



STATE OF CALIFORNIA

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No. 84/58

TO COUNTY ASSESSORS:

SUPPLEMENTAL ASSESSMENTS
APPLICATION OF HOMEOWNERS', DISABLED VETERANS', AND VETERANS' EXEMPTIONS

Of all the Revenue and Taxation Code sections added by the passage of Senate Bill 813 (Ch. 498, Stats. 1983) and amended by Assembly Bill 399 (Ch. 1102, Stats. 1983) only three address property tax exemptions. Those sections (as amended by AB 399) state:

"75.20. A supplemental assessment pursuant to this chapter shall not affect an exemption which had been granted the property for either the current roll or the roll being prepared.

75.21. (a) Exemptions shall be applied to the amount of the supplemental assessment, provided that the property is not receiving any other exemption on either the current roll or the roll being prepared except as provided for in subdivision (b), and the assessee is eligible for and makes a timely claim for the exemption.

(b) If the property received an exemption on the current roll or the roll being prepared and the assessee on the supplemental roll is eligible for and makes a timely claim for an exemption of a greater amount, then the difference in the amount between the two exemptions shall be applied to the supplemental assessment.

(c) Any person claiming to be eligible for an exemption to be applied against the amount of the supplemental assessment shall file a claim, in such form as prescribed by the board, on or before the 30th day following the date of notice of the supplemental assessment.

75.22. A property shall be eligible for exemption from the supplemental assessment if the person claiming the exemption meets the qualifications for the exemption established by this part no later than 90 days of the date of the change in ownership or the completion of new construction."

Since the enactment of SB 813 and AB 399, several questions have arisen regarding their effect on property tax exemptions. In response to these questions, and to provide guidance in administering exemptions under the new laws, we have compiled the enclosed set of examples, each stating a given set of facts and our recommended action.

It is assumed in the examples that the requirements of the above quoted Sections 75.21(c) (time for filing) and 75.22 (use in an exempt manner) have been, or will be, complied with.

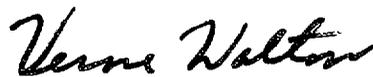
For clarification, we have separated the examples into two categories. The homeowners', disabled veterans', and veterans' exemptions, because of their similarities, are dealt with in this set. The second set will contain examples pertinent to the other exemptions, such as the church, religious, and welfare exemptions.

The examples have been categorized under the following headings, some examples have been included under more than one heading.

- A. Change in Ownership
- B. Claimant Qualifies Two Residences For All or Part of The Same Fiscal Year
- C. New Construction
- D. Additions (same owner)
- E. Late Filing
- F. Veteran, Disabled Veteran
- G. Forms, Splits, Miscellaneous

We invite your comments and additional questions. Please send such comments and questions to Bill Grommet of this office.

Sincerely,



Verne Walton, Chief
Assessment Standards Division

Application of Exemptions on Supplemental Assessments
Examples Applicable to the Homeowners', Disabled Veterans',
and Veterans' Exemptions

Note: While the homeowners' exemption is used in the examples, the concepts apply to the disabled veterans' and veterans' exemptions as well. Except where otherwise stated a claim supporting an exemption on the regular roll was filed by April 15 (Sec. 255(b)). In the case of a supplemental assessment the claimant made a timely filing of the claim for exemption which is on or before the 30th day following the date of notice of the supplemental assessment. There is no specific time set for mailing a notice (Sec. 75.21(c)).

Change of ownership - between March 1, 1984 and May 31, 1984. There will always be two supplemental assessments (caused by a single change in ownership at a specific point in time, say, April 1, 1984):

1. One supplemental assessment is for the months of May and June in the 1983-84 fiscal year.
2. The second supplemental assessment is for the fiscal year 1984-85. (However, this is NOT for the regular roll, based on the March 1 lien date.)

Note: A situation can occur where there is a change of ownership between March 1, 1984 and May 31, 1984. A claimant can properly sign a claim for an exemption on a 1983-84 supplemental assessment and the same claim is applicable for an exemption on a 1984-85 supplemental assessment BUT THE SAME CLAIM IS NOT ACCEPTABLE FOR THE 1984-85 REGULAR ROLL because the claimant was not an owner-occupant of the residence as of 12:01 a.m. March 1, 1984 but will be acceptable for the 1985-86 regular roll if there has been no interceding change in ownership. Therefore, the same claimant would receive an exemption for the 1983-84 supplemental assessment, NO EXEMPTION ON THE 1984-85 REGULAR ROLL, an exemption on the 1984-85 supplemental assessment and later a full exemption on the 1985-86 regular roll.

