

Introduced by Senator WaltersFebruary 19, 2010

An act to amend Section 69.5 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1415, as introduced, Walters. Property tax: intercounty base year value transfers.

The California Constitution authorizes the Legislature to provide that a person who is either severely disabled or over the age of 55 years may transfer the base year value, as defined, of property that is eligible for the homeowners' property tax exemption to a replacement dwelling that is of equal or lesser value located within the same county as the property from which the base year value is transferred, and if a county ordinance so providing has been adopted, to a replacement dwelling that is located in a different county.

This bill would authorize any person over the age of 65 years to transfer the base year value of an original property to a replacement dwelling located in a different county without the adoption of a county ordinance so providing. This bill would require this provision to be applied only to intercounty transfers of base year value that occur on or after January 1, 2011.

By changing the manner in which local assessors assess property for property taxation purposes, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

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.

This bill would take effect immediately as a tax levy, but would become operative only if Senate Constitutional Amendment ____ of the 2009–10 Regular Session is approved by the voters.

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 69.5 of the Revenue and Taxation Code
- 2 is amended to read:
- 3 69.5. (a) (1) Notwithstanding any other provision of law,
- 4 pursuant to subdivision (a) of Section 2 of Article XIII A of the
- 5 California Constitution, any person over the age of 55 years, or
- 6 any severely and permanently disabled person, who resides in
- 7 property that is eligible for the homeowners’ exemption under
- 8 subdivision (k) of Section 3 of Article XIII of the California
- 9 Constitution and Section 218 may transfer, subject to the conditions
- 10 and limitations provided in this section, the base year value of that
- 11 property to any replacement dwelling of equal or lesser value that
- 12 is located within the same county and is purchased or newly
- 13 constructed by that person as his or her principal residence within
- 14 two years of the sale by that person of the original property,
- 15 provided that the base year value of the original property shall not
- 16 be transferred to the replacement dwelling until the original
- 17 property is sold.
- 18 (2) Notwithstanding the limitation in paragraph (1) requiring
- 19 that the original property and the replacement dwelling be located

1 in the same county, this limitation shall not apply in ~~any~~ *either of*
2 *the following circumstances:*

3 (A) *In any county in which the county board of supervisors,*
4 *after consultation with local affected agencies within the boundaries*
5 *of the county, adopts an ordinance making the provisions of*
6 *paragraph (1) also applicable to situations in which replacement*
7 *dwellings are located in that county and the original properties are*
8 *located in another county within this state. The authorization*
9 *contained in this paragraph shall be applicable in a county only if*
10 *the ordinance adopted by the board of supervisors complies with*
11 *all of the following requirements:*

12 ~~(A)~~

13 (i) *It is adopted only after consultation between the board of*
14 *supervisors and all other local affected agencies within the county's*
15 *boundaries.*

16 ~~(B)~~

17 (ii) *It requires that all claims for transfers of base year value*
18 *from original property located in another county be granted if the*
19 *claims meet the applicable requirements of both subdivision (a)*
20 *of Section 2 of Article XIII A of the California Constitution and*
21 *this section.*

22 ~~(C)~~

23 (iii) *It requires that all base year valuations of original property*
24 *located in another county and determined by its assessor be*
25 *accepted in connection with the granting of claims for transfers of*
26 *base year value.*

27 ~~(D)~~

28 (iv) *It provides that its provisions are operative for a period of*
29 *not less than five years.*

30 ~~(E)~~

31 (v) *The ordinance specifies the date on and after which its*
32 *provisions shall be applicable. However, the date specified shall*
33 *not be earlier than November 9, 1988. The specified applicable*
34 *date may be a date earlier than the date the county adopts the*
35 *ordinance.*

36 (B) *When any person over the age of 65 years transfers the base*
37 *year value of an original property to a replacement dwelling. This*
38 *subparagraph shall only apply to intercounty transfers of base*
39 *year value that occur on or after January 1, 2011.*

1 (b) In addition to meeting the requirements of subdivision (a),
2 any person claiming the property tax relief provided by this section
3 shall be eligible for that relief only if the following conditions are
4 met:

5 (1) The claimant is an owner and a resident of the original
6 property either at the time of its sale, or at the time when the
7 original property was substantially damaged or destroyed by
8 misfortune or calamity, or within two years of the purchase or new
9 construction of the replacement dwelling.

