STATE OF CALIFORNIA

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No. 82/18

February 2, 1982

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 1

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 8X
Author: Assemblyman Robinson
Action: Amended in Senate
Date: January 13, 1982
Affected Code Sections: Amends many Sections of the Revenue and Taxation Code from Section 6459 to 43477, adds Section 19269 to the Revenue and Taxation Code and amends Sections 803, 1111, 1113, 1129, and 1184 of the Unemployment Insurance Code - Urgency Statute

This legislation would raise the interest rate on delinquent tax payments owed the state and amounts the state owes taxpayers to a uniform 18 percent per annum until December 31, 1982. The rate would be adjusted each year on the basis of the adjusted prime rate charged by banks. This bill will only become operative if Senate Bill 982 is chaptered during the 1981-82 Regular Session of the Legislature.

AB 416
Author: Assemblyman Nolan
Action: Amended in Assembly
Date: January 18, 1982
Affected Code Sections: Adds Chapter 12.8 (Commencing with Section 7070) of the Government Code, amends Sections 17283, 17577, 18090.2, 24422, 24667, and 24949.2 of, and adds Sections 66.5, 74, 17053.8, 17166, 17167, 17213.5, 24311, 24312, 24331, and 24356.2 to the Revenue and Taxation Code

This legislation would exclude from "change in ownership" and "new construction" any transfer of, and any addition to, rehabilitation, alteration, renovation or modernization of, real property located within an enterprise zone. These provisions would only become operative if an unspecified constitutional amendment is approved by the voters.

AB 947
Author: Assemblyman Frizzelle
Action: Amended in Assembly
Date: January 5, 1982
Affected Code Sections: Amends Sections 68 and 74 of the Revenue and Taxation Code

Would provide that an increase in assessed value shall not result solely from the installation of any fire sprinkler system, or fire alarm system, as defined. It would provide that the cost of installation of any such system, which is not required by state law or local ordinance, shall not be deemed "new construction." It would also provide that the appraised value of real property when purchased or a change in ownership has occurred shall not include the cost of any such system, which is not required by state law or local ordinance. This legislation would only become effective if ACA 53 is approved by the voters.

AB 1093
Author: Assemblyman Elder
Action: Amended in Assembly
Date: January 12, 1982
Affected Code Sections: Amends Section 61 of the Revenue and Taxation Code

This legislation would provide that transfers of development rights between owners of parcels, which entitle the recipient to develop the parcel in a manner not permitted prior to the transfer would be considered a change in ownership for reassessment purposes.

AB 1400
Author: Assemblyman Cortese
Action: Enrolled after passing in both houses
Date: Assembly January 18; Senate January 21, 1982
Affected Code Sections: Many sections of the Health and Safety Code, Revenue and Taxation Code, and the Vehicle Code

This legislation would provide that the Director of the Department of Housing and Community Development may reinstate under vehicle registration and license lwws, any mobilehome that is to be placed on the local property tax roll because of a delinquent license fee if the delinquency was from reasonable cause and not from willful neglect. The assessor would be required to notify the assessee of any mobilehome to be placed on the local roll of the right to petition for reinstatement.

This bill would also amend laws pertaining to escrows used in the transfer of title to mobilehomes and statutes regarding transporting them.

AB 1400 (Continued)

This legislation would also specify that the operative date of Chapter 366, Statutes of 1981 (AB 1710), is to be for the 1982-83 assessment roll. This bill affected delinquent penalties for late payment of taxes on both the secured and unsecured rolls.

AB 1419
Author: Assemblyman Kapiloff
Action: Amended in the Assembly
Date: January 18, 1982
Affected Code Sections: Amends Sections 62 and 110.1, adds Section 68 and repeals and adds Section 63 of the Revenue and Taxation Code

This legislation would provide that any transfer of real property to a family member, as defined, shall not be a change in ownership for reassessment purposes. Further, it would also provide that a transfer for the purpose of correcting a deed to express the true intention of the parties would not be a change in ownership. These provisions would be retroactive but no escape assessments would be made nor refunds paid for prior years.

This bill would further provide that the date of change in ownership would be either the date of execution of the sales agreement or the date escrow closes depending on when escrow closes.

AB 1539
Author: Assemblyman Harris
Action: Amended in the Assembly
Date: January 19, 1982
Affected Code Sections: Amends Section 1152 of the Revenue and Taxation Code

This legislation would exclude from the "time in state" factor all the goundtime that certificated aircraft have spent within the state in excess of 168 consecutive hours.

The expanded exclusion would apply only in those counties in which <u>all</u> of the revenue districts and taxing agencies have agreed to the exclusion.

