

Introduced by Senator Alpert

February 24, 1997

An act to amend ~~Section 63.1~~ *Sections 63.1, 75.31, 534, and 1605* of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 542, as amended, Alpert. Property taxation: parent-child transfers: ~~filing deadlines~~ *and statutes of limitation.*

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. The California Constitution also excludes from the terms "purchased" and "change in ownership" the purchase or transfer of the principal residence of the transferor, or the purchase or transfer of the first \$1,000,000 of all other real property, in the case of a purchase or transfer between parents and their children, as defined by the Legislature.

Statutory law that implements this constitutional exclusion requires an application for the exclusion to be filed within certain specified time periods.

This bill would, except in the case in which the subject real property has been transferred to a 3rd party, allow the filing

of an application for the exclusion after the conclusion of the filing periods currently specified by law. It would, in that case, apply any resulting exclusion commencing in the year in which the application is filed, and would require that the taxable value of the subject real property be set at the adjusted base year value of the subject real property in the year of purchase or transfer, adjusted for inflation and the value of any subsequent new construction. By imposing new duties upon local assessors in the processing of exclusion claims, 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, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.~~

~~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:~~

Existing property tax law provides for certain types of property tax assessments to be made outside the regular assessment period, provides for certain notices of those assessments to be given to assessees, and specifies that applications for reduction of those assessments are required to be filed within certain time periods.

This bill would clarify the various periods for the filing of an appeal of certain assessments made outside of the normal assessment period, would establish specified periods for the filing of an appeal of a supplemental, or penal or escape, assessment, together with an affidavit under penalty of perjury, in the case in which the assessee does not receive notice of the assessment at least 15 days prior to the normal deadline for the filing of an appeal. This would also specify the contents of the notice that is required to be provided to an assessee with respect to a penal or escape assessment. By creating a new crime in the form of perjury, this bill would establish 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, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

3 63.1. (a) Notwithstanding any other provision of this
4 chapter, a change in ownership shall not include the
5 following purchases or transfers for which a claim is filed
6 pursuant to this section:

7 (1) The purchase or transfer of real property which is
8 the principal residence of an eligible transferor in the
9 case of a purchase or transfer between parents and their
10 children.

11 (2) The purchase or transfer of the first one million
12 dollars (\$1,000,000) of full cash value of all other real
13 property of an eligible transferor in the case of a purchase
14 or transfer between parents and their children.

15 (3) (A) Subject to subparagraph (B), the purchase or
16 transfer of real property described in paragraphs (1) and
17 (2) of subdivision (a) occurring on or after March 27,
18 1996, between grandparents and their grandchild or
19 grandchildren, if all of the parents of that grandchild or
20 those grandchildren, who qualify as the children of the



1 grandparents, are deceased as of the date of purchase or
2 transfer.

3 (B) A purchase or transfer of a principal residence
4 shall not be excluded pursuant to subparagraph (A) if the
5 transferee grandchild or grandchildren also received a
6 principal residence, or interest therein, through another
7 purchase or transfer that was excludable pursuant to
8 paragraph (1) of subdivision (a). The full cash value of
9 any real property, other than a principal residence, that
10 was transferred to the grandchild or grandchildren
11 pursuant to a purchase or transfer that was excludable
12 pursuant to paragraph (2) of subdivision (a) and the full
13 cash value of a principal residence that fails to qualify for
14 exclusion as a result of the preceding sentence shall be
15 included in applying, for purposes of paragraph (2) of
16 subdivision (a), the one million dollar (\$1,000,000) full
17 cash value limit specified in paragraph (2) of subdivision
18 (a).

19 (b) (1) For purposes of paragraph (1) of subdivision
20 (a), “principal residence” means a dwelling for which a
21 homeowners’ exemption or a disabled veterans’
22 residence exemption has been granted in the name of the
23 eligible transferor. “Principal residence” includes only
24 that portion of the land underlying the principal
25 residence that consists of an area of reasonable size that
26 is used as a site for the residence.

