

AMENDED IN ASSEMBLY JANUARY 13, 2010
AMENDED IN ASSEMBLY JANUARY 4, 2010
AMENDED IN ASSEMBLY SEPTEMBER 3, 2009
CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1029

Introduced by Assembly Member Blumenfield

February 27, 2009

An act to *add Section 2923.57 to the Civil Code, to amend Sections 16182, 16183, 16200, 16202, and 16211 of, to repeal Sections 16211.5, 16213, and 16214 of, and to 16211, 16211.5, and 16213 of, and to repeal and add Section 16180 of, the Government Code, and to amend Sections 2505, 2514, 2515, 20503, 20505, 20582, 20583, 20583.1, 20585, 20586, 20621, 20622, 20639.1, 20639.6, 20639.8, 20639.9, 20639.11, 20640.1, 20640.3, 20640.4, 20640.6, 20640.8, 20640.9, 20640.11, 20641, 20643 of, to add Sections 20584.1, 20587, 20588, 20589, 20590, 20591, and 20648 to, to repeal Section 20623 and Chapter 3 (commencing with Section 20625) of Part 10.5 of Division 2 of, and to repeal and add Section 20602 of, the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1029, as amended, Blumenfield. Taxation: property tax postponement.

The Senior Citizens and Disabled Citizens Property Tax Postponement Law, until February 20, 2009, authorized a claimant, as defined, to file with the Controller a claim to postpone the payment of ad valorem property taxes, where household income, as defined, did not exceed

specified amounts. Existing law authorized the Controller, upon approval of the claim, to either make payments directly to specified entities, or to issue the claimant a certificate of eligibility that constituted a written promise of the state to pay the amount specified on the claim, as provided. That law required these payments to be made out of amounts appropriated by the Controller, as specified.

This bill would revise and recast the provisions of the Senior Citizens and Disabled Citizens Property Tax Postponement Law to, among other things, delete the Controller's authority, *either to either* make payments directly to specified entities or to issue the claimant a certificate of eligibility, and would instead require the Controller to issue a property tax postponement payment on behalf of the claimant upon receipt of a specified verification from the county tax collector. This bill would authorize the Controller, upon appropriation by the Legislature, to use moneys in the Senior Citizens and Disabled Citizens Property Tax Postponement Fund, which this bill would create, to make property tax postponement payments. This bill would require all sums paid by the Controller to be secured by a lien ~~of first priority~~, *which has priority over all other subsequently filed liens*. This bill would require the Controller to prescribe a maximum annual postponement loan amount, and would change the rate of interest for any deferrals made on or after January 1, 2010, as provided. ~~This~~

This bill would also make conforming changes to related provisions The Senior Citizens Mobilehome Property Tax Postponement Law and The Senior Citizens Possessory Interest Holder Property Tax Postponement Law.

Existing law, on and after February 20, 2009, prohibits a person from filing a claim for postponement, and prohibits the Controller from accepting applications for postponement, under the Senior Citizens and Disabled Citizens Property Tax Postponement Law.

This bill would repeal that provision.

This bill would, for the 2009–10 and 2010–11 fiscal years, authorize the tax collector to cancel any delinquent penalties and interest owed by the claimant for those fiscal years if a postponement claim is filed timely, as specified.

The Senior Citizens Tenant-Stockholder Property Tax Postponement Law authorizes a tenant-stockholder claimant, as defined, to file with the Controller a claim to postpone the payment of ad valorem property taxes, as provided.

This bill would repeal that law and make conforming changes to related provisions.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

1 *SECTION 1. The Legislature finds and declares all of the*
2 *following:*

3 *(a) Since 1977, the Senior Citizens and Disabled Citizens*
4 *Property Tax Postponement Law has helped eligible elderly and*
5 *disabled residents on fixed incomes remain in their homes by*
6 *deferring payment of property taxes until the house is sold or*
7 *ownership otherwise transferred.*

8 *(b) Suspension of the Senior Citizens and Disabled Citizens*
9 *Property Tax Postponement Law in February 2009 has exposed*
10 *participants to possible default on property taxes in December*
11 *2009 and thereafter, and has heightened fears of home*
12 *foreclosures.*

13 *(c) While counties may not force the sale of a home to collect*
14 *on delinquent property taxes for five years, no similar delay applies*
15 *to lenders that would protect the elderly and disabled who would*
16 *have participated in the property tax deferral program established*
17 *pursuant to the Senior Citizens and Disabled Citizens Property*
18 *Tax Postponement Law had it not been suspended.*

19 *SEC. 2. Section 2923.57 is added to the Civil Code, to read:*

20 *2923.57. (a) This section shall apply only to a default on a*
21 *mortgage or deed of trust for the failure to pay property taxes.*

22 *(b) A mortgagee, trustee, or other person authorized to take*
23 *sale shall not file a notice of default based on the failure to pay*
24 *property taxes prior to 90 days after contacting the trustor or*
25 *mortgagor, either in person or by telephone, to ascertain if the*
26 *trustor or mortgagor was a participant in the property tax deferral*
27 *program established pursuant to the Senior Citizens and Disabled*
28 *Citizens Property Tax Postponement Law, Chapter 2 (commencing*
29 *with Section 20581) of Part 10.5 of Division 2 of the Revenue and*
30 *Taxation Code.*

1 (c) *If, within the 90-day period described in subdivision (a), the*
 2 *mortgagee, trustee, or other person authorized to take sale is*
 3 *informed that the trustor or mortgagor was participating in the*
 4 *property tax deferral program on or before February 19, 2009,*
 5 *and the trustor or mortgagor provides a copy of the certificate of*
 6 *eligibility issued by the Controller, as evidences of this*
 7 *participation, the mortgagee, trustee, or other person authorized*
 8 *to take sale shall not file a notice of default based on the failure*
 9 *to pay property taxes for five years from the date of first contacting*
 10 *the mortgagor or trustor.*

11 **SECTION 1.**

12 **SEC. 3.** Section 16180 of the Government Code is repealed.

13 ~~**SEC. 2.**~~

14 **SEC. 4.** Section 16180 is added to the Government Code, to
 15 read:

16 16180. (a) The Senior Citizens and Disabled Citizens Property
 17 Tax Postponement Fund is hereby created in the State Treasury.
 18 Upon appropriation by the Legislature, the Controller shall use
 19 moneys in the fund in accordance with this chapter.

20 (b) All expenses incurred in carrying out the provisions of this
 21 chapter and Chapter 2 (commencing with Section 20581), Chapter
 22 3.3 (commencing with Section 20639), and Chapter 3.5
 23 (commencing with Section 20640) of Part 10.5 of Division 2 of
 24 the Revenue and Taxation Code shall be payable solely from the
 25 fund. No liability or obligation shall be imposed upon the state,
 26 and none shall be incurred by the Controller, beyond those
 27 authorized by this chapter or Chapter 2 (commencing with Section
 28 20581), Chapter 3.3 (commencing with Section 20639), and
 29 Chapter 3.5 (commencing with Section 20640) of Part 10.5 of
 30 Division 2 of the Revenue and Taxation Code.

31 (c) The Controller may use moneys in the fund for both of the
 32 following purposes:

33 (1) To make property tax payments on behalf of claimants
 34 pursuant to this chapter and Chapter 2 of Part 10.5 of Division 2
 35 of the Revenue and Taxation Code.

36 (2) To pay costs incurred in administering the program or the
 37 fund.

38 (d) The Controller shall regularly review the balance of the fund
 39 and recommend transfers to the General Fund of any surplus
 40 moneys unnecessary for the operation of the program or the fund.

