

**Introduced by Senator Johannessen**

February 19, 2002

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An act to amend Section 215.1 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1469, as introduced, Johannessen. Property tax: veterans' organization exemption.

Existing property tax law establishes a veterans' organization exemption under which property is exempt from taxation if, among other things, that property is used exclusively for charitable purposes and is owned by a veterans' organization.

This bill would provide that property owned by an organization that satisfies the requirements for the veterans' organization exemption may not be denied the veterans' organization exemption because the property is occasionally made available for private rentals as a service to the community, under specified conditions.

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.

This bill would take effect immediately as a tax levy.

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

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

1 SECTION 1. Section 215.1 of the Revenue and Taxation  
2 Code is amended to read:

3 215.1. (a) All buildings, and so much of the real property on  
4 which the buildings are situated as may be required for the  
5 convenient use and occupation of ~~said~~*the* buildings, used  
6 exclusively for charitable purposes, owned by a veterans’  
7 organization which has been chartered by the Congress of the  
8 United States, organized and operated for charitable purposes,  
9 when the same are used solely and exclusively for the purpose of  
10 ~~such~~ *the* organization, if not conducted for profit and no part of the  
11 net earnings of which inures to the benefit of any private individual  
12 or member thereof, shall be exempt from taxation.

13 (b) The exemption provided for in this section shall apply to  
14 the property of all organizations meeting the requirements of this  
15 section and subdivision (b) of Section 4 of Article XIII of the  
16 California Constitution and paragraphs (1) to (7), inclusive, of  
17 subdivision (a) of Section 214.

18 (c) This exemption shall be known as the “veterans’  
19 organization exemption.”

20 (d) *Property owned by an organization that satisfies the*  
21 *requirements of Section 215 or this section may not be denied the*  
22 *veterans’ organization exemption because the property is*  
23 *occasionally made available for private rentals as a service to the*  
24 *community, provided that the amount of rental fee charged is*  
25 *limited to that amount necessary to reimburse the veterans’*  
26 *organization for its costs in making the rental available, and any*  
27 *proceeds from the rentals are used exclusively for the charitable*  
28 *purposes of the organization.*

29 SEC. 2. Notwithstanding Section 2229 of the Revenue and  
30 Taxation Code, no appropriation is made by this act and the state  
31 shall not reimburse any local agency for any property tax revenues  
32 lost by it pursuant to this act.

33 SEC. 3. This act provides for a tax levy within the meaning of  
34 Article IV of the California Constitution and shall go into  
35 immediate effect.

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