27 (2) For purposes of paragraph (2) of subdivision (a),
28 the one million dollar (\$1,000,000) exclusion shall apply
29 separately to each eligible transferor with respect to all
30 purchases by and transfers to eligible transferees on and
31 after November 6, 1986, of real property, other than the
32 principal residence, of that eligible transferor. The
33 exclusion shall not apply to any property in which the
34 eligible transferor’s interest was received through a
35 transfer, or transfers, excluded from change in ownership
36 by the provisions of either subdivision (f) of Section 62 or
37 subdivision (b) of Section 65, unless the transferor
38 qualifies as an original transferor under subdivision (b) of
39 Section 65. In the case of any purchase or transfer subject
40 to this paragraph involving two or more eligible



1 transferors, the transferors may elect to combine their
2 separate one million dollar (\$1,000,000) exclusions and,
3 upon making that election, the combined amount of their
4 separate exclusions shall apply to any property jointly sold
5 or transferred by the electing transferors, provided that
6 in no case shall the amount of full cash value of real
7 property of any one eligible transferor excluded under
8 this election exceed the amount of the transferor's
9 separate unused exclusion on the date of the joint sale or
10 transfer.

11 (c) As used in this section:

12 (1) "Purchase or transfer between parents and their
13 children" means either a transfer from a parent or
14 parents to a child or children of the parent or parents or
15 a transfer from a child or children to a parent or parents
16 of the child or children. For purposes of this section, the
17 date of any transfer between parents and their children
18 under a will or intestate succession shall be the date of the
19 decedent's death, if the decedent died on or after
20 November 6, 1986.

21 (2) "Purchase or transfer of real property between
22 grandparents and their grandchild or grandchildren"
23 means a purchase or transfer on or after March 27, 1996,
24 from a grandparent or grandparents to a grandchild or
25 grandchildren if all of the parents of that grandchild or
26 those grandchildren who qualify as the children of the
27 grandparents are deceased as of the date of the transfer.
28 For purposes of this section, the date of any transfer
29 between grandparents and their grandchildren under a
30 will or by intestate succession shall be the date of the
31 decedent's death.

32 (3) "Children" means any of the following:

33 (A) Any child born of the parent or parents, except a
34 child, as defined in subparagraph (D), who has been
35 adopted by another person or persons.

36 (B) Any stepchild of the parent or parents and the
37 spouse of that stepchild while the relationship of
38 stepparent and stepchild exists. For purposes of this
39 paragraph, the relationship of stepparent and stepchild
40 shall be deemed to exist until the marriage on which the



1 relationship is based is terminated by divorce, or, if the
2 relationship is terminated by death, until the remarriage
3 of the surviving stepparent.

4 (C) Any son-in-law or daughter-in-law of the parent or
5 parents. For the purposes of this paragraph, the
6 relationship of parent and son-in-law or daughter-in-law
7 shall be deemed to exist until the marriage on which the
8 relationship is based is terminated by divorce or, if the
9 relationship is terminated by death, until the remarriage
10 of the surviving son-in-law or daughter-in-law.

11 (D) Any child adopted by the parent or parents
12 pursuant to statute, other than an individual adopted
13 after reaching the age of 18 years.

14 (4) “Grandchild” or “grandchildren” means any child
15 or children of the child or children of the grandparent or
16 grandparents.

17 (5) “Full cash value” means full cash value, as defined
18 in Section 2 of Article XIII A of the California
19 Constitution and Section 110.1, with any adjustments
20 authorized by those sections, and the full value of any new
21 construction in progress, determined as of the date
22 immediately prior to the date of a purchase by or transfer
23 to an eligible transferee of real property subject to this
24 section.

25 (6) “Eligible transferor” means a grandparent, parent,
26 or child of an eligible transferee.

27 (7) “Eligible transferee” means a parent, child, or
28 grandchild of an eligible transferor.

29 (8) “Real property” means real property as defined in
30 Section 104. Real property does not include any interest
31 in a legal entity.

32 (9) “Transfer” includes, and is not limited to, any
33 transfer of the present beneficial ownership of property
34 from an eligible transferor to an eligible transferee
35 through the medium of an inter vivos or testamentary
36 trust.

37 (10) “Social security number” also includes a taxpayer
38 identification number issued by the Internal Revenue
39 Service in the case in which the taxpayer is a foreign
40 national who cannot obtain a social security number.