AB 1603
Author: Assemblyman Filante
Action: Signed by the Governor
Date: January 21, 1982, Chapter 7
Affected Code Sections: Amends Sections 442, 1604 and 2610.5, and adds Section 441.5 to the Revenue and Taxation Code

This legislation provides that a taxpayer may furnish the information required to the assessor in an attachment to the property

AB 1603 (Continued)

statement provided the property statement is executed by the taxpayer and appropriate reference to the property statement is made. It also provides that reporting requirements are satisfied with respect to property belonging to others if the declarer includes that property in the property statement.

This bill further provides that if a county assessment appeals board fails to hear evidence on an application for reduction in assessment within two years of a timely filing, the taxpayer's opinion of value shall prevail.

This legislation provides, as well, that with respect to a later or supplemental tax bill, the penalty imposed for delinquent taxes shall be waived for a period of 30 days following the date the bill is mailed.

AB 2188
Author: Assemblywoman La Follette
Action: Amended in the Assembly
Date: January 11, 1982
Affected Code Sections: Amends Section 255.8 of the Revenue and Taxation Code

This legislation would require that a notice in Spanish accompany the claim form and instructions that are printed in English when the assessor of a county that has 10 percent or more persons of Spanish origin, is required to mail a homeowners' exemption claim to a person acquiring title to a dwelling. The notice shall reference where a Spanish version may be obtained. This is in contrast to current law that requires the notices and instructions to be in both English and Spanish.

AB 2308
Author: Assemblyman Bates
Action: Introduced in the Assembly
Date: January 4, 1982
Affected Code Sections: Amends Section 214.02 of the Revenue and Taxation Code - Urgency Statute

The legislation would remove the expiration of Section 214.02 of the Revenue and Taxation Code. That Section extends the welfare exemption to qualifying property that is used for the preservation of native plants, animals, biotic communities, etc.

AB 2361
Author: Assemblyman Vasconcellos
Action: Introduced
Date: January 11, 1982
Affected Code Sections: Many Sections of Many Codes - Urgency Statutes

AB 2361 (Continued)

This legislation would require the assessor, on approval by the board of supervisors, to prepare two supplemental assessment rolls. Both would enroll new construction and changes in ownership earlier than is now the case. One would be prepared after July 1 and pertain to new construction during the period from March 1 through June 30; the other would be prepared after January 1 and cover new construction and change in ownership between July 1 and December 31.

SB 465
Author: Senator Beverly
Action: Amended in Senate
Date: January 4, 1982
Affected Code Sections: Adds Section 107.5 to the Revenue and Taxation Code

This bill is intended to be declaratory of existing law and would provide an extensive definition of possessory interests as they apply to Federally owned property, and distinguishes between land, improvements, and personal property.

SB 804
Author: Senator Johnson
Action: Amended in Senate
Date: January 4, 1982
Affected Code Sections: Amends Section 18075.5, adds Sections 18078.1, 18078.3, 18078.54, and 18078.7, and repeals and adds Sections 18078 and 18118, and repeals Sections 18076.5, 18083, 18114, 18114.5, 18115 and 18116 of the Health and Safety Code and amends Section 9250 of the Vehicle Code

This legislation would require all mobilehomes manufactured after May 27, 1967 and all commercial coaches manufactured after November 23, 1970 be registered with the county assessor. Further, all mobilehomes and commercial coaches not subject to local property taxation and not on foundation systems, would be registered by the Department of Motor Vehicles (DMV) on or after January 1, 1983. The "first annual registration" fee collected by DMV and all subsequent registration and license fees would be paid to the county assessor in the county of situs. The assessor would include mobilehomes on the unsecured roll and value such mobilehomes using existing classification plans denoting values of mobilehomes for each year of their life. If such mobilehomes became delinquent for 120 days or more they would be transferred to the secured roll and assessed at full market value.

SB 1108
Author: Senator Speraw
Action: Amended in the Senate
Date: January 25, 1982
Affected Code Sections: Amends Section 66412 of the Government Code

This legislation would specify that the Subdivision Map Act does not apply to a community apartment project that was complete and occupied on or before January 1, 1981 and which has been converted to a condominium.

SB 1276
Author: Senators Beverly and Presley
Action: Amended in Senate
Date: January 14, 1982
Affected Code Sections: Amends Section 2188.7 of the Revenue and Taxation Code

This bill would provide for separate assessment of interests in time-share projects upon written request. The assessor could charge a fee for the initial cost of such separate assessments.

SB 1326
Author: Senator Alquist
Action: Introduced
Date: January 11, 1982
Affected Code Sections: Many Sections of Many Codes - Urgency Statute

This legislation would require the assessor, on approval by the board of supervisors, to prepare two supplemental assessment rolls. Both would enroll new construction and changes in ownership earlier than is now the case. One would be prepared after July 1 and pertain to new construction during the period from March 1 through June 30; the other would be prepared after January 1 and would cover new construction and change in ownership between July 1 and December 31.

Sincerely,

Verne Walton

Verne Walton, Chief
Assessment Standards Division

VW:ebv
AL-07-1272A