10 (2) The original property is eligible for the homeowners'
11 exemption, as the result of the claimant's ownership and occupation
12 of the property as his or her principal residence, either at the time
13 of its sale, or at the time when the original property was
14 substantially damaged or destroyed by misfortune or calamity, or
15 within two years of the purchase or new construction of the
16 replacement dwelling.

17 (3) At the time of the sale of the original property, the claimant
18 or the claimant's spouse who resides with the claimant is at least
19 55 years of age, or is severely and permanently disabled.

20 (4) At the time of claiming the property tax relief provided by
21 subdivision (a), the claimant is an owner of a replacement dwelling
22 and occupies it as his or her principal place of residence and, as a
23 result thereof, the property is currently eligible for the homeowners'
24 exemption or would be eligible for the exemption except that the
25 property is already receiving the exemption because of an
26 exemption claim filed by the previous owner.

27 (5) The original property of the claimant is sold by him or her
28 within two years of the purchase or new construction of the
29 replacement dwelling. For purposes of this paragraph, the purchase
30 or new construction of the replacement dwelling includes the
31 purchase of that portion of land on which the replacement building,
32 structure, or other shelter constituting a place of abode of the
33 claimant will be situated and that, pursuant to paragraph (3) of
34 subdivision (g), constitutes a part of the replacement dwelling.

35 (6) The replacement dwelling, including that portion of land on
36 which it is situated that is specified in paragraph (5), is located
37 entirely within the same county as the claimant's original property.

38 (7) The claimant has not previously been granted, as a claimant,
39 the property tax relief provided by this section, except that this
40 paragraph shall not apply to any person who becomes severely

1 and permanently disabled subsequent to being granted, as a
2 claimant, the property tax relief provided by this section for any
3 person over the age of 55 years. In order to prevent duplication of
4 claims under this section within this state, county assessors shall
5 report quarterly to the State Board of Equalization that information
6 from claims filed in accordance with subdivision (f) and from
7 county records as is specified by the board necessary to identify
8 fully all claims under this section allowed by assessors and all
9 claimants who have thereby received relief. The board may specify
10 that the information include all or a part of the names and social
11 security numbers of claimants and their spouses and the identity
12 and location of the replacement dwelling to which the claim
13 applies. The information may be required in the form of data
14 processing media or other media and in a format that is compatible
15 with the recordkeeping processes of the counties and the auditing
16 procedures of the state.

17 (c) The property tax relief provided by this section shall be
18 available if the original property or the replacement dwelling, or
19 both, of the claimant includes, but is not limited to, either of the
20 following:

21 (1) A unit or lot within a cooperative housing corporation, a
22 community apartment project, a condominium project, or a planned
23 unit development. If the unit or lot constitutes the original property
24 of the claimant, the assessor shall transfer to the claimant's
25 replacement dwelling only the base year value of the claimant's
26 unit or lot and his or her share in any common area reserved as an
27 appurtenance of that unit or lot. If the unit or lot constitutes the
28 replacement dwelling of the claimant, the assessor shall transfer
29 the base year value of the claimant's original property only to the
30 unit or lot of the claimant and any share of the claimant in any
31 common area reserved as an appurtenance of that unit or lot.

32 (2) A manufactured home or a manufactured home and any land
33 owned by the claimant on which the manufactured home is situated.
34 For purposes of this paragraph, "land owned by the claimant"
35 includes a pro rata interest in a resident-owned mobilehome park
36 that is assessed pursuant to subdivision (b) of Section 62.1.