1 (d) (1) The exclusions provided for in subdivision (a)
2 shall not be allowed unless the eligible transferee, the
3 transferee's legal representative, or the executor or
4 administrator of the transferee's estate files a claim with
5 the assessor for the exclusion sought and furnishes to the
6 assessor each of the following:

7 (A) A written certification by the transferee, the
8 transferee's legal representative, or the executor or
9 administrator of the transferee's estate made under
10 penalty of perjury that the transferee is a grandparent,
11 parent, child, or grandchild of the transferor. In the case
12 of a grandparent-grandchild transfer, the written
13 certification shall also include a certification that all the
14 parents of the grandchild or grandchildren who qualify as
15 children of the grandparents were deceased as of the date
16 of the purchase or transfer and that the grandchild or
17 grandchildren did or did not receive a principal residence
18 excludable under paragraph (1) of subdivision (a) from
19 the deceased parents, and that the grandchild or
20 grandchildren did or did not receive real property other
21 than a principal residence excludable under paragraph
22 (2) of subdivision (a) from the deceased parents. The
23 claimant shall provide legal substantiation of any matter
24 certified pursuant to this subparagraph at the request of
25 the county assessor.

26 (B) A copy of a written certification by the transferor,
27 the transferor's legal representative, or the executor or
28 administrator of the transferor's estate made under
29 penalty of perjury that the transferor is a grandparent,
30 parent, or child of the transferee. The written
31 certification shall also include either or both of the
32 following:

33 (i) If the purchase or transfer of real property includes
34 the purchase or transfer of residential real property, a
35 certification that the residential real property is or is not
36 the transferor's principal residence.

37 (ii) If the purchase or transfer of real property
38 includes the purchase or transfer of real property other
39 than the transferor's principal residence, a certification
40 that other real property of the transferor that is subject



1 to this section has or has not been previously sold or
2 transferred to an eligible transferee, the total amount of
3 full cash value, as defined in subdivision (c), of any real
4 property subject to this section that has been previously
5 sold or transferred by that transferor to eligible
6 transferees, the location of that real property, the social
7 security number of each eligible transferor, and the
8 names of the eligible transferees of that property.

9 (2) If the full cash value of the real property purchased
10 by or transferred to the transferee exceeds the
11 permissible exclusion of the transferor or the combined
12 permissible exclusion of the transferors, in the case of a
13 purchase or transfer from two or more joint transferors,
14 taking into account any previous purchases by or
15 transfers to an eligible transferee from the same
16 transferor or transferors, the transferee shall specify in his
17 or her claim the amount and the allocation of the
18 exclusion he or she is seeking. Within any appraisal unit,
19 as determined in accordance with subdivision (d) of
20 Section 51 by the assessor of the county in which the real
21 property is located, the exclusion shall be applied only on
22 a pro rata basis, however, and shall not be applied to a
23 selected portion or portions of the appraisal unit.

24 (e) (1) The State Board of Equalization shall design
25 the form for claiming eligibility. Except as provided in
26 paragraph (2), any claim under this section shall be filed:

27 (A) For transfers of real property between parents
28 and their children occurring prior to September 30, 1990,
29 within three years after the date of the purchase or
30 transfer of real property for which the claim is filed.

31 (B) For transfers of real property between parents
32 and their children occurring on or after September 30,
33 1990, and for the purchase or transfer of real property
34 between grandparents and their grandchildren
35 occurring on or after March 27, 1996, within three years
36 after the date of the purchase or transfer of real property
37 for which the claim is filed, or prior to transfer of the real
38 property to a third party, whichever is earlier.

39 (C) Notwithstanding subparagraphs (A) and (B), a
40 claim shall be deemed to be timely filed if it is filed within



1 six months after the date of mailing of a notice of
2 supplemental or escape assessment, issued as a result of
3 the purchase or transfer of real property for which the
4 claim is filed.

5 (2) In the case in which the real property subject to
6 purchase or transfer has not been transferred to a third
7 party, a claim for exclusion under this section that is filed
8 subsequent to the expiration of the filing periods set forth
9 in paragraph (1) shall be considered by the assessor,
10 subject to all of the following conditions:

11 (A) Any exclusion granted pursuant to that claim shall
12 apply commencing with the lien date of the assessment
13 year in which the claim is filed.