However, the exemption on the 1984-85 regular roll will be continued if the seller qualified the property for the exemption.

Change of ownership - between June 1, 1984 and February 28, 1985. There will only be one supplemental assessment and it will be placed on the supplemental roll for 1984-85. (There may be additional supplemental assessments for completed construction.) The allowance of an exemption on the 1984-85 supplemental roll establishes the exemption for 1985-86 and thereafter based on one-time filing.

A. CHANGE IN OWNERSHIP

Example A1. A property is valued at \$80,000 on the current roll, there is no existing exemption. A change in ownership occurs August 1, 1984 and the property is reassessed at \$100,000, resulting in a supplemental assessment of \$20,000. The new owner files a homeowners' exemption claim timely (within 30 days of the date of the notice of supplemental assessment as required by Section 75.21(c)).

Action: Allow the full \$7,000 homeowners' exemption on the 1984-85 supplemental roll, in this case there will be a net taxable amount on the supplemental roll of \$13,000 (\$20,000 minus \$7,000). Continue the exemption on the regular roll for 1985-86 based on one-time filing.

Example A2. A property is valued at \$80,000 on the current roll, there is an existing \$7,000 homeowners' exemption. A change in ownership occurs August 1, 1984 and the property is reassessed at \$100,000, resulting in a supplemental assessment of \$20,000. The new owner files a homeowners' exemption claim timely (within 30 days of the date of the notice of supplemental assessment as required by Section 75.21(c)).

Action: As the property is already receiving a full \$7,000 homeowners' exemption, do not allow an additional exemption on the supplemental assessment.

Note: The assessor is not required to send a claim form for any supplemental assessment. However, under the provisions of Section 255.3 the assessor would be required to mail a claim to the new owner by March 15 of the following year. In this example the assessor should consider the claim as an early filing for the exemption on the 1985-86 regular roll.

Example A3. A property is valued at \$80,000 on the current roll, there is no existing exemption. A change in ownership occurs December 1, 1984 and the property is reassessed at \$75,000, resulting in supplemental assessment of a negative \$5,000. The new owner timely files a homeowners' exemption claim for the supplemental assessment.

Action: As Section 75.21(a) provides that an exemption shall only be applied to the amount of the supplemental assessment, an exemption cannot be applied to a supplemental assessment of a negative amount. Therefore, do not allow an exemption on the supplemental assessment. Besides, where the supplemental assessment is a negative amount the county auditor will make a refund of a portion of taxes paid on assessments made on the current roll (or the roll being prepared or both if applicable, see Section 75.31).

In this example the assessor should consider the claim as an early filing for the exemption on the 1985-86 regular roll.

Example A4. A property is valued at \$5,000, there is an existing homeowners' exemption in the amount of \$5,000. A change in ownership on February 1, 1985 results in a 1984-85 supplemental assessment of \$3,200. The new owner timely files (within 30 days of the date of the notice) a claim for the exemption on the \$3,200 supplemental assessment as required by Section 75.21(c).

Action: Allow an additional \$2,000 exemption on the 1984-85 supplemental assessment which results in a full \$7,000 (maximum) exemption. There will be a net taxable value on the supplemental roll of \$1,200. Continue the full exemption on the regular roll for 1985-86 based on one-time filing.

Note: Where exemptions have a limit, \$7,000 for homeowners, \$40,000 or \$60,000 for disabled veterans, \$4,000 for regular veterans, the assessor must use care that:

- (a) the original exemption on the current roll or the roll being prepared is NOT changed, and
- (b) the exemption limit, such as \$7,000 for the homeowners' exemption, is NOT exceeded when the total amount of the exemptions for both the current roll and supplemental roll are considered.

Example A5. A property is valued at \$42,000, there is a \$5,600 (instead of \$7,000) exemption on the regular roll because the claim was filed late between April 16 and December 1. A change in ownership on October 1, 1984 results in a supplemental assessment of \$10,000. The new owner timely files (within 30 days of the date of notice) a claim for an exemption on the \$10,000 supplemental assessment.

Action: Allow an additional exemption of \$1,400 for a total exemption of \$7,000. Continue the full exemption on the regular roll for 1985-86 based on one-time filing.