37 (A) If the manufactured home or the manufactured home and
38 the land on which it is situated constitutes the claimant's original
39 property, the assessor shall transfer to the claimant's replacement
40 dwelling either the base year value of the manufactured home or

1 the base year value of the manufactured home and the land on
2 which it is situated, as appropriate. If the manufactured home
3 dwelling that constitutes the original property of the claimant
4 includes an interest in a resident-owned mobilehome park, the
5 assessor shall transfer to the claimant's replacement dwelling the
6 base year value of the claimant's manufactured home and his or
7 her pro rata portion of the real property of the park. No transfer of
8 base year value shall be made by the assessor of that portion of
9 land that does not constitute a part of the original property, as
10 provided in paragraph (4) of subdivision (g).

11 (B) If the manufactured home or the manufactured home and
12 the land on which it is situated constitutes the claimant's
13 replacement dwelling, the assessor shall transfer the base year
14 value of the claimant's original property either to the manufactured
15 home or the manufactured home and the land on which it is
16 situated, as appropriate. If the manufactured home dwelling that
17 constitutes the replacement dwelling of the claimant includes an
18 interest in a resident-owned mobilehome park, the assessor shall
19 transfer the base year value of the claimant's original property to
20 the manufactured home of the claimant and his or her pro rata
21 portion of the park. No transfer of base year value shall be made
22 by the assessor to that portion of land that does not constitute a
23 part of the replacement dwelling, as provided in paragraph (3) of
24 subdivision (g).

25 This subdivision shall be subject to the limitations specified in
26 subdivision (d).

27 (d) The property tax relief provided by this section shall be
28 available to a claimant who is the coowner of the original property,
29 as a joint tenant, a tenant in common, or a community property
30 owner, subject to the following limitations:

31 (1) If a single replacement dwelling is purchased or newly
32 constructed by all of the coowners and each coowner retains an
33 interest in the replacement dwelling, the claimant shall be eligible
34 under this section whether or not any or all of the remaining
35 coowners would otherwise be eligible claimants.

36 (2) If two or more replacement dwellings are separately
37 purchased or newly constructed by two or more coowners and
38 more than one coowner would otherwise be an eligible claimant,
39 only one coowner shall be eligible under this section. These

1 coowners shall determine by mutual agreement which one of them
2 shall be deemed eligible.

3 (3) If two or more replacement dwellings are separately
4 purchased or newly constructed by two coowners who held the
5 original property as community property, only the coowner who
6 has attained the age of 55 years, or is severely and permanently
7 disabled, shall be eligible under this section. If both spouses are
8 over 55 years of age, they shall determine by mutual agreement
9 which one of them is eligible.

10 In the case of coowners whose original property is a multiunit
11 dwelling, the limitations imposed by paragraphs (2) and (3) shall
12 only apply to coowners who occupied the same dwelling unit
13 within the original property at the time specified in paragraph (2)
14 of subdivision (b).

15 (e) Upon the sale of original property, the assessor shall
16 determine a new base year value for that property in accordance
17 with subdivision (a) of Section 2 of Article XIII A of the California
18 Constitution and Section 110.1, whether or not a replacement
19 dwelling is subsequently purchased or newly constructed by the
20 former owner or owners of the original property.

21 This section shall not apply unless the transfer of the original
22 property is a change in ownership that either (1) subjects that
23 property to reappraisal at its current fair market value in accordance
24 with Section 110.1 or 5803 or (2) results in a base year value
25 determined in accordance with this section, Section 69, or Section
26 69.3 because the property qualifies under this section, Section 69,
27 or Section 69.3 as a replacement dwelling or property.