1 ~~SEC. 3.~~

2 *SEC. 5.* Section 16182 of the Government Code is amended
3 to read:

4 16182. (a) All sums paid by the Controller under the
5 provisions of this chapter, together with interest thereon, shall be
6 secured by a lien ~~of first priority~~ in favor of the State of California
7 upon the real property or a mobilehome for which property taxes
8 have been postponed, or both. ~~This lien shall have the same priority~~
9 ~~as a county property tax lien pursuant to Section 2192.1 of the~~
10 ~~Revenue and Taxation Code.~~ In the case of a residential dwelling
11 which is part of a larger parcel taxed as a unit, such as a duplex,
12 farm, or multipurpose or multidwelling building, the lien shall be
13 against the entire tax parcel. *Notwithstanding any other provision*
14 *of law to the contrary, a lien secured pursuant to this chapter shall*
15 *have priority over all other subsequently filed liens secured by the*
16 *real property, mobilehome, or tax parcel.*

17 (b) In the case of real property:

18 (1) The lien shall be evidenced by a notice of lien for postponed
19 property taxes executed by the Controller, or the authorized
20 delegate of the Controller, and shall secure all sums paid or owing
21 pursuant to this chapter, including amounts paid subsequent to the
22 initial payment of postponed taxes on the real property described
23 in the notice of lien.

24 (2) The notice of lien may bear the facsimile signature of the
25 Controller. Each signature shall be that of the person who shall be
26 in the office at the time of execution of the notice of lien; provided,
27 however, that such notice of lien shall be valid and binding
28 notwithstanding any such person having ceased to hold the office
29 of Controller before the date of recordation.

30 (3) The form and contents of the notice of lien for postponed
31 property taxes shall be prescribed by the Controller and shall
32 include, but not be limited to, the following:

33 (A) The names of all record owners of the real property for
34 which the Controller has advanced funds for the payment of real
35 property taxes.

36 (B) A description of the real property for which real property
37 taxes have been paid.

38 (C) The identification number of the notice of lien which has
39 been assigned the lien by the Controller.

1 (4) The notice of lien shall be recorded in the office of the
2 county recorder for the county in which the real property subject
3 to the lien is located.

4 (5) The recorded notice of lien shall be indexed in the Grantor
5 Index to the names of all record owners of the real property and
6 in the Grantee Index to the Controller of the State of California.

7 (6) After the notice of lien has been duly recorded and indexed,
8 it shall be returned by the county recorder to the office of the
9 Controller. The recorder shall provide the county tax collector with
10 a copy of the notice of lien which has been recorded by the
11 Controller.

12 (7) From the time of recordation of a notice of lien for
13 postponed property taxes, a lien shall attach to the real property
14 described therein and shall have the priority of a judgment lien for
15 all amounts secured thereby, except that the lien shall remain in
16 effect until either of the following occurs:

17 (A) It is released by the Controller in the manner prescribed
18 by Section 16186.

19 (B) The foreclosure or sale of an obligation secured by a lien
20 which is senior in priority to the lien of the State of California.

21 (c) In the case of mobilehomes:

22 (1) The lien shall be evidenced by a notice of lien for postponed
23 property taxes executed by the Controller, or the authorized
24 delegate of the Controller, and shall secure all sums paid or owing
25 pursuant to this chapter.

26 (2) The notice of lien may bear the facsimile signature of the
27 Controller. The signature shall be that of the person who is in the
28 office at the time of execution of the notice of lien. However, the
29 notice of lien is valid and binding notwithstanding the person
30 having ceased to hold the office of Controller before the date of
31 filing.

32 (3) The form and contents of the notice of lien for postponed
33 property taxes shall be prescribed by the Controller and shall
34 include, but not be limited to, all of the following:

35 (A) The name or names of the registered owner or owners,
36 legal owner or owners, if different than the registered owner or
37 owners and the names, if any, of all junior lienholders.

38 (B) The identification number of the notice of lien which has
39 been assigned the lien by the Controller.

1 (4) The notice of lien shall be transmitted to the Department
2 of Housing and Community Development at its office in
3 Sacramento, California.

4 (5) Upon receipt of the notice of lien for postponed property
5 taxes from the Controller, the Department of Housing and
6 Community Development shall amend the permanent title record
7 of the mobilehome to reflect that the property taxes on the
8 mobilehome are subject to postponement.

9 (6) The Department of Housing and Community Development
10 shall provide the Controller with an acknowledgment of receipt
11 and amendment of the permanent title record.

12 (7) From the time the Department of Housing and Community
13 Development receives the notice of lien from the Controller, the
14 department shall impose a moratorium on any other amendments
15 to the permanent title record of the mobilehome for purposes of
16 transferring any ownership interest or transferring or creating any
17 security interest in the mobilehome, until released by the Controller
18 in the manner prescribed by Section 16186 or an authorization for
19 the amendments is given by the Controller in writing.

20 (d) From the time of filing a notice of lien, a lien shall attach
21 to the mobilehome for which eligibility for the postponement of
22 property taxes has been granted.

23 (e) Notwithstanding any other provision in this section, any
24 action required of a local agency by this section in order to give
25 effect to the Senior Citizens Mobilehome Property Tax
26 Postponement Law (Chapter 3.3 (commencing with Section 20639)
27 of Part 10.5 of Division 2 of the Revenue and Taxation Code, and
28 that has been determined by the Commission on State Mandates
29 to be a reimbursable mandate, shall be optional.

30 ~~SEC. 4.~~

31 *SEC. 6.* Section 16183 of the Government Code is amended
32 to read:

33 16183. (a) From the time a payment is made pursuant to
34 Section 16180, the amount of that payment shall bear interest at a
35 rate (not compounded), determined as follows:

36 (1) For the period ending June 30, 1984, the rate of interest
37 shall be 7 percent per annum.

38 (2) The Controller shall establish an adjusted rate of interest
39 for the purpose of this subdivision not later than July 15th of any
40 year if the effective annual yield of the Pooled Money Investment

1 ~~Account for the prior fiscal year is at least a full percentage point~~
 2 ~~more or less than the interest rate which is then in effect. The year.~~
 3 *The adjusted rate of interest shall be equal per annum to the*
 4 *effective annual yield earned in the prior fiscal year by the Pooled*
 5 *Money Investment Account rounded to the nearest full percent*
 6 ~~plus no less than 4 percent and no greater than 7 percent, and shall~~
 7 ~~become 4 percent. However, the maximum annual rate of interest~~
 8 ~~established shall not exceed 7 percent per annum, and shall become~~
 9 *effective for new deferrals, beginning on January 1, 2010, and on*
 10 *January 1 of each immediately succeeding year.*

11 (3) For deferrals made prior to January 1, 2010, the rate of
 12 interest provided pursuant to this subdivision for the first fiscal
 13 year commencing after payment is made pursuant to Section 16180
 14 shall apply for that fiscal year and each fiscal year thereafter until
 15 these postponed property taxes are repaid.

16 (4) For deferrals made on or after January 1, 2010, the rate of
 17 interest shall be adjusted annually, pursuant to paragraph (2).

18 (b) The interest provided for in subdivision (a) shall be applied
 19 beginning the first day of the month following the month in which
 20 that payment is made and continuing on the first day of each month
 21 thereafter until that amount is paid. In the event that any payments
 22 are applied, in any month, to reduce the amount paid pursuant to
 23 Section 16180, the interest provided for herein shall be applied to
 24 the balance of that amount beginning on the first day of the
 25 following month.

26 (c) In computing interest in accordance with this section,
 27 fractions of a cent shall be disregarded.

28 (d) For the purpose of this section, the time a payment is made
 29 shall be deemed to be the date the Controller issues the property
 30 tax postponement payment *to the county*.

31 (e) The Controller shall include on forms supplied to claimants
 32 pursuant to Sections 20621, 20630.5, 20639.9, 20640.9, and 20641
 33 of the Revenue and Taxation Code, a statement of the interest rate
 34 which shall apply to amounts postponed for the fiscal year to which
 35 the form applies.

