

AMENDED IN ASSEMBLY JUNE 25, 2008

AMENDED IN SENATE MAY 27, 2008

AMENDED IN SENATE MAY 19, 2008

**SENATE BILL**

**No. 1562**

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**Introduced by Senators Hollingsworth and Ducheny  
(Coauthors: Senators Battin, Denham, and Dutton)**

(Coauthors: Assembly Members Anderson, Blakeslee, Horton, La Malfa,  
and Maze)

February 22, 2008

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An act to amend Section 211 of the Revenue and Taxation Code,  
relating to disaster relief, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1562, as amended, Hollingsworth. Property taxation: exemption:  
fruit-bearing and nut-bearing trees *and grapevines*: freeze, wildfire, and  
wind relief.

The California Constitution exempts from property taxation fruit and  
nut trees until 4 years after the season in which they were planted in  
orchard form and grapevines until 3 years after the season in which  
they were planted in vineyard form. Existing statutory law implementing  
these exemptions specifies that any fruit-bearing or nut-bearing tree *or  
any grapevine* that was severely damaged during the exemption period  
by the *December 1990 freeze, or any fruit-bearing or nut-bearing tree  
that was severely damaged during the exemption period by the  
December 1998 or January 2007 freeze* so as to require pruning to the  
trunk or bud union to establish a new shoot as a replacement for the  
damaged tree or grapevine, is to be considered a new planting in orchard  
form.

This bill would modify this statutory provision to also apply to any fruit-bearing or nut-bearing tree *or any grapevine* that was similarly damaged by the extremely strong and damaging winds that commenced on October 20, 2007, and by the wildfires that commenced on October 21, 2007, that were the subject of the Governor’s proclamations of a state of emergency.

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 211 of the Revenue and Taxation Code  
 2 is amended to read:

3 211. (a) (1) The exemption of fruit- and nut-bearing trees  
 4 until four years after the season in which they were planted in  
 5 orchard form and grapevines until three years after the season in  
 6 which they were planted in vineyard form is as specified in  
 7 subdivision (i) of Section 3 of Article XIII of the California  
 8 Constitution.

9 (2) For purposes of exemption pursuant to this subdivision, any  
 10 fruit- or nut-bearing tree, or any grapevine, severely damaged  
 11 during the exemption period by the December 1990 freeze so as  
 12 to require pruning to the trunk or bud union to establish a new  
 13 shoot as a replacement for the damaged tree or grapevine, shall be  
 14 considered a new planting in orchard or vineyard form.

15 (3) For purposes of exemption pursuant to this subdivision, any  
 16 fruit- or nut-bearing tree severely damaged during the exemption  
 17 period by the December 1998 freeze or the January 2007 freeze  
 18 so as to require pruning to the trunk or bud union to establish a  
 19 new shoot as a replacement for the damaged tree shall be  
 20 considered a new planting in orchard form.

1 (4) For purposes of exemption pursuant to this subdivision, any  
2 fruit- or nut-bearing tree, *or any grapevine*, severely damaged  
3 during the exemption period by the extremely strong and damaging  
4 winds that commenced on October 20, 2007, that were the subject  
5 of the Governor's ~~proclamations~~ *November 2, 2007, proclamation*  
6 of a state of emergency so as to require pruning to the trunk or bud  
7 union to establish a new shoot as a replacement for the damaged  
8 tree *or grapevine*, shall be considered a new planting in orchard  
9 form.

10 (5) For purposes of exemption pursuant to this subdivision, any  
11 fruit- or nut-bearing tree, *or any grapevine*, severely damaged  
12 during the exemption period by the wildfires that commenced on  
13 October 21, 2007, that were the subject of the Governor's  
14 ~~proclamations~~ *October 21, 2007, proclamation* of a state of  
15 emergency so as to require pruning to the trunk or bud union to  
16 establish a new shoot as a replacement for the damaged tree *or*  
17 *grapevine*, shall be considered a new planting in orchard form.

18 (b) The exemption of timber is as specified in subdivision (j)  
19 of Section 3 of Article XIII of the California Constitution and  
20 Section 436.

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

25 SEC. 3. This act provides for a tax levy within the meaning of  
26 Article IV of the Constitution and shall go into immediate effect.

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