28 (f) (1) A claimant shall not be eligible for the property tax relief
29 provided by this section unless the claimant provides to the
30 assessor, on a form that shall be designed by the State Board of
31 Equalization and that the assessor shall make available upon
32 request, the following information:

33 (A) The name and social security number of each claimant and
34 of any spouse of the claimant who is a record owner of the
35 replacement dwelling.

36 (B) Proof that the claimant or the claimant's spouse who resided
37 on the original property with the claimant was, at the time of its
38 sale, at least 55 years of age, or severely and permanently disabled.
39 Proof of severe and permanent disability shall be considered a
40 certification, signed by a licensed physician and surgeon of

1 appropriate specialty, attesting to the claimant's severely and
2 permanently disabled condition. In the absence of available proof
3 that a person is over 55 years of age, the claimant shall certify
4 under penalty of perjury that the age requirement is met. In the
5 case of a severely and permanently disabled claimant either of the
6 following shall be submitted:

7 (i) A certification, signed by a licensed physician or surgeon of
8 appropriate specialty that identifies specific reasons why the
9 disability necessitates a move to the replacement dwelling and the
10 disability-related requirements, including any locational
11 requirements, of a replacement dwelling. The claimant shall
12 substantiate that the replacement dwelling meets disability-related
13 requirements so identified and that the primary reason for the move
14 to the replacement dwelling is to satisfy those requirements. If the
15 claimant, or the claimant's spouse or guardian, so declares under
16 penalty of perjury, it shall be rebuttably presumed that the primary
17 purpose of the move to the replacement dwelling is to satisfy
18 identified disability-related requirements.

19 (ii) The claimant's substantiation that the primary purpose of
20 the move to the replacement dwelling is to alleviate financial
21 burdens caused by the disability. If the claimant, or the claimant's
22 spouse or guardian, so declares under penalty of perjury, it shall
23 be rebuttably presumed that the primary purpose of the move is
24 to alleviate the financial burdens caused by the disability.

25 (C) The address and, if known, the assessor's parcel number of
26 the original property.

27 (D) The date of the claimant's sale of the original property and
28 the date of the claimant's purchase or new construction of a
29 replacement dwelling.

30 (E) A statement by the claimant that he or she occupied the
31 replacement dwelling as his or her principal place of residence on
32 the date of the filing of his or her claim.

33 (F) Any claim under this section shall be filed within three years
34 of the date the replacement dwelling was purchased or the new
35 construction of the replacement dwelling was completed subject
36 to subdivision (k) or (m).

37 (2) A claim for transfer of base year value under this section
38 that is filed after the expiration of the filing period set forth in
39 subparagraph (F) of paragraph (1) shall be considered by the
40 assessor, subject to all of the following conditions:

1 (A) Any base year value transfer granted pursuant to that claim
2 shall apply commencing with the lien date of the assessment year
3 in which the claim is filed.

4 (B) The full cash value of the replacement property in the
5 assessment year described in subparagraph (A) shall be the base
6 year value of the real property in the assessment year in which the
7 base year value was transferred, factored to the assessment year
8 described in subparagraph (A) for both of the following:

9 (i) Inflation as annually determined in accordance with
10 paragraph (1) of subdivision (a) of Section 51.

11 (ii) Any subsequent new construction occurring with respect to
12 the subject real property that does not qualify for property tax relief
13 pursuant to the criteria set forth in subparagraphs (A) and (B) of
14 paragraph (4) of subdivision (h).

15 (g) For purposes of this section:

16 (1) “Person over the age of 55 years” means any person or the
17 spouse of any person who has attained the age of 55 years or older
18 at the time of the sale of the original property.

19 (2) “Base year value of the original property” means its base
20 year value, as determined in accordance with Section 110.1, with
21 the adjustments permitted by subdivision (b) of Section 2 of Article
22 XIII A of the California Constitution and subdivision (f) of Section
23 110.1, determined as of the date immediately prior to the date that
24 the original property is sold by the claimant, or in the case where
25 the original property has been substantially damaged or destroyed
26 by misfortune or calamity and the owner does not rebuild on the
27 original property, determined as of the date immediately prior to
28 the misfortune or calamity.