36 (f) The Controller shall assess an annual fee of seventy-five
 37 dollars (\$75) to all ~~claimant accounts~~ *claimants, as defined in*
 38 *Section 20505 of the Revenue and Taxation Code, approved to*
 39 *participate in the property tax postponement program and for*
 40 *which property taxes are deferred on or after January 1, 2010.*

1 (g) Amounts collected pursuant to this section shall be deposited
2 into the Senior Citizens and Disabled Citizens Property Tax
3 Postponement Fund for expenditures in the manner provided in
4 Section 16180.

5 ~~SEC. 5.~~

6 SEC. 7. Section 16200 of the Government Code is amended
7 to read:

8 16200. In the event that the Controller receives the notice
9 described in Section 16187 of this code or Section 3375 of the
10 Revenue and Taxation Code, the Controller may take any of the
11 following actions which will best serve the interests of the state:

12 (a) ~~The~~ Out of the amount appropriated by the Legislature or
13 otherwise deposited into the Senior Citizens and Disabled Citizens
14 Property Tax Postponement Fund, the Controller may pay the
15 amount of any delinquent taxes, interest, or penalties on the
16 property or the amount of any other obligation secured by a lien
17 or encumbrance on the property and add such amount to the amount
18 secured by the lien on such property provided for in Article 1
19 (commencing with Section 16180) of this chapter.

20 (b) Notify by United States mail the tax collector or other party
21 that such notice has been received and that the Controller must be
22 given at least 20 days prior notice of the date that the property will
23 be sold at auction. If the Controller elects to proceed under this
24 subdivision, the Controller may use money in the Senior Citizens
25 and Disabled Citizens Property Tax Postponement Fund, or from
26 any appropriation in lieu thereof, to bid on the property at the
27 auction up to the amount secured by the state's lien on the property
28 and any lien on such property having priority over the state's lien.
29 All additional amounts paid pursuant to this subdivision shall be
30 added to the amount secured by the lien on such property provided
31 for in Article 1 (commencing with Section 16180) of this chapter.

32 (c) Acknowledge by United States mail that the notice required
33 by Section 16187 of this code or Section 3375 of the Revenue and
34 Taxation Code has been received.

35 ~~(d) The Controller may pay any costs incurred pursuant to this~~
36 ~~section from any funds available for program expenditures.~~

37 ~~SEC. 6.~~

38 SEC. 8. Section 16202 of the Government Code is amended
39 to read:

1 16202. (a) Notwithstanding any other provision of law, in the
 2 event that the state acquires an interest in real property pursuant
 3 to subdivision (b) of Section 16200, the Controller may, in addition
 4 to the options provided in Section 16201, take any other action
 5 with respect to that real property interest as will best serve the
 6 interest of the state. These actions may include, but shall not be
 7 limited to, the sale, lease, or retention of any interest so acquired.
 8 The Controller may contract with licensed real estate brokers,
 9 maintenance and repair contractors, security contractors, appraisers,
 10 property managers, insurance brokers, and any other experts or
 11 specialists as may be necessary to protect or preserve the state's
 12 interest in that property. The Controller may pay the costs incurred
 13 pursuant to those contracts *from money in the Senior Citizens and*
 14 *Disabled Citizens Property Tax Postponement Fund, or from any*
 15 *appropriation in lieu thereof.*

16 (b) The sale of those interests may be made on the basis of
 17 conventional financing arrangements including the securing of
 18 payment through the use of promissory notes, deeds of trust, and
 19 other accepted methods of deferred payment.

20 ~~(c) The Controller may pay any costs incurred pursuant to this~~
 21 ~~section from any funds available for program expenditures.~~

22 ~~SEC. 7.~~

23 *SEC. 9.* Section 16211 of the Government Code is amended
 24 to read:

25 16211. The claimant under Chapter 2 (commencing with
 26 Section 20581), Chapter 3.3 (commencing with Section 20639, or
 27 Chapter 3.5 (commencing with Section 20640) of Part 10.5 of
 28 Division 2 of the Revenue and Taxation Code whose residential
 29 dwelling was sold or condemned may draw upon the amount in
 30 the account to purchase a new residential dwelling, and the amount
 31 so drawn shall be secured by a new lien against the new residential
 32 dwelling from the time the Controller records the new lien against
 33 the new residential dwelling as provided for under Section 16182.

34 In the case of real property, the Controller shall subordinate the
 35 new lien to the lien of the note and deed of trust of the purchase
 36 money obligations used in the acquisition of the new residential
 37 dwelling, provided the claimant has an equity of at least 20 percent
 38 of the full value of the property, as required by paragraph (1) of
 39 subdivision (b) of Section 20583 of the Revenue and Taxation
 40 Code, prior to recordation of that subordination. The lien shall

1 have priority over all subsequent liens, except as provided in
2 Section 2192.1 of the Revenue and Taxation Code.

3 ~~SEC. 8. Section 16211.5 of the Government Code is repealed.~~

4 ~~SEC. 9. Section 16213 of the Government Code is repealed.~~

5 ~~SEC. 10. Section 16214 of the Government Code is repealed.~~

6 *SEC. 10. Section 16211.5 of the Government Code is amended*
7 *to read:*

8 16211.5. (a) In the event that the real property securing the
9 state's lien provided for in Article 1 (commencing with Section
10 16180) is the residential dwelling of a claimant under Chapter 2
11 (commencing with Section 20581) of Part 10.5 of Division 2 of
12 the Revenue and Taxation Code and is voluntarily sold, the funds
13 derived from the voluntary sale of the residential dwelling shall
14 be placed in an impound account for a period of six months. In
15 connection with the establishment of such account, the Controller
16 shall release the state's lien in the manner prescribed by Section
17 16186.

18 (b) The claimant under Chapter 2 (commencing with Section
19 20581) of Part 10.5 of Division 2 of the Revenue and Taxation
20 Code whose residential dwelling was voluntarily sold may draw
21 upon the amount in the account to purchase a new residential
22 dwelling, and the amount so drawn shall be secured by a new lien
23 against the new residential dwelling from the time the Controller
24 records the new lien against the new residential dwelling as
25 provided for under Section 16182.

26 The Controller shall subordinate such new lien to the note and
27 deed of trust of the purchase money obligations used in the
28 acquisition of the new residential dwelling, provided the claimant
29 has an equity of at least 20 percent of the full value of the property,
30 as required by paragraph (1) of subdivision (b) of Section 20583
31 of the Revenue and Taxation Code, prior to recordation of such
32 subordination. Such lien shall have priority over all subsequent
33 liens, ~~except as provided in Section 2192.1 of the Revenue and~~
34 ~~Taxation Code.~~

35 *SEC. 11. Section 16213 of the Government Code is amended*
36 *to read:*

37 16213. At the end of the six-month period specified in Section
38 16210 or the six-month period specified in Section 16211.5, all
39 funds remaining in an impound account shall be transferred to the

1 ~~General Fund Senior Citizens and Disabled Citizens Property Tax~~
2 ~~Postponement Fund.~~

3 ~~SEC. 11.~~

4 *SEC. 12.* Section 2505 of the Revenue and Taxation Code is
5 amended to read:

6 2505. (a) Except as provided in subdivision (b), the tax
7 collector or treasurer for any city or county may in his or her
8 discretion accept negotiable paper in payment of any tax, or
9 assessment, or on a redemption.