Example A6. On the March 1, 1983 lien date, property is not eligible for exemption (vacant, rented, etc.) for 1983-84. In January 1984, the owner occupies the property and in March 1984 files and qualifies for the \$7,000 homeowners' exemption for 1984-85. The property is sold on April 1, 1984 resulting in a (first) supplemental assessment for 1983-84 and a (second) supplemental assessment for 1984-85. The new owner files a homeowners' exemption claim timely (within 30 days of the date of the notice) for the supplemental assessments for 1983-84, 1984-85.

Action: As there is no exemption on the 1983-84 roll, allow the full \$7,000 homeowners' exemption only to the extent of the amount of the supplemental assessment for 1983-84.

Continue the exemption on the 1984-85 regular roll based on the March 1 owner's having filed a claim and the residence being qualified for the \$7,000 exemption. Though the April 1, 1984 owners claim is applicable for the 1984-85 supplemental assessment, no exemption can be allowed because there is already a full \$7,000 exemption on the regular roll.

Note: In this example the assessor should consider the April 1, 1984 owner's claim as an early filing for the exemption on the 1985-86 regular roll.

Example A7. Vacant land with a current roll value of \$6,000 is acquired August 1, 1984 resulting in a 1984-85 supplemental assessment on the land of \$4,000. The new owner files a homeowners' claim within the required 30 day time for filing and within 90 days resides on the property, either in a mobilehome moved onto the property or in a newly constructed residence, resulting in an additional 1984-85 supplemental assessment on the mobilehome or improvement.

Action: Allow a total of \$4,000 exemption on the amount of the supplemental assessment on the land. If mobilehome is real property or if newly constructed residence, allow \$3,000 exemption only to the extent of the amount of the supplemental assessment on the mobilehome or on the residence. No exemption may be allowed on the original \$6,000 value of the vacant land. No new filing is required for the 1985-86 regular roll because of one-time filing."

Example A8. On the March 1 lien date 1984, property is vacant land valued at \$10,000. The March 1 owner completed construction of a residence in September 1984 results in a 1984-85 supplemental assessment of \$50,000. The owner does not occupy the property and therefore the property does not qualify for or receive an exemption. The property is then sold on November 1, 1984 resulting in a 1984-85 supplemental assessment of \$3,000. The new owner occupies the property in November 1984 and timely files a homeowners' exemption claim.

Action: Allow the exemption up to the amount of the \$3,000 supplemental assessment. No new filing is required for the 1985-86 regular roll.

Note: The previous owner may have received the contractors' exemption from supplemental assessment provided by Section 75.12 of the Revenue and Taxation Code. If so, the supplemental assessment for the improvements goes to the new owner for a total supplemental assessment of \$53,000. In this case, allow the full \$7,000 exemption.

Example A9. See G13, change of ownership February 15, 1984; various dates for the notice and dates of filing.

- Example A10. See G14, change of ownership February 15, 1984, assessor fails to send claim timely.
- Example A11. See F1, received \$4,000 veterans' exemption, new owner qualifies for homeowners' exemption.
- Example A12. See F2, a \$38,000 value property receiving a \$7,000 homeowners' exemption is sold September 1, 1984 resulting in a \$14,000 supplemental assessment to a claimant who qualifies for a \$40,000 or \$60,000 disabled veterans exemption.

B. CLAIMANT QUALIFIES TWO RESIDENCES
FOR ALL OR PART OF THE SAME FISCAL YEAR

Example B1. The owner occupies property #1 on the March 1, 1984 lien date and receives the homeowners' exemption on the 1984-85 regular roll. He then buys and occupies property #2 on April 1, 1984 resulting in a (first) supplemental assessment for 1983-84 and a (second) supplemental assessment for 1984-85 for property #2. He files a claim timely (within 30 days of the date of notice) for a homeowners' exemption on the supplemental assessments at the second location which did not have a homeowners' exemption on the regular roll for 1984-85.

Action: The exemption on property #1 continues on the 1984-85 regular roll, the exemption should be cancelled for the subsequent years' 1985-86 regular roll. The exemption should be allowed on property #2 for the (first) supplemental assessment for 1983-84 and for the (second) supplemental assessment for 1984-85. THE EXEMPTION MUST NOT BE ALLOWED for property #2 on the 1984-85 regular roll because the claimant did NOT OWN AND OCCUPY the residence as of 12:01 a.m. March 1, 1984.

