

Assembly Constitutional Amendment

No. 13

Introduced by Assembly Member DeVore

February 7, 2008

Assembly Constitutional Amendment No. 13—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending subdivision (a) of Section 3 of Article XIII thereof, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

ACA 13, as introduced, DeVore. Property taxation: Department of Transportation real property.

The California Constitution provides that all property is taxable, unless exempted by the California Constitution or by federal law. The California Constitution exempts from property taxation property owned by the state. The California Constitution also provides that the maximum amount of any ad valorem tax on real property shall not exceed 1% of the full cash value of the property.

This measure would specify that the property tax exemption for property owned by the state does not apply to real property, owned by the Department of Transportation, that is determined by a county assessor as not having been used for a transportation purpose during specified time periods following the effective date of this measure. This measure would provide that the maximum amount of any ad valorem property tax on real property owned by the department, that is determined by a county assessor as not having been used for a transportation purpose, shall not exceed 1% of the fair market value, as defined, of the real property.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

1 *Resolved by the Assembly, the Senate concurring,* That the
 2 Legislature of the State of California at its 2007–08 Regular
 3 Session commencing on the fourth day of December 2006,
 4 two-thirds of the membership of each house concurring, hereby
 5 proposes to the people of the State of California, that the
 6 Constitution of the State be amended as follows:

7 That subdivision (a) of Section 3 of Article XIII thereof is
 8 amended to read:

9 (a) ~~Property~~—(1) *Except as otherwise provided by paragraph*
 10 *(2), property owned by the State.*

11 (2) (A) *The exemption established by paragraph (1) does not*
 12 *apply to real property owned by the Department of Transportation,*
 13 *or any successor to that department, commencing with the lien*
 14 *date next following a determination by a county assessor that the*
 15 *property has not been used for a transportation purpose by the*
 16 *department or its successor during any of the following time*
 17 *periods:*

18 (i) *For a total of 30 years, whether or not consecutive, under*
 19 *the ownership of the department or its successor, as determined*
 20 *during the first two years following the effective date of the*
 21 *measure adding this clause.*

22 (ii) *For a total of 10 years, whether or not consecutive, under*
 23 *the ownership of the department or its successor, as determined*
 24 *during the third year following the effective date of the measure*
 25 *adding this clause.*

26 (iii) *For a total of five years, whether or not consecutive, under*
 27 *the ownership of the department or its successor, as determined*
 28 *during the fourth year following the effective date of the measure*
 29 *adding this clause or during any year thereafter.*

30 (B) (i) *Notwithstanding subdivision (b) of Section 1 of Article*
 31 *XIII A, the maximum amount of any ad valorem tax on real*
 32 *property that is subject to taxation by the operation of*
 33 *subparagraph (A) shall not exceed 1 percent of the fair market*
 34 *value of the real property.*

35 (ii) *For purposes of this subparagraph, “fair market value”*
 36 *means the county assessor’s valuation of the real property at the*
 37 *time the assessor determines under subparagraph (A) that the real*

1 *property has not been used for a transportation purpose by the*
2 *department or its successor.*

3 *(C) Real property that is the subject of a determination under*
4 *subparagraph (A) shall become exempt from taxation for any lien*
5 *date subsequent to that determination for which the assessor*
6 *determines that the real property is being used for a transportation*
7 *purpose by the department or its successor.*

8 *(D) Real property that would otherwise be subject to taxation*
9 *pursuant to a determination under subparagraph (A) shall remain*
10 *exempt from taxation if the title, possession, or use of the real*
11 *property is the subject of litigation.*