29 If the replacement dwelling is purchased or newly constructed
30 after the transfer of the original property, “base year value of the
31 original property” also includes any inflation factor adjustments
32 permitted by subdivision (f) of Section 110.1 for the period
33 subsequent to the sale of the original property. The base year or
34 years used to compute the “base year value of the original property”
35 shall be deemed to be the base year or years of any property to
36 which that base year value is transferred pursuant to this section.

37 (3) “Replacement dwelling” means a building, structure, or
38 other shelter constituting a place of abode, whether real property
39 or personal property, that is owned and occupied by a claimant as
40 his or her principal place of residence, and any land owned by the

1 claimant on which the building, structure, or other shelter is
2 situated. For purposes of this paragraph, land constituting a part
3 of a replacement dwelling includes only that area of reasonable
4 size that is used as a site for a residence, and “land owned by the
5 claimant” includes land for which the claimant either holds a
6 leasehold interest described in subdivision (c) of Section 61 or a
7 land purchase contract. Each unit of a multiunit dwelling shall be
8 considered a separate replacement dwelling. For purposes of this
9 paragraph, “area of reasonable size that is used as a site for a
10 residence” includes all land if any nonresidential uses of the
11 property are only incidental to the use of the property as a
12 residential site. For purposes of this paragraph, “land owned by
13 the claimant” includes an ownership interest in a resident-owned
14 mobilehome park that is assessed pursuant to subdivision (b) of
15 Section 62.1.

16 (4) “Original property” means a building, structure, or other
17 shelter constituting a place of abode, whether real property or
18 personal property, that is owned and occupied by a claimant as his
19 or her principal place of residence, and any land owned by the
20 claimant on which the building, structure, or other shelter is
21 situated. For purposes of this paragraph, land constituting a part
22 of the original property includes only that area of reasonable size
23 that is used as a site for a residence, and “land owned by the
24 claimant” includes land for which the claimant either holds a
25 leasehold interest described in subdivision (c) of Section 61 or a
26 land purchase contract. Each unit of a multiunit dwelling shall be
27 considered a separate original property. For purposes of this
28 paragraph, “area of reasonable size that is used as a site for a
29 residence” includes all land if any nonresidential uses of the
30 property are only incidental to the use of the property as a
31 residential site. For purposes of this paragraph, “land owned by
32 the claimant” includes an ownership interest in a resident-owned
33 mobilehome park that is assessed pursuant to subdivision (b) of
34 Section 62.1.

35 (5) “Equal or lesser value” means that the amount of the full
36 cash value of a replacement dwelling does not exceed one of the
37 following:

38 (A) One hundred percent of the amount of the full cash value
39 of the original property if the replacement dwelling is purchased

1 or newly constructed prior to the date of the sale of the original
2 property.

3 (B) One hundred and five percent of the amount of the full cash
4 value of the original property if the replacement dwelling is
5 purchased or newly constructed within the first year following the
6 date of the sale of the original property.

7 (C) One hundred and ten percent of the amount of the full cash
8 value of the original property if the replacement dwelling is
9 purchased or newly constructed within the second year following
10 the date of the sale of the original property.

11 For the purposes of this paragraph, except as otherwise provided
12 in paragraph (4) of subdivision (h), if the replacement dwelling is,
13 in part, purchased and, in part, newly constructed, the date the
14 “replacement dwelling is purchased or newly constructed” is the
15 date of purchase or the date of completion of construction,
16 whichever is later.

17 (6) “Full cash value of the replacement dwelling” means its full
18 cash value, determined in accordance with Section 110.1, as of
19 the date on which it was purchased or new construction was
20 completed, and after the purchase or the completion of new
21 construction.