10 (b) The tax collector of a county shall accept a property tax
11 postponement payment from the Controller issued pursuant to
12 Section 20602 to pay all or any part of any ad valorem property
13 tax, special assessment, or other charge or user fee appearing on
14 the county tax bill. The tax collector, treasurer, or other official
15 charged with the duty of collecting taxes for a chartered city which
16 levies and collects its own property taxes shall accept a property
17 tax postponement payment from the Controller issued pursuant to
18 Section 20602 to pay all or any part of any ad valorem property
19 tax, special assessment, or other charge or user fee appearing on
20 the tax bill of such city. A partial property tax postponement
21 payment shall not be accepted unless accompanied by an amount
22 sufficient to fully pay the remaining ad valorem property taxes,
23 special assessment, or other charge or fee appearing on the
24 respective tax bill installment.

25 (c) Except as provided in Chapter 2 (commencing with Section
26 20581), Chapter 3. 3 (commencing with Section 20639), Chapter
27 3.5 (commencing with Section 20640), or Chapter 4 (commencing
28 with Section 20641) of Part 10.5 of Division 2, a property tax
29 postponement payment from the Controller issued pursuant to
30 Section 20602 shall not be used to pay any delinquent taxes,
31 assessments, penalties, costs, fees, or interest, or any redemption
32 charges.

33 ~~SEC. 12.~~

34 *SEC. 13.* Section 2514 of the Revenue and Taxation Code is
35 amended to read:

36 2514. (a) Upon receipt of a property tax postponement
37 payment from the Controller issued pursuant to Section 20602,
38 the tax collector shall ascertain whether the amount of the property
39 tax postponement payment from the Controller, when added to

1 other amounts available for such purpose, are sufficient to pay the
2 amount due and owing.

3 If such is the case, the tax collector or his or her designee shall
4 process the property tax postponement payment from the Controller
5 and mark the tax paid. Upon acceptance of the property tax
6 postponement payment from the Controller:

7 (1) The tax collector shall enter the fact that taxes on the
8 property have been postponed in appropriate columns on the roll.
9 In the case of the secured roll, this information may be entered in
10 that portion of the roll that has been designated for tax default
11 information required by Section 3439.

12 (2) In the case of a property tax postponement payment issued
13 pursuant to Section 20602, the tax collector shall determine if the
14 property is subject to a property tax postponement lien recorded
15 pursuant to Section 16182 of the Government Code. If the property
16 is not subject to such a lien, the tax collector shall enter the address
17 of the property, the name of the claimant, the county code, and the
18 assessor's parcel number on a "notice of lien for postponed
19 property taxes" form which shall be provided by the Controller.
20 The tax collector shall thereafter forward the notice of lien form
21 to the assessor.

22 (3) With respect to a claimant whose property taxes are paid
23 by a lender from an impound, trust, or other type of account
24 described in Section 2954 of the Civil Code, the tax collector shall
25 notify the auditor of the claimant's name and address, and the
26 amount of the property tax postponement payment.

27 The auditor, treasurer, or disbursing officer shall send a check
28 in the amount of the property tax postponement payment to the
29 claimant within 30 days following the date on which the installment
30 is paid by the lender or the property tax postponement payment is
31 received from the Controller, whichever is later.

32 (b) The procedures established by this chapter shall not be
33 construed to require a lender to alter the manner in which a lender
34 makes payment of the property taxes of such claimant.

35 (c) Notwithstanding any other provision in this section, any
36 action required of a local agency by this section in order to give
37 effect to the Senior Citizens Mobilehome Property Tax
38 Postponement Law (Chapter 3.3 (commencing with Section 20639)
39 of Part 10.5 of Division 2, and that has been determined by the

1 Commission on State Mandates to be a reimbursable mandate,
2 shall be optional.

3 ~~SEC. 13.~~

4 *SEC. 14.* Section 2515 of the Revenue and Taxation Code is
5 amended to read:

6 2515. (a) Upon receipt of a “notice of lien for postponed
7 property taxes” from the tax collector, the assessor shall
8 immediately:

9 (1) Enter, on the notice of lien, a description of the real property
10 for which the taxes have been paid by the Controller pursuant to
11 Section 2514. Such description shall be a “metes and bounds,”
12 “lot-block-tract,” or any other description as is determined by the
13 Controller to sufficiently describe the real property for the purpose
14 of securing the state’s lien.

15 (2) Enter on the notice of lien, the names of all record owners
16 of the property described under subdivision (a) of this section, as
17 disclosed by the assessor’s records.

18 (3) Upon entry of the information required by subdivisions (a)
19 and (b) on the notice of lien, the assessor shall immediately forward
20 the notice of lien to the county recorder.

21 (4) Enter on the assessment records applicable to the property,
22 the fact that the taxes on the property have been postponed and
23 the Controller’s identification number, and shall, when the record
24 reveals a change in the ownership status of the property subsequent
25 to the date of entry of the postponement information thereon, notify
26 the Controller of the change in the ownership status in the manner
27 prescribed by the Controller.

28 (b) From the time of recordation of the notice of lien pursuant
29 to Section 16182 of the Government Code, the lien for postponed
30 property taxes shall be deemed to impart constructive notice of
31 the contents thereof to subsequent purchasers, mortgagees, lessees
32 and other lienors.

33 ~~SEC. 14.~~

34 *SEC. 15.* Section 20503 of the Revenue and Taxation Code is
35 amended to read:

36 20503. (a) “Income” means adjusted gross income as defined
37 in Section 17072 plus all of the following cash items:

- 38 (1) Public assistance and relief.
- 39 (2) Nontaxable amount of pensions and annuities.
- 40 (3) Social security benefits (except Medicare).

- 1 (4) Railroad retirement benefits.
- 2 (5) Unemployment insurance payments.
- 3 (6) Veterans' benefits.
- 4 (7) Exempt interest received from any source.
- 5 (8) Gifts and inheritances in excess of three hundred dollars
- 6 (\$300), other than transfers between members of the household.
- 7 Gifts and inheritances include noncash items.
- 8 (9) Amounts contributed on behalf of the contributor to a
- 9 tax-sheltered retirement plan or deferred compensation plan.
- 10 (10) Temporary workers' compensation payments.
- 11 (11) Sick leave payments.
- 12 (12) Nontaxable military compensation as defined in Section
- 13 112 of the Internal Revenue Code.
- 14 (13) Nontaxable scholarship and fellowship grants as defined
- 15 in Section 117 of the Internal Revenue Code.
- 16 (14) Nontaxable gain from the sale of a residence as defined
- 17 in Section 121 of the Internal Revenue Code.
- 18 (15) Life insurance proceeds to the extent that the proceeds
- 19 exceed the expenses incurred for the last illness and funeral of the
- 20 deceased spouse of the claimant. "Expenses incurred for the last
- 21 illness" includes unreimbursed expenses paid or incurred during
- 22 the income calendar year and any expenses paid or incurred
- 23 thereafter up until the date the claim is filed. For purposes of this
- 24 paragraph, funeral expenses shall not exceed five thousand dollars
- 25 (\$5,000).
- 26 (16) If an alternative minimum tax is required to be paid
- 27 pursuant to Chapter 2.1 (commencing with Section 17062) of Part
- 28 10, the amount of alternative minimum taxable income (whether
- 29 or not cash) in excess of the regular taxable income.
- 30 (17) Annual winnings from the California Lottery in excess of
- 31 six hundred dollars (\$600) for the current year.
- 32 (b) For purposes of this chapter, total income shall be
- 33 determined for the calendar year (or approved fiscal year ending
- 34 within that calendar year) which ends within the fiscal year for
- 35 which assistance is claimed.
- 36 ~~SEC. 15.~~
- 37 *SEC. 16.* Section 20505 of the Revenue and Taxation Code is
- 38 amended to read:
- 39 20505. For purposes of this chapter, "claimant" means an
- 40 individual who was either (1) 62 years of age or older on the last

1 day of the calendar year or approved fiscal year designated in
 2 subdivision (b) of Section 20503, or (2) blind or disabled, as
 3 defined in Section 12050 of the Welfare and Institutions Code on
 4 the last day of the calendar year or approved fiscal year designated
 5 in subdivision (b) of Section 20503, who was a member of the
 6 household, and who was either: (1) the owner and occupier of a
 7 residential dwelling on the last day of the year designated in
 8 subdivision (b) of Section 20503, or (2) the renter of a rented
 9 residence on or before the last day of the year designated in
 10 subdivision (b) of Section 20503. An individual who qualifies as
 11 an owner-claimant may not qualify as a renter-claimant for the
 12 same year.

