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No. 2010/041

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TO COUNTY ASSESSORS:

2011-2012 INCOME LEVELS FOR LEASED PROPERTY USED FOR
 LOW-INCOME HOUSING AND TRIBAL HOUSING EXEMPTION

The listings reflecting the various income levels of households to qualify for exemption of leased property used for low-income housing and tribal housing are developed by the California Department of Housing and Community Development (HCD). By statute, HCD obtains certain information from the U.S. Department of Housing and Urban Development (HUD) to compile the household income levels to be used by county assessors.

Enclosed is the listing of the *Lower-Income Family Household Income Limits* issued by HCD which are to be used for affidavits filed for the 2011-2012 claim year on leased property used exclusively for low-income housing eligible for exemption as provided in Revenue and Taxation Code¹ section 236, and tribal owned low-income rental housing as provided by section 237.

Leased Property Used Exclusively for Low-Income Housing

Section 236 provides exemption for low-income rental housing property that is leased for a term of 35 years or more where the lessor does not otherwise qualify for tax exemption pursuant to section 214 (welfare exemption). The property must be leased and operated by religious, hospital, scientific, or charitable funds, foundations, corporations, public housing authorities, public agencies, or limited partnerships in which the managing general partner has received a determination that it is a charitable organization under section 501(c)(3) of the Internal Revenue Code and is operating the property in accordance with its exempt purpose. Qualified organizations may receive exemption from taxation on the possessory interest and the fee interest in the property throughout the term of the lease.

Claimants requesting exemption on leased property used exclusively for low-income housing must annually file claim form BOE-236, *Exemption of Leased Property Used Exclusively for Low-Income Housing*, and form BOE-236-A, *Supplemental Affidavit for BOE-236, Housing—Lower-Income Households*. The claim forms may be filed by either the lessor or the lessee of the property.

Tribal Housing Exemption – Low-Income Rental Housing

Section 237 provides exemption for low-income rental housing owned and operated by an Indian tribe or a housing entity designated by a tribe meeting certain requirements. All claimants requesting the tribal housing exemption must annually file claim form BOE-237, *Exemption of*

¹ All statutory references are to the Revenue and Taxation Code unless otherwise indicated.

Low-Income Tribal Housing, and form BOE-237-A, *Supplemental Affidavit for BOE-237, Housing—Lower-Income Households*. Claimants are required to submit the following information with the initial claim:

- Documents establishing that the designating tribe is federally recognized.
- Documents establishing that the housing entity has been designated by the tribe.
- Documents establishing that there is a deed restriction, agreement, or other legally binding document requiring that the property be used in compliance with section 237(a)(2)(A).

Claimants must provide a description of the property for which exemption is claimed. If the property includes units that do not qualify for the exemption, the description must list the qualifying and nonqualifying units.

Summary

The enclosed income limits are designed to be used for affidavits filed for the 2011-2012 claim year. The claimant is required to file affidavits listing the income levels of the tenants for the exemptions. The income levels should be reviewed and compared to the enclosed income limits to determine the portion of the property that is eligible for exemption. Determination of qualifying units should be based on the use of the property on the lien date. In all cases, the exemption from property taxes is available only to the extent that household incomes of families do not exceed the specified limits, and the rents are within the prescribed limits in the statute or regulatory agreement. The property is entitled to an exemption amount that is equal to the percentage of the property's total value that is serving low-income households.

Vacant units may also qualify for exemption if the units are restricted by a deed, regulatory agreement, or *other legal document*.² These documents are required to restrict the property usage to lower-income housing by expressly stating that:

The units designated for use by low-income households are continuously available to or occupied by lower-income households at rents within the prescribed limits of the statutes or regulatory agreements.

If you have questions regarding the enclosed income levels or questions concerning the exemptions described in this letter, please contact the Assessment Services Unit at 916-445-4982.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:mds
Enclosure

² See Property Tax Rule 140 for a definition of *other legal documents*.