If property #1 is located in another county, the claimant must notify that assessor to cancel the exemption for 1985-86. If the exemption on property #1 is not cancelled for 1985-86, it should show up on the 1985-86 multiple claims list.

Example B2. In examples A1, A4, A5, A7, and A8 the new owner, who may have qualified the property he moved from for the homeowners' exemption, qualifies for all or part of the exemption on property he acquires.

Example B3. This is similar to example B1. The owner occupies property #1 on the March 1, 1984 lien date and receives the homeowners' exemption on the 1984-85 regular roll. On September 1, 1984 the owner moves into another dwelling he owned on March 1, 1984 located in the same county. He completes construction of a \$20,000 swimming pool on October 1, 1984 and files a claim timely (within 30 days of the date of notice) for the 1984-85 supplemental assessment.

Action: The exemption on property #1 continues on the 1984-85 regular roll; The exemption should be cancelled for the subsequent years' 1985-86 regular roll. Allow the \$7,000 exemption on the \$20,000 supplemental assessment for the swimming pool on property #2.

Note: The assessor is not required to check two exemptions, one on one property and one on another unless they are both on the 1984-85 regular roll.

C. NEW CONSTRUCTION

Completion of new construction - between March 1, 1984 and May 31, 1984

There will always be two supplemental assessments (caused by completion of new construction at a specific point in time, say, March 10, 1984):

1. One supplemental assessment is for the months of April, May and June in the 1983-84 fiscal year.
2. The second supplemental assessment is for the fiscal year 1984-85 (However, this is NOT for the regular roll based on the March 1 lien date.)

Completion of new construction - between June 1, 1984 and February 28, 1985

There will only be one supplemental assessment and it will be placed on the supplemental roll for 1984-85. (There may be additional supplemental assessments for additional completed construction.)

Example C1. On the March 1, 1984 lien date, property is vacant land with no exemption. There is no change in ownership. Completed construction in October 1984 results in a supplemental assessment on improvements of \$50,000. The owner timely files a homeowners' claim on the supplemental assessment.

Action: Allow the full \$7,000 homeowners' exemption for the \$50,000 improvements on the 1984-85 supplemental assessment roll.

The timely filed claim filed in October or November 1984 (within 30 days of the date of the notice) should be accepted as one-time filing for 1985-86 regular roll.

Example C2. Vacant land with a current roll value of \$10,000 is acquired August 1, 1984 resulting in a supplemental assessment on the land of \$4,000. The new owner files a homeowners' claim within the required 30 days of the date of notice but fails to either move a mobilehome onto the property and occupy it within 90 days of the date of change in ownership or to complete construction of a residence and occupy it within 90 days of the date of change in ownership.

Action: Do not allow the exemption on the \$4,000 supplemental assessment on the land as the land remains vacant.

However, if completed construction on say, December 1, 1984 results in an additional supplemental assessment and is occupied within 90 days of the date of the completion of new construction, the full \$7,000, homeowners' exemption may apply to only the additional supplemental assessment.

NOTE:

The assessor, based on the facts, determines both the date of change in ownership and the date of completion of new construction. If no exemption is allowed on a 1984-85 supplemental assessment because the property has no improvements the claim should be deemed null and void.

Example C3.

See A8, a residence is built on vacant land prior to the property being sold to a new owner; possible contractors' exemption provided by Sec. 75.12 Revenue and Taxation Code.

D. ADDITIONS, SAME OWNER

Example D1. Additions to property on July 10, 1984 (room, pool, garage, etc.) already receiving a full (\$7,000) homeowners' exemption result in a supplemental assessment of \$5,000.

Action: Since the full \$7,000 exemption is already allowed, no additional exemption should be allowed.

If, for some reason, the value of the property and the amount of the homeowners' exemption on the 1984-85 regular roll was less than \$7,000, say, \$4,000, an additional \$3,000 should be allowed on the supplemental assessment.

See Example D3 concerning late filing had only \$5,600 been allowed in the example above.

Section 75.21(a) states that exemptions shall be applied to the amount of a supplemental assessment provided the assessee makes a timely claim for the exemption, and Section 75.21(c) states that any person claiming to be eligible for an exemption to be applied against the amount of the supplemental assessment shall file a claim.

Example D2. Low value property is receiving a \$5,000 homeowners' exemption which results in a zero taxable value. September 1, 1984 additions result in a supplemental assessment of \$10,000.

Action: Allow an additional \$2,000 exemption on the supplemental assessment for a total exemption of \$7,000. A claim must be filed for an exemption against the amount of a supplemental assessment (see Example D1).