13 ~~SEC. 16.~~

14 *SEC. 17.* Section 20582 of the Revenue and Taxation Code is
 15 amended to read:

16 20582. Unless the context otherwise requires, the definitions
 17 given in this chapter shall govern the construction of Chapter 2
 18 (commencing with Section 20581), Chapter 3.3 (commencing with
 19 Section 20639), Chapter 3.5 (commencing with Section 20640),
 20 and Chapter 4 (commencing with Section 20641).

21 ~~SEC. 17.~~

22 *SEC. 18.* Section 20583 of the Revenue and Taxation Code is
 23 amended to read:

24 20583. (a) “Residential dwelling” means a dwelling occupied
 25 as the principal place of residence of the claimant, and so much
 26 of the land surrounding it as is reasonably necessary for use of the
 27 dwelling as a home, owned by (1) the claimant, (2) the claimant
 28 and the claimant’s spouse, (3) the claimant and parents, children
 29 (natural or adopted), or grandchildren of either the claimant or the
 30 claimant’s spouse, or (4) the claimant and the spouse of any parent,
 31 child (natural or adopted), or grandchild of either the claimant or
 32 the claimant’s spouse, or (5) the claimant and another individual
 33 eligible for postponement under this chapter and located in this
 34 state. It shall include condominiums and mobilehomes that are
 35 assessed as realty for local property tax purposes. It also includes
 36 part of a multidwelling or multipurpose building and a part of the
 37 land upon which it is built. In the case of a mobilehome not
 38 assessed as real property that is located on land owned by the
 39 claimant, “residential dwelling” includes the land on which the
 40 mobilehome is situated and so much of the land surrounding it as

1 reasonably necessary for use of the mobilehome as a home. It shall
2 also include a dwelling unit that is a mobilehome owned by a
3 claimant subject to property taxation pursuant to Part 13
4 (commencing with Section 5800) of Division 1 and located on
5 land that is owned or rented by the claimant.

6 (b) As used in this chapter in reference to ownership interests
7 in residential dwellings, “owned” includes (1) the interest of a
8 vendee in possession under a land sale contract provided that the
9 contract or memorandum thereof is recorded and only from the
10 date of recordation of the contract or memorandum thereof in the
11 office of the county recorder where the residential dwelling is
12 located, (2) the interest of the holder of a life estate provided that
13 the instrument creating the life estate is recorded and only from
14 the date of recordation of the instrument creating the life estate in
15 the office of the county recorder where the residential dwelling is
16 located, but “owned” does not include the interest of the holder of
17 any remainder interest or the holder of a reversionary interest in
18 the residential dwelling, (3) the interest of a joint tenant or a tenant
19 in common in the residential dwelling or the interest of a tenant
20 where title is held in tenancy by the entirety or a community
21 property interest where title is held as community property, and
22 (4) the interest in the residential dwelling in which the title is held
23 in trust, as described in subdivision (d) of Section 62, provided
24 that the Controller determines that the state’s interest is adequately
25 protected.

26 (c) For purposes of this chapter, the registered owner of a
27 mobilehome shall be deemed to be the owner of the mobilehome.

28 (d) Except as provided in subdivision (c), ownership must be
29 evidenced by an instrument duly recorded in the office of the
30 county where the residential dwelling is located.

31 (e) “Residential dwelling” does not include any of the
32 following:

33 ~~(1) Any residential dwelling in which the Controller determines~~
34 ~~that the owners do not have sufficient equity to adequately protect~~
35 ~~the state’s interest in the eventual repayment of all property tax~~
36 ~~postponement loans at the time that those loans become due and~~
37 ~~payable; or in which the Controller determines that the owners, at~~
38 ~~the time of initial postponement, do not have an equity of at least~~
39 ~~20 percent of the home’s fair market value as determined by the~~
40 ~~Controller. Each year that a claim for postponement is filed, the~~

1 Controller shall make a determination that the state's interest is
 2 adequately protected. The Controller may deny additional
 3 postponement after the initial postponement if the Controller
 4 determines that the state's interest is not adequately protected.

5 (1) Any residential dwelling in which the owners do not have
 6 an equity of at least 20 percent of the full value of the property as
 7 determined for purposes of property taxation or at least 20 percent
 8 of the fair market value as determined by the Controller and where
 9 the Controller determines that the state's interest is adequately
 10 protected. The 20-percent equity requirement shall be met at the
 11 time the claimant or authorized agent files an initial postponement
 12 claim and prior to the Controller issuing payment as prescribed
 13 in Section 20602.

14 (2) Any residential dwelling in which the claimant's interest
 15 is held pursuant to a contract of sale or under a life estate, unless
 16 the claimant obtains the written consent of the vendor under the
 17 contract of sale, or the holder of the reversionary interest upon
 18 termination of the life estate, for the postponement of taxes and
 19 the creation of a lien on the real property in favor of the state for
 20 amounts postponed pursuant to this act.

21 (3) Any residential dwelling on which the claimant does not
 22 receive a secured tax bill.

23 (4) Any residential dwelling in which the claimant's interest
 24 is held as a possessory interest, except as provided in Chapter 3.5
 25 (commencing with Section 20640).

26 ~~SEC. 18.~~

27 *SEC. 19.* Section 20583.1 of the Revenue and Taxation Code
 28 is amended to read:

29 20583.1. For purposes of Section 20583, "residential dwelling"
 30 shall not include houseboats and floating homes.

31 ~~SEC. 19.~~

32 *SEC. 20.* Section 20584.1 is added to the Revenue and Taxation
 33 Code, to read:

34 20584.1. The Controller shall prescribe a maximum annual
 35 postponement loan amount.

36 ~~SEC. 20.~~

37 *SEC. 21.* Section 20585 of the Revenue and Taxation Code is
 38 amended to read:

39 20585. Postponement shall not be allowed under this chapter,
 40 Chapter 3.3 (commencing with Section 20639), or Chapter 3.5

1 (commencing with Section 20640) if household income exceeds
2 either of the following amounts:

3 (a) For the 1976 calendar year or for any approved fiscal year
4 commencing within that calendar year, household income shall
5 not exceed twenty thousand dollars (\$20,000).

6 (b) For all subsequent calendar years and approved fiscal years,
7 postponement shall not be allowed under this chapter, Chapter 3.3
8 (commencing with Section 20639), or Chapter 3.5 (commencing
9 with Section 20640) if household income exceeds an amount
10 determined as follows:

11 (1) On or before March 1 of each year, the California
12 Department of Industrial Relations shall transmit to the Controller
13 the percentages of increase in the California Consumer Price Index
14 for all Urban Consumers and in the California Consumer Price
15 Index for Urban Wage Earners and Clerical Workers of December
16 of the prior calendar year over December of the preceding calendar
17 year.

18 (2) The Controller shall compute an inflation adjustment factor
19 by adding 100 percent to the larger of the California Consumer
20 Price Index percentage increases furnished pursuant to paragraph
21 (1).

