

Introduced by Senator Margett

February 15, 2007

An act to amend Section 71 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 290, as introduced, Margett. Property tax.

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, or base year value, of that real property when purchased, newly constructed, or a change in ownership has occurred. Existing law requires a county assessor to recalculate the base year value of previously assessed real property to include the appraised value of any portion of that property that is newly constructed.

This bill would make technical, nonsubstantive changes in these provisions.

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

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

- 1 SECTION 1. Section 71 of the Revenue and Taxation Code is
- 2 amended to read:
- 3 71. The assessor shall determine the new base year value for
- 4 the portion of any taxable real property ~~which~~ *that* has been newly
- 5 constructed. The base year value of the remainder of the property
- 6 assessed, which did not undergo new construction, shall not be

1 changed. New construction in progress on the lien date shall be
2 appraised at its full value on such date and each lien date thereafter
3 until the date of completion, at which time the entire portion of
4 property ~~which~~ *that* is newly constructed shall be reappraised at
5 its full value.

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