Example D3. Property valued at \$80,000 on the current roll is already receiving a \$5,600 late filed homeowners' exemption (claim filed May 1, 1984). There is no change in ownership. Subsequent additions on November 1, 1984 result in a supplemental assessment of \$2,500.

Action: Allow an additional exemption of \$1,400 (\$7,000 full exemption - \$5,600 late filed exemption already enrolled) on the supplemental assessment. A claim must be filed for an exemption against the amount of a supplemental assessment (see Example D1).

NOTE: Though the claim for the exemption on the 1984-85 regular roll was filed late, the claim for the supplemental assessment must be filed timely which is within 30 days of the date of notice.

Had a claim been filed after December 1, 1984 but within 30 days of the date of notice of the supplemental assessment the exemption would have only applied to the \$2,500 supplemental assessment.

In the above instances the full exemption should be continued for the 1985-86 regular roll based on one-time filing.

E. LATE FILING

Late filing is referred to in Examples A5 and D3.

Example E1. On the March 1, 1983 lien date, property is not eligible for exemption (vacant residence, rented, etc.) for 1983-84. In January 1984, the owner occupies the residence and in March 1984 files and qualifies for the \$7,000 homeowners' exemption for the 1984-85 regular roll. The property is sold in April 1, 1984 resulting in a (first) supplemental assessment for 1983-84 and a (second) supplemental assessment for 1984-85. However, the new owner (as of April 1, 1984) files the homeowners' exemption claim late (after 30 days of the date of the notice) for the supplemental assessment.

Action: No exemption can be allowed on the 1983-84 supplemental assessment and on the 1984-85 supplemental assessment. However, since the seller qualified the property for exemption for the 1984-85 regular roll, the buyer will receive the benefit of that exemption. The buyers late filed claim should be considered as an early filing for the 1985-86 regular roll subject to the \$7,000 homeowners' exemption.

Example E2. Property valued at \$5,000 on the current roll is already receiving a \$4,000 late filed homeowners' exemption. There is no change in ownership. August 1, 1984 additions result in a \$4,000 supplemental assessment.

Action: Allow an additional \$3,000 exemption on the supplemental assessment for a total homeowners' exemption of \$7,000. An additional claim must be filed for an exemption against the amount of a supplemental assessment (see Example D1).

F. VETERAN, DISABLED VETERAN

Example F1. A \$58,000 value dwelling receiving a \$4,000 veterans' exemption is sold October 1, 1984 resulting in a \$5,000 supplemental assessment. The new owner timely files (within 30 days of the date of notice) and qualifies for the homeowners' exemption.

Action: Apply the \$3,000 difference between the two exemptions (\$7,000 homeowners' - \$4,000 veterans;) to the \$5,000 supplemental assessment.

Example F2. A \$38,000 value property receiving a \$7,000 homeowners' exemption is sold September 1, 1984 resulting in a \$14,000 supplemental assessment. The new owner timely files (within 30 days of the date of notice) and qualifies for the disabled veterans' exemption.

Action: First, determine whether the \$40,000 or \$60,000 disabled veterans' exemption is applicable, based on the claimant's household income. Second, subtract the \$7,000 homeowners' exemption. The result (\$33,000 or \$53,000) is the amount of exemption available only to the extent of the amount of the supplemental assessment. As there is only \$14,000 available as a supplemental assessment, the entire \$14,000 should be exempt under the disabled veterans' exemption (\$7,000 plus \$14,000 = \$21,000; considerably less than the basic \$40,000 disabled veterans' exemption).

- a. No new filing is required to receive \$40,000 exemption in 1985-86 because of one-time filing.
- b. A new filing would be required (check household income) in 1985-86 to allow \$52,000 (\$38,000 + \$14,000) exemption on the 1985-86 regular roll.