22 (3) In 1978, the Franchise Tax Board shall multiply twenty
23 thousand dollars (\$20,000) by the inflation adjustment factor to
24 determine the maximum allowable gross household income for
25 the 1977 calendar year and for approved fiscal years commencing
26 within that calendar year. In 1979 and subsequent calendar years
27 through and including 1983, the Controller shall multiply the
28 maximum allowable household income determined for the
29 preceding calendar year by the inflation adjustment factor to
30 determine the maximum allowable household income for the
31 applicable calendar year and approved fiscal years commencing
32 within that calendar year. In determining the maximum allowable
33 household income pursuant to this section, the Controller shall
34 round that amount to the nearest hundred dollar amount.

35 (c) For calendar year 1984 and subsequent calendar years and
36 for approved fiscal years commencing within those years,
37 postponement shall not be allowed under this chapter, Chapter 3.3
38 (commencing with Section 20639), or Chapter 3.5 (commencing
39 with Section 20640), if household income exceeds an amount
40 determined as follows:

1 (1) For claimants who filed and qualified in the calendar year
 2 1983 and for whom postponement has been allowed for each
 3 subsequent calendar year up to and including the calendar year
 4 2007, thirty-four thousand dollars (\$34,000). For these same
 5 claimants, for the calendar year 2008 or for any approved fiscal
 6 year commencing within that calendar year, household income
 7 shall not exceed thirty-five thousand five hundred dollars
 8 (\$35,500).

9 (2) For all other claimants, for calendar years up to and
 10 including 2006, household income shall not exceed twenty-four
 11 thousand dollars (\$24,000). For these same claimants, for the 2007
 12 calendar year or for any approved fiscal year commencing within
 13 that calendar year, household income shall not exceed thirty-one
 14 thousand five hundred dollars (\$31,500). For these same claimants,
 15 for the 2008 calendar year or for any approved fiscal year
 16 commencing within that calendar year, household income shall
 17 not exceed thirty-five thousand five hundred dollars (\$35,500).

18 (3) (A) For all claimants for the calendar year 2009 or for any
 19 approved fiscal year commencing within that calendar year,
 20 postponement shall not be allowed under this chapter, Chapter 3.3
 21 (commencing with Section 20639), or Chapter 3.5 (commencing
 22 with Section 20640), if household income exceeds thirty-five
 23 thousand five hundred dollars (\$35,500).

24 (B) For the 2010 calendar year and each subsequent calendar
 25 year, and for any approved fiscal year commencing within that
 26 calendar year, the household income amount specified in
 27 subparagraph (A) shall be adjusted for inflation, in accordance
 28 with an inflation factor determined pursuant to paragraphs (1) and
 29 (2) of subdivision (b).

30 ~~SEC. 21.~~

31 *SEC. 22.* Section 20586 of the Revenue and Taxation Code is
 32 amended to read:

33 20586. For the purposes of Chapter 2 (commencing with
 34 Section 20581), Chapter 3.3 (commencing with Section 20639),
 35 and Chapter 3.5 (commencing with Section 20640), only one
 36 claimant per household each year shall be entitled to postponement.
 37 When two or more individuals in a household are qualified as
 38 claimants, they may determine who the claimant shall be. Such
 39 decision is irrevocable. If the individuals are unable to agree, the

1 matter shall be determined by the Controller and his decision shall
2 be final.

3 ~~SEC. 22.~~

4 *SEC. 23.* Section 20587 is added to the Revenue and Taxation
5 Code, to read:

6 20587. (a) For the purposes of this chapter “income” means
7 adjusted gross income as defined in Section 17072 plus all of the
8 following cash items:

9 (1) Public assistance and relief.

10 (2) Nontaxable amount of pensions and annuities.

11 (3) Social security benefits (except Medicare).

12 (4) Railroad retirement benefits.

13 (5) Unemployment insurance payments.

14 (6) Veterans’ benefits.

15 (7) Exempt interest received from any source.

16 (8) Gifts and inheritances in excess of three hundred dollars
17 (\$300), other than transfers between members of the household.

18 Gifts and inheritances include noncash items.

19 (9) Amounts contributed on behalf of the contributor to a
20 tax-sheltered retirement plan or deferred compensation plan.

21 (10) Temporary workers’ compensation payments.

22 (11) Sick leave payments.

23 (12) Nontaxable military compensation as defined in Section
24 112 of the Internal Revenue Code.

25 (13) Nontaxable scholarship and fellowship grants as defined
26 in Section 117 of the Internal Revenue Code.

27 (14) Nontaxable gain from the sale of a residence as defined in
28 Section 121 of the Internal Revenue Code.

29 (15) Life insurance proceeds to the extent that the proceeds
30 exceed the expenses incurred for the last illness and funeral of the
31 deceased spouse of the claimant. “Expenses incurred for the last
32 illness” includes unreimbursed expenses paid or incurred during
33 the income calendar year and any expenses paid or incurred
34 thereafter up until the date the claim is filed. For purposes of this
35 paragraph, funeral expenses shall not exceed five thousand dollars
36 (\$5,000).

37 (16) If an alternative minimum tax is required to be paid
38 pursuant to Chapter 2.1 (commencing with Section 17062) of Part
39 10, the amount of alternative minimum taxable income (whether
40 or not cash) in excess of the regular taxable income.

1 (17) Annual winnings from the California Lottery in excess of
2 six hundred dollars (\$600) for the current year.

3 (b) The total household income shall not include amounts
4 deducted for a net business loss, net rental loss, net capital loss,
5 or other net losses, amounts deducted for depreciation, or other
6 noncash expenses.

7 (c) For purposes of Chapter 2 (commencing with Section 20581)
8 and Chapter 3.5 (commencing with Section 20640), total income
9 shall be determined for the calendar year ending immediately prior
10 to the commencement of the fiscal year for which postponement
11 is claimed.

12 ~~SEC. 23.~~

13 *SEC. 24.* Section 20588 is added to the Revenue and Taxation
14 Code, to read:

15 20588. “Household income” means all income received by all
16 persons of a household while members of the household. In the
17 case of a nonresident claimant, “household income” also includes
18 all income of the claimant during the year without regard to source.

19 ~~SEC. 24.~~

20 *SEC. 25.* Section 20589 is added to the Revenue and Taxation
21 Code, to read:

22 20589. (a) “Claimant” means an individual who is either of
23 the following:

24 (1) For purposes of this chapter was either (1) 62 years of age
25 or older on the last day of the calendar year or approved fiscal year
26 designated in subdivision (b) or Section 20587, or (2) blind or
27 disabled, as defined in Section 12050 of the Welfare and
28 Institutions Code on the last day of the calendar year or approved
29 fiscal year designated in subdivision (b) of Section 20587, who
30 was a member of the household, and who was (1) the owner and
31 occupier of a residential dwelling on the last day of the year
32 designated in subdivision (b) or (c) of Section 20503, or (2) the
33 renter of a rented residence on or before the last day of the year
34 designated in subdivision (b) of Section 20503. An individual who
35 qualifies as an owner-claimant may not qualify as a renter-claimant
36 for the same year.

37 (2) (A) For purposes of this chapter, Chapter 3.3 (commencing
38 with Section 20639), and Chapter 3.5 (commencing with Section
39 20640) was a member of the household and either an
40 owner-occupant, or a possessory interestholder occupant, or a

1 mobilehome owner-occupant, as the case may be, of the residential
2 dwelling as to which postponement is claimed and who was 62
3 years of age or older by December 31 of the fiscal year for which
4 postponement is claimed.

5 (B) For purposes of this chapter, Chapter 3.3 (commencing with
6 Section 20639), and Chapter 3.5 (commencing with Section 20640)
7 was a member of the household and an owner-occupant of the
8 residential dwelling as to which postponement is claimed and who
9 was blind or disabled, as defined in Section 12050 of the Welfare
10 and Institutions Code, at the time of application or on December
11 10 of the fiscal year for which postponement is claimed, whichever
12 is earlier.