22 (7) “Full cash value of the original property” means, either:

23 (A) Its new base year value, determined in accordance with
24 subdivision (e), without the application of subdivision (h) of
25 Section 2 of Article XIII A of the California Constitution, plus the
26 adjustments permitted by subdivision (b) of Section 2 of Article
27 XIII A and subdivision (f) of Section 110.1 for the period from the
28 date of its sale by the claimant to the date on which the replacement
29 property was purchased or new construction was completed.

30 (B) In the case where the original property has been substantially
31 damaged or destroyed by misfortune or calamity and the owner
32 does not rebuild on the original property, its full cash value, as
33 determined in accordance with Section 110, immediately prior to
34 its substantial damage or destruction by misfortune or calamity,
35 as determined by the county assessor of the county in which the
36 property is located, without the application of subdivision (h) of
37 Section 2 of Article XIII A of the California Constitution, plus the
38 adjustments permitted by subdivision (b) of Section 2 of Article
39 XIII A and subdivision (f) of Section 110.1, for the period from
40 the date of its sale by the claimant to the date on which the

1 replacement property was purchased or new construction was
2 completed.

3 (8) “Sale” means any change in ownership of the original
4 property for consideration.

5 (9) “Claimant” means any person claiming the property tax
6 relief provided by this section. If a spouse of that person is a record
7 owner of the replacement dwelling, the spouse is also a claimant
8 for purposes of determining whether in any future claim filed by
9 the spouse under this section the condition of eligibility specified
10 in paragraph (7) of subdivision (b) has been met.

11 (10) “Property that is eligible for the homeowners’ exemption”
12 includes property that is the principal place of residence of its
13 owner and is entitled to exemption pursuant to Section 205.5.

14 (11) “Person” means any individual, but does not include any
15 firm, partnership, association, corporation, company, or other legal
16 entity or organization of any kind.

17 (12) “Severely and permanently disabled” means any person
18 described in subdivision (b) of Section 74.3.

19 (13) For the purposes of this section property is “substantially
20 damaged or destroyed by misfortune or calamity” if it sustains
21 physical damage amounting to more than 50 percent of its full
22 cash value immediately prior to the misfortune or calamity.
23 Damage includes a diminution in the value of property as a result
24 of restricted access to the property where the restricted access was
25 caused by the misfortune or calamity and is permanent in nature.

26 (h) (1) Upon the timely filing of a claim described in
27 subparagraph (F) of paragraph (1) of subdivision (f), the assessor
28 shall adjust the new base year value of the replacement dwelling
29 in conformity with this section. This adjustment shall be made as
30 of the latest of the following dates:

31 (A) The date the original property is sold.

32 (B) The date the replacement dwelling is purchased.

33 (C) The date the new construction of the replacement dwelling
34 is completed.

35 (2) Any taxes that were levied on the replacement dwelling prior
36 to the filing of the claim on the basis of the replacement dwelling’s
37 new base year value, and any allowable annual adjustments thereto,
38 shall be canceled or refunded to the claimant to the extent that the
39 taxes exceed the amount that would be due when determined on
40 the basis of the adjusted new base year value.

1 (3) Notwithstanding Section 75.10, Chapter 3.5 (commencing
2 with Section 75) shall be utilized for purposes of implementing
3 this subdivision, including adjustments of the new base year value
4 of replacement dwellings acquired prior to the sale of the original
5 property.

6 (4) In the case where a claim under this section has been timely
7 filed and granted, and new construction is performed upon the
8 replacement dwelling subsequent to the transfer of base year value,
9 the property tax relief provided by this section also shall apply to
10 the replacement dwelling, as improved, and thus there shall be no
11 reassessment upon completion of the new construction if both of
12 the following conditions are met:

13 (A) The new construction is completed within two years of the
14 date of the sale of the original property and the owner notifies the
15 assessor in writing of completion of the new construction within
16 30 days after completion.

