

AMENDED IN ASSEMBLY AUGUST 12, 2002

AMENDED IN SENATE MAY 30, 2001

AMENDED IN SENATE APRIL 3, 2001

SENATE BILL

No. 306

Introduced by Senator Poochigian

February 20, 2001

~~An act to add Section 70.1 to the Revenue and Taxation Code, relating to property taxation, to take effect immediately, tax levy. An act relating to state government.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 306, as amended, Poochigian. ~~Property taxation: new construction~~ *State government.*

This bill would declare that it is the intent of the Legislature to provide adequate funding for the operation of state government.

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred.

Existing statutory provisions implementing this constitutional authority provide, among other things, that the terms "newly constructed" and "new construction" do not include either (1) the improvement, upgrade, or replacement of an underground storage tank that is required to be improved, upgraded, or replaced to comply with federal, state, and local regulations on underground storage tanks; or (2) the associated reconstruction of a structure, or any portion thereof.

~~This bill would, for all future property tax lien dates, specify that these provisions apply to improvements, upgrades, or replacements and reconstructions performed prior to September 7, 1999.~~

~~Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.~~

~~This bill would provide that, notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.~~

~~The bill would take effect immediately as a tax levy.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes no. State-mandated local program: yes no.~~

The people of the State of California do enact as follows:

- 1 ~~SECTION 1.—Section 70.1 is added to the Revenue and~~
- 2 ~~SECTION 1. It is the intent of the Legislature to provide~~
- 3 ~~adequate funding for the operation of state government.~~
- 4 ~~Taxation Code, to read:~~
- 5 ~~70.1.—For each lien date that occurs on or after January 1,~~
- 6 ~~2002, an underground storage tank that, prior to September 7,~~
- 7 ~~1999, was reconstructed, improved, upgraded, or replaced as~~
- 8 ~~described in subdivision (c) of Section 70 shall be assessed in the~~
- 9 ~~manner and amount as would be required if that subdivision had~~
- 10 ~~been operative at the time of the reconstruction, improvement,~~
- 11 ~~upgrading, or replacement of that underground storage tank.~~
- 12 ~~SEC. 2.—Notwithstanding Section 2229 of the Revenue and~~
- 13 ~~Taxation Code, no appropriation is made by this act and the state~~
- 14 ~~shall not reimburse any local agency for any property tax revenues~~
- 15 ~~lost by it pursuant to this act.~~
- 16 ~~SEC. 3.—This act provides for a tax levy within the meaning of~~
- 17 ~~Article IV of the Constitution and shall go into immediate effect.~~
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