G. FORMS, SPLITS, MISCELLANEOUS

- Example G1. See the note on page 1, prior to Section A, Change in Ownership.
- Example G2. A claim either timely or late filed for an exemption on the regular roll is NOT applicable for an exemption for a supplemental assessment; an additional claim must be filed for an exemption against the amount of a supplemental assessment (see Example D1).
- Example G3. Generally, a claim timely filed for a 1983-84 supplemental assessment, if filed prior to March 1, 1984, is acceptable for the 1984-85 regular roll.
- Example G4. A claim timely filed for a 1983-84 supplemental assessment, if filed after March 1, 1984, is NOT acceptable for the 1984-85 regular roll unless the claimant owned and occupied the property as of 12:01 a.m. March 1, 1984. The claim, depending on the date filed may then be considered timely filed (by April 15, 1984), late filed (by December 1, 1984), or not applicable (after December 1, 1984) for only the 1984-85 regular roll.
- Example G5. Where there is a change of ownership between March 1, 1984 and May 31, 1984 a claimant can properly sign a claim for an exemption on a 1983-84 supplemental assessment and the same claim is applicable for an exemption on a 1984-85 supplemental assessment BUT THE SAME CLAIM IS NOT ACCEPTABLE FOR THE 1984-85 REGULAR ROLL because the claimant was not an owner (though maybe an occupant) of the residence as of 12:01 a.m. March 1, 1984. The claim is acceptable for the 1985-86 regular roll.
- Example G6. Where a claimant is required to file a claim for exemption on a supplemental assessment, the claim must be filed on or before the 30th day following the date of notice.
- THERE ARE NO LATE FILING PROVISIONS FOR FILING A CLAIM FOR A SUPPLEMENTAL ASSESSMENT.
- Example G7. The assessor, based on the facts, determines both the date of change in ownership and the date of completion of new construction for purposes of determining the 90-day period.
- Example G8. If a claim is filed on a 1984-85 supplemental assessment and an exemption is not allowed (vacant land, no improvements) the claim should be deemed null and void. The assessor may send the claimant another claim form by March 15, 1985, to be filed by April 15, 1985, if improvements have been added.

Example G9. Where there is a change in ownership the following type of claimants may find it beneficial to file a claim for their respective type of exemption:

Cemetery	Free Museum
Church	Religious
College	Veteran
Disabled Veteran	Veterans' Organization
Homeowner	Welfare
Free Public Library	

Example G10. Additions to property (room, pool, garage, etc.) already receiving a full (\$7,000) homeowners' exemption result in a supplemental assessment of \$5,000.

Action: Since the full \$7,000 exemption is already allowed, no additional exemption is available.

If, for some reason, the value of the property and the amount of the homeowners' exemption on the regular roll was less than \$7,000, say, \$4,000, an additional \$3,000 could be allowed on the supplemental assessment. An additional claim must be filed for an exemption against the amount of a supplemental assessment (see Example D1).

Example G11. A parcel with a dwelling receiving a \$7,000 homeowners' exemption is split creating a second, vacant parcel.

Action: As the exemption applies first to the dwelling then second to the land, the existing exemption stays with the parcel that includes the dwelling. If the dwelling and the land are valued, and fully exempt, in the amount of, say, \$6,500 the \$500 remaining exemption should be applied to the vacant parcel (see Section 75.20 Revenue and Taxation Code). The vacant parcel should not receive an exemption the following year.

Note: This is the only unusual exception that we are aware of that would permit an exemption on vacant property, and then ONLY for the year of the split.

Example G12. A parcel with two dwellings, one of which is receiving a \$7,000 homeowners' exemption, is split creating two parcels, each with a dwelling.

Action: The existing exemption stays with the dwelling in which the qualified occupant resides. If the parcel without the exemption is (1) occupied by an owner-occupant and (2) there is

a supplemental assessment and (3) the owner-occupant files a claim within 30 days of the date of notice, the \$7,000 homeowners' exemption should be allowed on the supplemental assessment.

Example G13. A change in ownership occurs February 15, 1984 resulting in a supplemental assessment for 1983-84. There is no requirement for the assessor to mail a claim for exemption form to a person who may file for an exemption on a supplemental assessment; the person may request a claim form after reading the notice of supplemental assessment and, to file timely (no late filing), must file the claim on or before the 30th day following the date of notice. The new owner occupies the property as of the lien date 12:01 a.m., March 1, 1984. A homeowners' exemption claim form for claiming the exemption on the 1984-85 regular roll is sent to the new owner by March 15, 1984 as required by Section 255.3 of the Revenue and Taxation Code.

In this instance the claimant could properly check both boxes 1 and 2 on the 1984 claim form.

Action: As there was a supplemental assessment for 1983-84 the assessor should provide a letter of explanation for filing a claim that will suffice for the supplemental assessment and for the 1984-85 regular roll.

