



STATE BOARD OF EQUALIZATION

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No. 81/110

September 14, 1981

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 14

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 81

Author: Assemblyman Dennis Brown, et al.
Action: Amended in Senate
Date: August 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 151

Author: Assemblyman Deddeh
Action: Amended in Senate
Date: August 25, 1981
Affected Reference: Adds Section 12463.2 to the Government Code; adds Sections 2237.2, 2237.3, and 2237.4 to the Revenue and Taxation Code

This legislation would make mandatory annual reporting to the State Controller all tax rate increments over the 1 percent authorized by Proposition 13. The initiative authorized the inclusion in the total property tax rate in excess of 1 percent for voter-approved debt service if adopted prior to June 30, 1978.

AB 152

Author: Assemblyman Deddeh
Action: Amended in Senate
Date: August 25, 1981
Affected Reference: Amends Sections 62, 63, 64, 65, 65.1, 481, 482, 482.1, 483, 531.2, 2188.7, and 4675; adds Sections 214.11 and 480.1; repeals Sections 480 and 480.2 of the Revenue and Taxation Code - Urgency Statute

AB 152 (Continued)

This measure would make various substantive and technical changes to the statutory provisions relating to change in ownership under Article XIII A of the California Constitution. This bill would also reorganize and make various substantive and technical changes to the provisions to taxpayer (individual and legal entity) reporting of changes in ownership.

This bill would provide that property owned and operated by a non-profit organization, otherwise qualifying for the so-called welfare exemption, shall be deemed to be exclusively used for hospital purposes so long as the property is exclusively used to meet the needs of hospitals, as specified.

AB 357

Author: Assemblyman Floyd

Action: Amended in Senate

Date: August 24, 1981

Affected Reference: Various sections of the Revenue and Taxation Code

Existing law provides for the special assessment of timberlands for purposes of property taxation and imposes a yield tax on timber.

This bill would provide that a specific adjustment to the yield tax rates shall not be made for the years 1979, 1980, or 1981. It also would make various supplemental and technical changes to the Timber Yield Tax Law.

AB 517

Author: Assemblyman Kapiloff

Action: Enrolled

Affected Reference: Amends Section 227 of the Revenue and Taxation Code -
Urgency Statute

Under existing law in effect until January 1, 1983, a documented vessel is assessed at 4 percent of its full cash value if the vessel is engaged or employed exclusively in carrying or transporting 7 or more people for hire for commercial passenger fishing purposes.

This bill would delete the termination date and would require, to qualify for that assessment, that the vessel holds a current certificate of inspection issued by the United States Coast Guard.

AB 1400

Author: Assemblyman Cortese, et al.

Action: Amended in Senate

Date: August 24, 1981

Affected Reference: Various sections of various codes

AB 1400 (Continued)

This measure would provide a procedure for owners of mobilehomes which have or will become subject to the property tax because their vehicle license fees have been delinquent for 120 days or more to petition to have their mobilehomes reinstated to the Vehicle License Fee on the grounds the failure to have timely paid the fee was due to good cause.

AB 1447

Author: Assemblywoman Moore

Action: Amended in Senate

Date: August 24, 1981

Affected Reference: Adds Section 54 and repeals Section 532.3 of the Revenue and Taxation Code

This bill would give the assessor express authorization, if the statute of limitations has run from the base year, within a specified time period, to enroll the proper base year value on the current assessment roll for any error caused by other than an assessor's value judgment.

AB 1506

Author: Assemblyman Filante, et al.

Action: Amended in Senate

Date: August 24, 1981

Affected Reference: Adds Section 229 to the Revenue and Taxation Code

This bill would assess floating homes, as defined, in the same manner as real property, but would substitute the 1979 lien date for the 1975 lien date in determining their valuation.

AB 1521

Author: Assemblyman Floyd

Action: Enrolled

Affected Reference: Adds Section 532.5 to the Revenue and Taxation Code

Existing law authorizes a board of supervisors to establish a procedure for the spreading of payments due for taxes on escaped assessments, due to an error which is not that of the assessee, over a 3-year period when immediate payment would constitute a hardship on the assessee.

This bill would authorize the assessee to pay the taxes on escaped assessments, due to an error which is not that of the assessee, over an 8-year period, and would further provide that no interest or penalties shall be collected as a result of those escaped assessments.

AB 1539

Author: Assemblyman Harris

Action: Amended in Assembly

AB 1539 (Continued)

Date: August 31, 1981

Affected Reference: Amends Section 1152 of the Revenue and Taxation Code -
Urgency Statute

Under existing property tax law, the allocation formula to be used by assessors with respect to certificated aircraft excludes from the computation of the time in state factor, all air and groundtime that certificated aircraft have spent within the state prior to the aircraft's first revenue flight.

This bill would expand this exclusion to also include all groundtime that certificated aircraft have spent within the state in excess of 168 consecutive hours.