LOWER INCOME FAMILY HOUSEHOLD INCOME LIMITS FOR 2011
EXEMPTION OF LEASED PROPERTY USED EXCLUSIVELY FOR LOW-INCOME HOUSING AND
EXEMPTION FOR LOW INCOME TRIBAL HOUSING
 (To be used with Affidavits filed in 2011)

Number of Persons in Family

County	1	2	3	4	5	6	7	8
Alameda	45100	51550	58000	64400	69600	74750	79900	85050
Alpine	37700	43100	48500	53850	58200	62500	66800	71100
Amador	38050	43450	48900	54300	58650	63000	67350	71700
Butte	31550	36050	40550	45050	48700	52300	55900	59500
Calaveras	36050	41200	46350	51500	55650	59750	63900	68000
Colusa	31550	36050	40550	45050	48700	52300	55900	59500
Contra Costa	45100	51550	58000	64400	69600	74750	79900	85050
Del Norte	31550	36050	40550	45050	48700	52300	55900	59500
El Dorado	40950	46800	52650	58500	63200	67900	72550	77250
Fresno	31550	36050	40550	45050	48700	52300	55900	59500
Glenn	31550	36050	40550	45050	48700	52300	55900	59500
Humboldt	31550	36050	40550	45050	48700	52300	55900	59500
Imperial	31550	36050	40550	45050	48700	52300	55900	59500
Inyo	33750	38550	43350	48150	52050	55900	59750	63600
Kern	31550	36050	40550	45050	48700	52300	55900	59500
Kings	31550	36050	40550	45050	48700	52300	55900	59500
Lake	31550	36050	40550	45050	48700	52300	55900	59500
Lassen	32550	37500	41850	46500	50250	53950	57700	61400
Los Angeles	46400	53000	59650	66250	71550	76850	82150	87450
Madera	31550	36050	40550	45050	48700	52300	55900	59500
Marin	60200	68800	77400	86000	92900	99800	106650	113550
Mariposa	32000	36600	41150	45700	49400	53050	56700	60350
Mendocino	31650	36200	40700	45200	48850	52450	56050	59700
Merced	31550	36050	40550	45050	48700	52300	55900	59500
Modoc	31550	36050	40550	45050	48700	52300	55900	59500
Mono	38000	43400	48850	54250	58600	62950	67300	71650
Monterey	37050	42350	47650	52900	57150	61400	65600	69850
Napa	45100	51550	58000	64400	69600	74750	79900	85050
Nevada	38750	44300	49850	55350	59800	64250	68650	73100
Orange	52050	59450	66900	74300	80250	86200	92150	98100
Placer	40950	46800	52650	58500	63200	67900	72550	77250
Plumas	34750	39700	44650	49600	53600	57550	61550	65500
Riverside	36400	41600	46800	52000	56200	60350	64500	68650
Sacramento	40950	46800	52650	58500	63200	67900	72550	77250
San Benito	45100	51550	58000	64400	69600	74750	79900	85050
San Bernardino	36400	41600	46800	52000	56200	60350	64500	68650
San Diego	44000	50250	56550	62800	67850	72850	77900	82900
San Francisco	60200	68800	77400	86000	92900	99800	106650	113550
San Joaquin	35350	40400	45450	50500	54550	58600	62650	66700
San Luis Obispo	40600	46400	52200	58000	62650	67300	71950	76600
San Mateo	60200	68800	77400	86000	92900	99800	106650	113550
Santa Barbara	41450	47400	53300	59200	63950	68700	73450	78150
Santa Clara	56500	64600	72650	80700	87200	93650	100100	106550
Santa Cruz	54050	61800	69500	77200	83400	89600	95750	101950
Shasta	31550	36050	40550	45050	48700	52300	55900	59500
Sierra	34100	39000	43850	48700	52600	56500	60400	64300
Siskiyou	31550	36050	40550	45050	48700	52300	55900	59500
Solano	44350	50700	57050	63350	68450	73500	78600	83650
Sonoma	45050	51450	57900	64300	69450	74600	79750	84900
Stanislaus	33350	38100	42850	47600	51450	55250	59050	62850
Sutter	31550	36050	40550	45050	48700	52300	55900	59500
Tehama	31550	36050	40550	45050	48700	52300	55900	59500
Trinity	31550	36050	40550	45050	48700	52300	55900	59500
Tulare	31550	36050	40550	45050	48700	52300	55900	59500
Tuolumne	33450	38200	43000	47750	51600	55400	59250	63050
Ventura	48300	55200	62100	68950	74500	80000	85500	91050
Yolo	40600	46400	52200	58000	62650	67300	71950	76600
Yuba	31550	36050	40550	45050	48700	52300	55900	59500