13 (b) Where amounts have been postponed for any given fiscal
14 year and the claimant continues to own and occupy the residential
15 dwelling on December 31 of the calendar year in which the fiscal
16 year begins, and the claimant sells the dwelling and buys a new
17 residential dwelling in this state on or before December 31 of the
18 following fiscal year and the new dwelling is the claimant's
19 principal place of residence, then in that event, the claimant shall
20 be deemed to be a qualified claimant for the purpose of this section.
21 These regulations shall become effective immediately upon filing
22 with the Secretary of State.

23 ~~SEC. 25.~~

24 *SEC. 26.* Section 20590 is added to the Revenue and Taxation
25 Code, to read:

26 20590. "Household" includes the claimant and all other persons,
27 except bona fide renters, minors, or students (as defined by Section
28 151(c)(4) of the Internal Revenue Code), whose principal place
29 of residence is the residential dwelling of the claimant.

30 ~~SEC. 26.~~

31 *SEC. 27.* Section 20591 is added to the Revenue and Taxation
32 Code, to read:

33 20591. (a) A claimant shall not lose his or her eligibility for
34 property tax postponement if he or she is temporarily confined to
35 a hospital or medical institution for medical reasons where the
36 residential dwelling was the principal place of residence of the
37 claimant immediately prior to the confinement.

38 (b) For purposes of this section, "medical institution" means a
39 facility operated by, or licensed by, the United States, one of the
40 several states, a political subdivision of a state, the State

1 Department of Health, or exempt from such licensure pursuant to
2 subdivision (c) of Section 1312 of the Health and Safety Code.

3 ~~SEC. 27.~~

4 ~~SEC. 28.~~ Section 20602 of the Revenue and Taxation Code is
5 repealed.

6 ~~SEC. 27.~~

7 ~~SEC. 29.~~ Section 20602 is added to the Revenue and Taxation
8 Code, to read:

9 20602. (a) Upon approval of a claim described in Section
10 20601, the county tax collector shall provide verification that the
11 “notice of lien for postponed property taxes” has been filed in a
12 manner prescribed by the Controller *and shall provide to the*
13 *Controller the amount of the claimant’s taxes due.*

14 (b) Upon receipt of the verification required by subdivision (a),
15 the Controller shall issue a property tax postponement payment
16 on behalf of a qualified claimant in a manner prescribed by the
17 Controller.

18 (c) The Controller shall be indemnified from any losses that
19 result from the inaccurate filing of the “notice of lien for postponed
20 property taxes” by the county tax collector, assessor, or county
21 recorder.

22 ~~SEC. 28.~~

23 ~~SEC. 30.~~ Section 20621 of the Revenue and Taxation Code is
24 amended to read:

25 20621. Each claimant applying for postponement under Article
26 2 (commencing with Section 20601) shall file a claim under penalty
27 of perjury with the Controller on a form supplied by the Controller.
28 The claim shall contain all of the following:

29 (a) Evidence acceptable to the Controller that the person was
30 a “senior citizen claimant” or a “blind or disabled claimant.”

31 (b) A statement showing the household income for the period
32 set forth in Section 20503.

33 (c) A statement describing the residential dwelling in a manner
34 that the Controller may prescribe.

35 (d) The name of the county in which the residential dwelling
36 is located and the address of the residential dwelling.

37 (e) The county assessor’s parcel number applicable to the
38 property for which the claimant is applying for the postponement
39 of property taxes.

1 (f) Documentation evidencing the current existence of any
2 abstract of judgment, federal tax lien, or state tax lien filed or
3 recorded against the applicant, and any recorded mortgage or deed
4 of trust that affects the subject residential dwelling, for the purpose
5 of determining that the claimant possesses a 20-percent equity in
6 the subject residential dwelling as required by paragraph (1) of
7 subdivision (e) of Section 20583.

8 (g) Authorization for the Controller to pay the claimant's
9 property taxes, if approved, and promising repayment of the loan
10 as provided by Section 16190 of the Government Code.

11 (h) Other information required by the Controller to establish
12 eligibility.

13 ~~SEC. 29.~~

14 *SEC. 31.* Section 20622 of the Revenue and Taxation Code is
15 amended to read:

16 20622. (a) The claim for postponement shall be filed after July
17 1 of the calendar year in which the fiscal year for which
18 postponement is claimed begins, and on or before September 30
19 of that fiscal year. If September 30 falls on Saturday, Sunday, or
20 a legal holiday, the date is extended to the next business day. Any
21 claim for postponement filed after September 30, and on or before
22 June 30, may be considered for good cause.

23 (b) Any claims for postponement for the 2009–10 fiscal year
24 shall be filed after the effective date of the act adding this section
25 and on or before April 9, 2010.

26 ~~SEC. 30.~~

27 *SEC. 32.* Section 20623 of the Revenue and Taxation Code is
28 repealed.

29 ~~SEC. 31.~~

30 *SEC. 33.* Chapter 3 (commencing with Section 20625) of Part
31 10.5 of Division 2 of the Revenue and Taxation Code is repealed.

32 ~~SEC. 32.~~

33 *SEC. 34.* Section 20639.1 of the Revenue and Taxation Code
34 is amended to read:

35 20639.1. (a) Unless the context otherwise requires or unless
36 otherwise provided in this chapter, the definitions given in Chapter
37 2 (commencing with Section 20581) shall govern the construction
38 of this chapter.

39 (b) Unless the context otherwise dictates or unless otherwise
40 provided in this chapter, the provisions of Chapter 1 (commencing

1 with Section 101) and Chapter 2 (commencing with Section 155)
 2 of Part 1 of Division 1 of this code, Section 2931c of the Civil
 3 Code, Chapter 4.5 (commencing with Section 14735) of Part 5.5
 4 of Division 3 of Title 2 of the Government Code, Chapter 6
 5 (commencing with Section 16180) of Part 1 of Division 4 of Title
 6 2 of the Government Code, Division 13 (commencing with Section
 7 17000) of the Health and Safety Code, and Division 9
 8 (commencing with Section 9101) of the Commercial Code shall
 9 be applicable to property tax postponements made pursuant to this
 10 chapter.

11 ~~SEC. 33.~~

12 *SEC. 35.* Section 20639.6 of the Revenue and Taxation Code
 13 is amended to read:

14 20639.6. (a) Upon receipt of the information described in
 15 Section 20639.9, the Controller shall determine whether the state’s
 16 interest would be adequately protected if postponement is granted,
 17 and, if so, the Controller shall issue a property tax postponement
 18 payment as provided by Section 20602.

19 (b) The Controller shall secure a lien against the mobilehome
 20 that is sufficient to secure the state’s interest in loan repayment.

21 ~~SEC. 34.~~

22 *SEC. 36.* Section 20639.8 of the Revenue and Taxation Code
 23 is amended to read:

24 20639.8. The claim for postponement shall be filed pursuant
 25 to Section 20622.

26 ~~SEC. 35.~~

27 *SEC. 37.* Section 20639.9 of the Revenue and Taxation Code
 28 is amended to read:

29 20639.9. Each claimant applying for postponement under this
 30 chapter shall file a claim as provided by Section 20621. A claim
 31 filed under this chapter shall also include both of the following:

32 (a) A copy of the Certificate of Title issued by the Department
 33 of Housing and Community Development or the certificate of
 34 ownership issued by the Department of Motor Vehicles.

35 (b) A copy of the registration card issued by the Department
 36 of Housing and Community Development or the Department of
 37 Motor Vehicles.

38 ~~SEC. 36.~~

39 *SEC. 38.* Section 20639.11 of the Revenue and Taxation Code
 40 is amended to read:

1 20639.11. All amounts postponed pursuant to this chapter shall
2 become due and payable as provided by Section 16190 of the
3 Government Code.