AB 1553

Author: Assemblyman Elder

Action: Enrolled

Affected Reference: Amends Section 441 of the Revenue and Taxation Code

Existing law requires the assessor to use certified or registered mail in giving notice to persons owning taxable personal property that their signed property statement has not been received by the assessor within the statutory time.

This bill would authorize the assessor to also use first-class mail in giving the required notice.

AB 1710

Author: Assemblyman Cortese

Action: Enrolled

Affected Reference: Amends Sections 2617, 2618, 2704, 2705, 2759, 2760, 2761, 2762, 2922, 2922.5, 4103, and 4221 of the Revenue and Taxation Code

Existing law provides for the attachment of interest and delinquent penalties at specified percentage rates on delinquent payments of property taxes on the secured and unsecured rolls and on the redemption of tax-sold and tax-deeded property.

This bill would increase all of those interest and delinquency penalty percentage rates.

AB 2074

Author: Assemblyman Robinson, et al.

Action: Amended in Senate

Date: August 25, 1981

Affected Reference: Various sections of the Government Code

AB 2074 (Continued)

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: Enrolled

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 4

Author: Assemblyman Campbell, et al.

Action: Amended in Senate

Date: August 25, 1981

Affected Reference: Adds Subdivision (d) to Section 2 of Article XIII A of the Constitution

This measure would provide that for purposes of this constitutional provision, "change in ownership" shall not include the acquisition of real property as a replacement for comparable property if the person acquiring the real property has been displaced from the property replaced by eminent domain proceedings, by acquisition by a public entity, or by governmental action which has resulted in a judgment of inverse condemnation.

ACA 53

Author: Assemblyman Frizzelle, et al.

Action: Amended in Assembly

Date: August 24, 1981

Affected Reference: Adds Subdivision (d) to Section 2 of Article XIII A of the Constitution

This measure would provide that for purposes of this constitutional provision, the Legislature may provide that the term "newly constructed" does not include the construction or addition of any fire sprinkler system or fire alarm system, as defined by the Legislature, which is not required by state law or local ordinance.

SB 139

Author: Senator Speraw

Action: Enrolled

Affected Reference: Amends Sections 51 and 170 of the Revenue and Taxation Code

SB 139 (Continued)

Under existing law, the county board of supervisors may, by ordinance, provide for the reassessment of certain real property which is damaged or destroyed in a prescribed manner.

This bill would make various changes in the method of assessing such property.

SB 241

Author: Senator Beverly

Action: Signed by the Governor

Date: August 25, 1981, Chapter 261

Affected Reference: Various sections of various codes

This is a "housekeeping" bill sponsored by the State Board of Equalization to correct a number of technical and minor substantive inconsistencies, errors and problems in the law relative to property taxation including Williamson Act properties; filings by Redevelopment Agencies; property tax relief claims for homeowners; reporting of tangible personal property for the 1967-68 fiscal year; interest rate for business inventory exemption assessments; correction of assessor's errors; exemption of public schools property.

This bill would also permit the assessor to assess property to a new owner when the property changes hands after the lien date.

SB 574

Author: Senator Mills

Action: Enrolled

Affected Reference: Amends Section 201.1 of the Revenue and Taxation Code

Under the California Constitution, real property owned by a local government that is within its area of jurisdiction is exempted from property taxation.

For purposes of that property tax exemption, existing law deems, until January 1, 1982, property owned by a nonprofit entity that is solely owned by a transit development board to be property owned by the transit development board.

This bill would delete the January 1, 1982 date so as to make the property tax exemption permanent for property owned by a nonprofit entity that is solely owned by a transit development board.

SB 1211

Author: Senator Beverly

Action: Amended in Assembly

Date: September 1, 1981

September 14, 1981

SB 1211 (Continued)

Affected Reference: Amends Section 62 of the Revenue and Taxation Code -
Urgency Statute

This bill would provide that any transfer of property or an interest therein between a corporation sole, a religious corporation, a public benefit corporation, and a holding corporation holding title for the benefit of any of the aforementioned corporations, or any combination thereof, would not be considered a change in ownership for reassessment purposes, provided that both the transferee and transferor are regulated by laws, rules, regulations, or canons of the same religious denomination.

SB 1276

Author: Senator Beverly, et al.

Action: Introduced

Date: August 28, 1981

Affected Reference: Adds Section 65.2 to the Revenue and Taxation Code

Existing law provides that a purchase or change in ownership of an undivided interest with a market value of less than 5 percent of the value of the total property shall not be reappraised if the market value of the interest transferred is less than \$10,000, and that transfers during any one assessment year are cumulated for the purpose of determining the value transferred.

This bill would provide that the minimum percentage and dollar amount would not be applicable if there are more than 10 owners of the undivided interest, in which case the cumulative amount of transfers must be at least 50 percent of the total undivided interest in any one assessment year.

Sincerely,



Verne Walton, Chief
Assessment Standards Division

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Enclosures