Depending on the timing, take one of the following actions:

- (a) if the notice of supplemental assessment was sent Wednesday March 14, 1984 and the homeowners' claim is filed by Friday April 13, 1984 (30 days following the date of the notice) allow the \$7,000 exemption on the 1983-84 supplemental roll (to the extent of the amount of the supplemental assessment) and \$7,000 on the 1984-85 regular roll. (Both exemptions based on the same claim form.)
- (b) if the notice of supplemental assessment was sent Friday March 9, 1984 and the homeowners' claim is filed by April 9, 1984 (as the 30th day falls on Sunday April 8) allow the \$7,000 exemption on the 1983-84 supplemental roll and \$7,000 on the 1984-85 regular roll.
- (c) if the notice of supplemental assessment was sent Monday March 12, 1984 and the homeowners' claim is filed April 16, 1984 (April 14 and 15 fall on Saturday and Sunday) allow the \$7,000 exemption on the 1984-85 regular roll but do not allow the exemption on the 1983-84 supplemental roll; the 30 day time to file on the supplemental assessment has expired.

Note:

When computing the 30 days, properly account for Saturdays, Sundays, and holidays or plan the mailing of notices so that the 30th day does not fall on Saturday, Sunday or a holiday.

- (d) if the notice of supplemental assessment was sent on March 15, 1984 and the homeowners' claim is filed after April 16, 1984 (April 14 and 15 are Saturday and Sunday), but on or before December 3, 1984 (as December 1 falls on a Saturday), allow the 80 percent late-filed exemption on the 1984-85 regular roll and do not allow the exemption on the 1983-84 supplemental roll; the 30 day time to file on the supplemental assessment has expired.
- (e) if the notice of supplemental assessment has not yet been sent but a claim has been received by the assessor, allow the exemption on the 1984-85 regular roll as appropriate; 100 percent exemption if filed by April 16 1984 (as April 15 falls on a Sunday), or 80 percent exemption if filed April 17, 1984 to December 3, 1984 (as December 1 falls on a Saturday). When an additional claim is received as a result of the claimant receiving the notice, and filing within 30 days of the notice of supplemental assessment, the exemption can be allowed on the 1983-84 supplement assessment (see Example D1). In this situation, it is possible to get 100 percent exemption on the 1983-84 supplemental roll and 100 percent or 80 percent exemption on the 1984-85 regular roll.

Example G14. A change in ownership or completion of new construction occurs February 15, 1984 resulting in a supplemental assessment for 1983-84. The owner occupies the property as of the lien date 12:01 a.m. March 1, 1984. The assessor fails to send a homeowners' exemption claim by March 15, 1984 as required by Section 255.3 of the Revenue and Taxation Code.

Action: One hundred percent exemption is available on the 1984-85 regular roll if a claim is filed by December 3, 1984 (December 1 falls on a Saturday) (see Assessors' Letter 79/64 dated April 3, 1979). If a claim is filed within 30 days of the date of the notice of supplemental assessment (prior to December 3, 1984), the exemption should be allowed on the 1983-84 supplemental roll. This claim, depending on the timing, could be acceptable for timely filing on the 1984-85 regular roll.

Example G15. A change in ownership or completion of new construction February 15, 1984 results in a supplemental assessment for 1983-84. The new owner occupies the property April 1, 1984 (after the March 1 lien date but within 90 days of the change in ownership).

Action: If a claim form is filed within 30 days of the date of the notice of supplemental assessment, allow the exemption only on the 83-84 supplemental roll. Since the property was not occupied by the owner on March 1, 1984 lien date, the property does not qualify for exemption on the 1984-85 regular roll. The claim could be held in abeyance for the 1985-86 regular roll or the assessor could require the filing of a new claim form as no exemption had been allowed on the 1984-85 regular roll.

Example G16. A property subject to a 1984-85 supplemental assessment because of change of ownership on August 1, 1984 qualifies for the homeowners' exemption. The new owner timely files a homeowners' exemption claim but the claim is defective (no social security number or the word "NONE", no signature, etc.). The exemption should not be allowed unless a social security number or the word "NONE" is entered on the claim. The claim must be signed.

Action: Section 255.1 of the Revenue and Taxation Code, provides an extension of time for correcting claims (reasonable, not to exceed six months, to cure the defects). If the assessor does not notify the claimant of a defect in time to cure the defect before the expiration of the six month extension, the assessor must extend the time for filing no more than three months from the time the defect is found and the claimant is notified.

Note: This example applies only to the homeowners' exemption.