Section 441 to allow all County Assessors to accept the filing of any form approved by the BOE electronically and suggests the form to be authenticated pursuant to methods specified by the Assessor and approved by the BOE.
- ☐ All of the above.

13. Revenue and Taxation Code Section 168.1 establishes that any document required to be executed by a taxpayer for purposes of any tax imposed by Division 1 of the Revenue and Taxation Code may be executed by electronic signature if certain requirements are met. List the requirements below.

- 1.
- 2.

14. Assembly Bill 2353, effective January 1, 2026, adds Revenue and Taxation Code section 4985.05.

- ☐ True
- ☐ False

15. Subject to certain conditions and qualifications, Revenue and Taxation Code section 214 generally exempts what type of property? List the types of property below.

1.

2.

3.

16. Which of the following Property Tax Rules specifies, in significant detail, numerous definitions and requirements for a full-or-partial welfare exemption for low-income housing properties?

☐ Rule 137

☐ Rule 149

☐ Rule 140

☐ Rule 140.1

17. Assembly Bill 2353 adds Revenue and Taxation Code section 4985.05 and provides that a taxpayer is not liable for interest or penalties imposed by a county tax collector, nor shall a county tax collector attempt to collect delinquent property taxes levied on a property if the taxpayer has submitted an application to exempt the property from property taxes under the existing property tax exemption provisions for deed-restricted affordable lower-income rental housing, provided the application for exemption includes which of the following? Mark all that apply.

☐ An enforceable and verifiable agreement with a public agency, a recorded deed restriction, or other legal document consistent with the requirements of the property tax welfare exemption under Revenue and Taxation Code section 214.

☐ An organizational clearance certificate or supplemental clearance certificate from the State Board of Equalization.

☐ A description of the property that includes the total number of residential units, the number of residential units eligible for exemption, the total square footage of the improvements, and the square footage of improvements not eligible for exemption.

☐ All of the above.

18. The process created by the addition of Revenue and Taxation Code section 4985.05 does not apply to the following. List the exclusions below.

1.

2.

19. Assembly Bill 2353 requires the County Assessor to acknowledge to the taxpayer and the County Tax Collector receipt of the application for exemption within 60 days of the taxpayer's submittal of the application.

☐ True

☐ False

20. Effective January 1, 2025, Assembly Bill 2897 provides for which of the following? Mark all that apply.

☐ Amends Government Code section 64702.

☐ Adds Health and Safety Code sections 50650.5, 50720.2, and 50720.4.

☐ Allows a wholly owned subsidiary of a Community Land Trust (CLT) to qualify as a CLT if it is solely directed and managed by the CLT.

☐ Amends Revenue and Taxation Code sections 214 and 402.1.

☐ Allows a CLT to sell a dwelling or unit to a qualified owner, and the deed-restricted land underneath it, if the CLT subjects the property to a revised 99-year lease restriction.

☐ Updates a number of cross-references to CLTs in code sections unrelated to property tax governance.

☐ Amends Civil Code section 2924p.

☐ All of the above.

21. In addition to the provisions of Assembly Bill 2897 stated in Question 20, the new law also adds a new subsection to Revenue and Taxation Code section 402.1. State the full subsection to Revenue and Taxation Code section 402.1.

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22. A CLT is a land ownership model that allows moderate and low-income homeownership opportunities. It is based on the land owned by a nonprofit entity that then sells the dwelling unit(s) to those who qualify as low-income while maintaining ownership of the land the dwelling is built upon.

☐ True

☐ False

23. Effective January 1, 2025, Senate Bill 1527 amends Revenue and Taxation Code section 155.20 to extend the \$50,000 low-value exemption ordinance limit that a county board of supervisors may apply to any taxable possessory interest.

☐ True

☐ False

24. Revenue and Taxation Code section 155.20 authorizes a county board of supervisors to exempt real and personal property having a full value so low that, if not exempt, the total taxes and applicable subventions on the property would amount to less than the cost of assessing and collecting them.

☐ True

☐ False

25. Match the bill number(s) enacted in 2024 with the code section that each bill adds or amends.

1	AB 1868
2	AB 1879
3	AB 2353
4	AB 2897
5	SB 1527

	Revenue and Taxation Code section 155.20
	Health and Safety Code section 50720.2
	Revenue and Taxation Code section 4985.05
	Revenue and Taxation Code section 402.1
	Civil Code section 2924p
	Revenue and Taxation Code section 168.1
	Revenue and Taxation Code section 237
	Government Code section 64702
	Revenue and Taxation Code section 441

	Health and Safety Code section 50650.5
	Revenue and Taxation Code section 214
	Health and Safety Code section 50720.4