17 (B) The fair market value of the new construction on the date
18 of completion, plus the full cash value of the replacement dwelling
19 on the date of acquisition, is not more than the full cash value of
20 the original property as determined pursuant to paragraph (7) of
21 subdivision (g) for purposes of granting the original claim.

22 (i) Any claimant may rescind a claim for the property tax relief
23 provided by this section and shall not be considered to have
24 received that relief for purposes of paragraph (7) of subdivision
25 (b), and the assessor shall grant the rescission, if a written notice
26 of rescission is delivered to the office of the assessor as follows:

27 (1) A written notice of rescission signed by the original filing
28 claimant or claimants is delivered to the office of the assessor in
29 which the original claim was filed.

30 (2) (A) Except as otherwise provided in this paragraph, the
31 notice of rescission is delivered to the office of the assessor before
32 the date that the county first issues, as a result of relief granted
33 under this section, a refund check for property taxes imposed upon
34 the replacement dwelling. If granting relief will not result in a
35 refund of property taxes, then the notice shall be delivered before
36 payment is first made of any property taxes, or any portion thereof,
37 imposed upon the replacement dwelling consistent with relief
38 granted under this section. If payment of the taxes is not made,
39 then notice shall be delivered before the first date that those
40 property taxes, or any portion thereof, imposed upon the

1 replacement dwelling, consistent with relief granted under this
2 section, are delinquent.

3 (B) Notwithstanding any other provision in this division, any
4 time the notice of rescission is delivered to the office of the assessor
5 within six years after relief was granted, provided that the
6 replacement property has been vacated as the claimant's principal
7 place of residence within 90 days after the original claim was filed,
8 regardless of whether the property continues to receive the
9 homeowners' exemption. If the rescission increases the base year
10 value of a property, or the homeowners' exemption has been
11 incorrectly allowed, appropriate escape assessments or
12 supplemental assessments, including interest as provided in Section
13 506, shall be imposed. The limitations periods for any escape
14 assessments or supplemental assessments shall not commence until
15 July 1 of the assessment year in which the notice of rescission is
16 delivered to the office of the assessor.

17 (3) The notice is accompanied by the payment of a fee as the
18 assessor may require, provided that the fee shall not exceed an
19 amount reasonably related to the estimated cost of processing a
20 rescission claim, including both direct costs and developmental
21 and indirect costs, such as costs for overhead, personnel, supplies,
22 materials, office space, and computers.

23 (j) (1) With respect to the transfer of base year value of original
24 properties to replacement dwellings located in the same county,
25 this section, except as provided in paragraph (3) or (4), shall apply
26 to any replacement dwelling that is purchased or newly constructed
27 on or after November 6, 1986.

28 (2) With respect to the transfer of base year value of original
29 properties to replacement dwellings located in different counties,
30 except as provided in paragraph (4), this section shall apply to any
31 replacement dwelling that is purchased or newly constructed on
32 or after the date specified in accordance with subparagraph (E) of
33 paragraph (2) of subdivision (a) in the ordinance of the county in
34 which the replacement dwelling is located, but shall not apply to
35 any replacement dwelling which was purchased or newly
36 constructed before November 9, 1988.

37 (3) With respect to the transfer of base year value by a severely
38 and permanently disabled person, this section shall apply only to
39 replacement dwellings that are purchased or newly constructed on
40 or after June 6, 1990.

1 (4) The amendments made to subdivision (e) by the act adding
2 this paragraph shall apply only to replacement dwellings under
3 Section 69 that are acquired or newly constructed on or after
4 October 20, 1991, and shall apply commencing with the 1991–92
5 fiscal year.

6 (k) (1) In the case in which a county adopts an ordinance
7 pursuant to paragraph (2) of subdivision (a) that establishes an
8 applicable date which is more than three years prior to the date of
9 adoption of the ordinance, those potential claimants who purchased
10 or constructed replacement dwellings more than three years prior
11 to the date of adoption of the ordinance and who would, therefore,
12 be precluded from filing a timely claim, shall be deemed to have
13 timely filed a claim if the claim is filed within three years after the
14 date that the ordinance is adopted. This paragraph may not be
15 construed as a waiver of any other requirement of this section.

