

**Introduced by Senator Anderson**

February 20, 2014

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An act to amend Section 215.1 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1152, as amended, Anderson. Property taxation: ~~exemptions.~~ *exemptions: veterans' organizations.*

*Existing property tax law establishes a veterans' organization exemption under which property is exempt from taxation if, among other things, that property is used exclusively for charitable purposes and is owned by a veterans' organization.*

*This bill would provide that property owned by an organization that satisfies the requirements for the veterans' organization exemption may not be denied the veterans' organization exemption because the property is occasionally made available for private rentals as a service to the community, under specified conditions.*

*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.*

~~Existing property tax law, in accordance with the California Constitution, provides for a “welfare exemption” for property used exclusively for religious, hospital, scientific, or charitable purposes, and that is owned or operated by certain types of nonprofit entities, if certain qualifying criteria are met.~~

~~Existing property tax law exempts from taxation all personal property owned by certain veteran organizations, when the property is used solely and exclusively for the purposes of the organization, and certain qualifying criteria are met.~~

~~This bill would declare the intent of the Legislature to enact legislation relating to those provisions.~~

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

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

1     SECTION 1. Section 215.1 of the Revenue and Taxation Code  
2     is amended to read:

3     215.1. (a) All buildings, and so much of the real property on  
4     which the buildings are situated as may be required for the  
5     convenient use and occupation of the buildings, used exclusively  
6     for charitable purposes, owned by a veterans’ organization ~~which~~  
7     that has been chartered by the Congress of the United States,  
8     organized and operated for charitable purposes, when the same  
9     are used solely and exclusively for the purpose of the organization,  
10    if not conducted for profit and no part of the net earnings of which  
11    inures to the benefit of any private individual or member thereof,  
12    shall be exempt from taxation.

13    (b) The exemption provided for in this section shall apply to  
14    the property of all organizations meeting the requirements of this  
15    section and subdivision (b) of Section 4 of Article XIII of the  
16    California Constitution and paragraphs (1) to (7), inclusive, of  
17    subdivision (a) of Section 214.

18    (c) An organization that files a claim for the exemption provided  
19    for in this section shall file with the assessor a valid organizational  
20    clearance certificate issued pursuant to Section 254.6.

21    (d) (1) This exemption shall be known as the “veterans’  
22    organization exemption.”

23    (2) *Property owned by an organization that satisfies the*  
24    *requirements of Section 215 or this section shall not be denied the*

1 veterans' organization exemption because the property is  
2 occasionally made available for private rentals as a service to the  
3 community, provided that the amount of rental fee charged is  
4 limited to that amount necessary to reimburse the veterans'  
5 organization for its costs in making the rental available, and any  
6 proceeds from the rentals are used exclusively for the charitable  
7 purposes of the organization.

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

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

14 ~~SECTION 1. It is the intent of the Legislature to enact~~  
15 ~~legislation relating to property tax exemptions for property used~~  
16 ~~exclusively for religious, hospital, scientific, or charitable purposes,~~  
17 ~~and personal property owned by federally chartered veteran~~  
18 ~~organizations.~~