4 ~~SEC. 37.~~

5 *SEC. 39.* Section 20640.1 of the Revenue and Taxation Code
6 is amended to read:

7 20640.1. (a) Unless the context otherwise requires or unless
8 otherwise provided in this chapter, the definitions given in Chapter
9 2 (commencing with Section 20581) shall govern the construction
10 of this chapter.

11 (b) Unless the context otherwise dictates or unless otherwise
12 provided in this chapter, the provisions of Chapter 2 (commencing
13 with Section 20581), Civil Code Section 2924b, Civil Code Section
14 2931c, Chapter 4.5 (commencing with Section 14735) of Part 5.5
15 of Division 3 of Title 2 of the Government Code, Chapter 6
16 (commencing with Section 16180) of Part 1 of Division 4 of Title
17 2 of the Government Code shall be applicable to property tax
18 postponements made pursuant to this chapter.

19 ~~SEC. 38.~~

20 *SEC. 40.* Section 20640.3 of the Revenue and Taxation Code
21 is amended to read:

22 20640.3. A claimant is an individual who does both of the
23 following:

24 (a) Holds a right to a possessory interest pursuant to a validly
25 recorded instrument conveying such possessory interest for a term
26 of years no less than 45 years beyond the last day of the calendar
27 year ending immediately prior to the fiscal year for which taxes
28 are initially postponed.

29 (b) Occupies as a principal place of residence the residential
30 dwelling affixed to such possessory interest real property on the
31 last day of the year designated in Section 20503(c).

32 (c) Satisfies the requirements specified in paragraph (1) or (2)
33 of subdivision (a) of Section 20589.

34 ~~SEC. 39.~~

35 *SEC. 41.* Section 20640.4 of the Revenue and Taxation Code
36 is amended to read:

37 20640.4. (a) Subject to the limitations provided in Chapter 2
38 (commencing with Section 20581) or this chapter, a claimant may
39 file with the Controller, a claim for postponement of a sum equal

1 to, but not exceeding the amount of property taxes, for the fiscal
2 year for which the claim is made.

3 (b) Upon verification of the eligibility requirements set forth
4 in Section 20640.9 the Controller shall mail the claimant a Notice
5 of Election to Postpone which shall be in the form and contain
6 such information as the Controller may prescribe. Accompanying
7 the notice shall be a statement explaining that in order for the
8 claimant to postpone all or part of the property taxes, the Notice
9 of Election to Postpone must be mailed to the Controller with a
10 copy of the instrument creating the possessory interest, said copy
11 to be certified by the county recorder of the county in which such
12 real property is located. Where a memorandum of lease has been
13 recorded in lieu of such instrument, a certified copy of said
14 memorandum shall accompany the copy of the instrument creating
15 the possessory interest.

16 (c) (1) Except as provided in this section, any possessory
17 interest or improvement on which property taxes are delinquent
18 at the time the application for postponement under this chapter is
19 made or on which any other property tax or special assessment
20 imposed by a special district or other tax code area are delinquent
21 at the time the application for postponement under this chapter is
22 made shall not be eligible for postponement.

23 (2) For 1978–79 and thereafter, any taxes or assessments which
24 became delinquent after the claimant was 62 and before a lien is
25 established pursuant to Section 16182 of the Government Code
26 shall not disqualify an otherwise eligible claimant for postponement
27 under this chapter. An application to postpone taxes for 1978–79
28 or thereafter also constitutes an application for postponement of
29 all such delinquent taxes and assessments, together with any
30 penalties, interest, fees, or other charges resulting from such
31 delinquency and such amounts shall, unless otherwise paid by the
32 claimant, be paid out of the amount appropriated by Section 16100
33 of the Government Code and shall be added to and become part
34 of the obligation secured by the lien provided by Section 16182
35 of the Government Code.

36 (d) The Controller shall mail to claimant for due execution the
37 appropriate security instrument for claimant's form of lease,
38 including the consent to assignment required by Section
39 20640.5(b).

1 ~~SEC. 40.~~

2 *SEC. 42.* Section 20640.6 of the Revenue and Taxation Code
3 is amended to read:

4 20640.6. (a) Upon receipt of the information described in
5 Section 20640.4 and Section 20640.5, the Controller shall
6 determine whether the state's interest would be adequately
7 protected if postponement is granted, and if so, shall issue a
8 property tax postponement payment as provided by Section 20602.

9 (b) The Controller shall secure a lien against the possessory
10 interest that is sufficient to secure the state's interest in loan
11 repayment.

12 ~~SEC. 41.~~

13 *SEC. 43.* Section 20640.8 of the Revenue and Taxation Code
14 is amended to read:

15 20640.8. The claim for postponement shall be filed pursuant
16 to Section 20622.

17 ~~SEC. 42.~~

18 *SEC. 44.* Section 20640.9 of the Revenue and Taxation Code
19 is amended to read:

20 20640.9. Each claimant applying for postponement under this
21 chapter shall file a claim pursuant to Section 20621.

22 ~~SEC. 43.~~

23 *SEC. 45.* Section 20640.11 of the Revenue and Taxation Code
24 is amended to read:

25 20640.11. All amounts postponed pursuant to this chapter shall
26 become due and payable as provided by Section 16190 of the
27 Government Code.

28 ~~SEC. 44.~~

29 *SEC. 46.* Section 20641 of the Revenue and Taxation Code is
30 amended to read:

31 20641. Forms filed pursuant to this part shall not be under oath
32 but shall contain, or be verified by, a written declaration that they
33 are made under the penalty of perjury. All forms filed pursuant to
34 Chapter 1 (commencing with Section 20501) shall require such
35 information as the Franchise Tax Board may from time to time
36 prescribe, and shall be filed with the Franchise Tax Board. The
37 Franchise Tax Board shall prepare blank forms for the claimant
38 and shall distribute them throughout the state and furnish them
39 upon application. All forms filed pursuant to Chapter 2
40 (commencing with Section 20581), Chapter 3.3 (commencing with

1 Section 20639), or Chapter 3.5 (commencing with Section 20640),
2 shall require such information as the Controller may from time to
3 time prescribe, shall be filed with the Controller, and the Controller
4 shall prepare such blank forms for the claimant and shall distribute
5 them throughout the state and furnish them upon application.

6 ~~SEC. 45.~~

7 *SEC. 47.* Section 20643 of the Revenue and Taxation Code is
8 amended to read:

9 20643. If any claimant fails or refuses to furnish any
10 information requested in writing by the Franchise Tax Board,
11 pursuant to this part, Chapter 1 (commencing with Section 20501),
12 or by the Controller, pursuant to Chapter 2 (commencing with
13 Section 20581), Chapter 3.3 (commencing with Section 20639),
14 or Chapter 3.5 (commencing with Section 20640) or files a
15 fraudulent claim, the assistance or postponement authorized by
16 this part shall be disallowed.

17 ~~SEC. 46.~~

18 *SEC. 48.* Section 20648 is added to the Revenue and Taxation
19 Code, to read:

20 20648. For the 2009–10 and 2010–11 fiscal years, if a
21 postponement claim is filed timely under Chapter 2 (commencing
22 with Section 20581), Chapter 3.3 (commencing with Section
23 20639), or Chapter 3.5 (commencing with Section 20640), the tax
24 collector may cancel any delinquent penalties and interest owed
25 by the claimant for those fiscal years.

26 *SEC. 49. This act is an urgency statute necessary for the*
27 *immediate preservation of the public peace, health, or safety within*
28 *the meaning of Article IV of the Constitution and shall go into*
29 *immediate effect. The facts constituting the necessity are:*

30 *In order to provide assistance to seniors and disabled citizens*
31 *as quickly as possible, it is necessary that this act take immediate*
32 *effect.*

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35 **CORRECTIONS:**

36 **Text—Page 24.**

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