16 (2) In the case in which a county assessor corrects a base year
17 value to reflect a pro rata change in ownership of a resident-owned
18 mobilehome park that occurred between January 1, 1989, and
19 January 1, 2002, pursuant to paragraph (4) of subdivision (b) of
20 Section 62.1, those claimants who purchased or constructed
21 replacement dwellings more than three years prior to the correction
22 and who would, therefore, be precluded from filing a timely claim,
23 shall be deemed to have timely filed a claim if the claim is filed
24 within three years of the date of notice of the correction of the base
25 year value to reflect the pro rata change in ownership. This
26 paragraph may not be construed as a waiver of any other
27 requirement of this section.

28 (3) This subdivision does not apply to a claimant who has
29 transferred his or her replacement dwelling prior to filing a claim.

30 (4) The property tax relief provided by this section, but filed
31 under this subdivision, shall apply prospectively only, commencing
32 with the lien date of the assessment year in which the claim is
33 filed. There shall be no refund or cancellation of taxes prior to the
34 date that the claim is filed.

35 (l) No escape assessment may be levied if a transfer of base
36 year value under this section has been erroneously granted by the
37 assessor pursuant to an expired ordinance authorizing intercounty
38 transfers of base year value.

39 (m) (1) The amendments made to subdivisions (b) and (g) of
40 this section by Chapter 613 of the Statutes of 2001 shall apply:

1 (A) With respect to the transfer of base year value of original
2 properties to replacement dwellings located in the same county,
3 to any replacement dwelling that is purchased or newly constructed
4 on or after November 6, 1986.

5 (B) With respect to the transfer of base year value of original
6 properties to replacement dwellings located in different counties,
7 to any replacement dwelling that is purchased or newly constructed
8 on or after the date specified in accordance with subparagraph (E)
9 of paragraph (2) of subdivision (a) in the ordinance of the county
10 in which the replacement dwelling is located, but not to any
11 replacement dwelling that was purchased or newly constructed
12 before November 9, 1988.

13 (C) With respect to the transfer of base year value by a severely
14 and permanently disabled person, to replacement dwellings that
15 are purchased or newly constructed on or after June 6, 1990.

16 (2) The property tax relief provided by this section in accordance
17 with this subdivision shall apply prospectively only commencing
18 with the lien date of the assessment year in which the claim is
19 filed. There shall be no refund or cancellation of taxes prior to the
20 date that the claim is filed.

21 (n) A claim filed under this section is not a public document
22 and is not subject to public inspection, except that a claim shall be
23 available for inspection by the claimant or the claimant's spouse,
24 the claimant's or the claimant's spouse's legal representative, the
25 trustee of a trust in which the claimant or the claimant's spouse is
26 a present beneficiary, and the executor or administrator of the
27 claimant's or the claimant's spouse's estate.

28 SEC. 2. If the Commission on State Mandates determines that
29 this act contains costs mandated by the state, reimbursement to
30 local agencies and school districts for those costs shall be made
31 pursuant to Part 7 (commencing with Section 17500) of Division
32 4 of Title 2 of the Government Code.

33 SEC. 3. Notwithstanding Section 2229 of the Revenue and
34 Taxation Code, no appropriation is made by this act and the state
35 shall not reimburse any local agency for any property tax revenues
36 lost by it pursuant to this act.

37 SEC. 4. This act provides for a tax levy within the meaning of
38 Article IV of the Constitution and shall go into immediate effect.
39 However, the provisions of this act shall become operative only
40 if Senate Constitutional Amendment ____ of the 2009–10 Regular

- 1 Session is approved by the voters and, in that event, shall become
- 2 operative on January 1, 2011.

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