

Senate Bill No. 1495

CHAPTER 594

An act to amend Section 279 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor September 30, 2008. Filed with Secretary of State September 30, 2008.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1495, Kehoe. Taxation.

Existing law provides that a disabled veteran's property tax exemption, once granted, remains in continuous effect unless the title to the property changes, the property is altered so that the property no longer qualifies as a dwelling, the owner is no longer considered disabled, or the owner does not occupy the property as his or her principal place of residence on the property tax lien date.

This bill would, for purposes of the disabled veteran's property tax exemption, specify that a dwelling not occupied because of a misfortune or calamity, continues to be the principal residence, for purposes of the exemption, on the property tax lien date provided that the person's absence is temporary and the person intends to return to the dwelling when able to do so. This bill would also provide that, except under specified circumstances where a dwelling is destroyed in a disaster for which the Governor has proclaimed a state of emergency, when a dwelling has been totally destroyed, and thus no dwelling exists on the lien date, the disabled veterans' exemption is not applicable until the structure has been replaced and is occupied as a dwelling.

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 people of the State of California do enact as follows:

SECTION 1. Section 279 of the Revenue and Taxation Code is amended to read:

279. (a) A claim for the disabled veterans' property tax exemption described in Section 205.5 filed by the owner of a dwelling, once granted, shall remain in continuous effect unless any of the following occurs:

- (1) Title to the property changes.
- (2) The owner does not occupy the dwelling as his or her principal place of residence on the lien date.

(A) If a veteran is, on the lien date, confined to a hospital or other care facility but principally resided at a dwelling immediately prior to that confinement, the veteran will be deemed to occupy that same dwelling as his or her principal place of residence on the lien date, provided that the dwelling has not been rented or leased as described in Section 205.5.

(B) If a person receiving the disabled veterans' exemption is not occupying the dwelling on the lien date because the dwelling was damaged in a misfortune or calamity, the person will be deemed to occupy that same dwelling as his or her principal place of residence on the lien date, provided the person's absence from the dwelling is temporary and the person intends to return to the dwelling when possible to do so. Except as provided in subparagraph (C), when a dwelling has been totally destroyed, and thus no dwelling exists on the lien date, the exemption provided by Section 205.5 is not applicable until the structure has been replaced and is occupied as a dwelling.

(C) A dwelling that was totally destroyed in a disaster for which the Governor proclaimed a state of emergency, that qualified for the exemption provided by Section 205.5 and has not changed ownership since the disaster, will be deemed occupied by the person receiving a disabled veterans' exemption on the lien date provided the person intends to reconstruct a dwelling on the property and occupy the dwelling as his or her principal place of residence when it is possible to do so.

- (3) The property is altered so that it is no longer a dwelling.
 - (4) The veteran is no longer disabled as defined in Section 205.5.
- (b) The assessor of each county shall verify the continued eligibility of each person receiving a disabled veterans' exemption, and shall provide for a periodic audit of, and establish a control system to monitor, disabled veterans' exemption claims.

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