14 (B) Under any exclusion granted pursuant to that
15 claim, the adjusted full cash value of the subject real
16 property in the assessment year described in
17 subparagraph (A) shall be the adjusted base year value of
18 the subject real property in the assessment year in which
19 the excluded purchase or transfer took place, factored to
20 the assessment year described in subparagraph (A) for
21 both of the following:

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

24 (ii) Any subsequent new construction occurring with
25 respect to the subject real property.

26 (3) (A) Unless otherwise expressly provided, the
27 provisions of this subdivision shall apply to any purchase
28 or transfer of real property that occurred on or after
29 November 6, 1986.

30 (B) *Paragraph (2) shall apply to purchases or transfers*
31 *between parents and their children that occurred on or*
32 *after November 6, 1986, and to purchases or transfers*
33 *between grandparents and their grandchildren that*
34 *occurred on or after March 27, 1996.*

35 (f) The assessor shall report quarterly to the State
36 Board of Equalization all purchases or transfers, other
37 than purchases or transfers involving a principal
38 residence, for which a claim for exclusion is made
39 pursuant to subdivision (d). Each report shall contain the
40 assessor's parcel number for each parcel for which the



1 exclusion is claimed, the amount of each exclusion
2 claimed, the social security number of each eligible
3 transferor, and any other information the board shall
4 require in order to monitor the one million dollar
5 (\$1,000,000) limitation in paragraph (2) of subdivision
6 (a).

7 (g) This section shall apply to both voluntary transfers
8 and transfers resulting from a court order or judicial
9 decree. Nothing in this subdivision shall be construed as
10 conflicting with paragraph (1) of subdivision (c) or the
11 general principle that transfers by reason of death occur
12 at the time of death.

13 (h) (1) Except as provided in paragraph (2), this
14 section shall apply to purchases and transfers of real
15 property completed on or after November 6, 1986, and
16 shall not be effective for any change in ownership,
17 including a change in ownership arising on the date of a
18 decedent's death, that occurred prior to that date.

19 (2) This section shall apply to purchases or transfers of
20 real property between grandparents and their
21 grandchildren occurring on or after March 27, 1996, and,
22 with respect to purchases or transfers of real property
23 between grandparents and their grandchildren, shall not
24 be effective for any change in ownership, including a
25 change in ownership arising on the date of a decedent's
26 death, that occurred prior to that date.

27 ~~SEC. 2. Notwithstanding Section 17610 of the~~
28 ~~Government Code, if the Commission on State Mandates~~
29 ~~determines that this act contains costs mandated by the~~
30 ~~state, reimbursement to local agencies and school~~
31 ~~districts for those costs shall be made pursuant to Part 7~~
32 ~~(commencing with Section 17500) of Division 4 of Title~~
33 ~~2 of the Government Code. If the statewide cost of the~~
34 ~~claim for reimbursement does not exceed one million~~
35 ~~dollars (\$1,000,000), reimbursement shall be made from~~
36 ~~the State Mandates Claims Fund.~~

37 ~~Notwithstanding Section 17580 of the Government~~
38 ~~Code, unless otherwise specified, the provisions of this act~~
39 ~~shall become operative on the same date that the act~~
40 ~~takes effect pursuant to the California Constitution.~~



1 SEC. 2. Section 75.31 of the Revenue and Taxation
2 Code is amended to read:

3 75.31. (a) Whenever the assessor has determined a
4 new base year value as provided in Section 75.10, the
5 assessor shall send a notice to the assessee showing the
6 following:

7 (1) The new base year value of the property that has
8 changed ownership, or the new base year value of the
9 completed new construction that shall be added to the
10 existing taxable value of the remainder of the property.

11 (2) The taxable value appearing on the current roll,
12 and if the change in ownership or completion of new
13 construction occurred between January 1 and May 31, the
14 taxable value on the roll being prepared.

15 (3) The date of the change in ownership or completion
16 of new construction.

17 (4) The amount of the supplemental assessments.

18 (5) The exempt amount, if any, on the current roll or
19 the roll being prepared.

20 (6) The date the notice was mailed.

21 (7) A statement that the supplemental assessment was
22 determined in accordance with Article XIII A of the
23 California Constitution that generally requires
24 reappraisal of property whenever a change in ownership
25 occurs or property is newly constructed.

26 (8) Any other information which the board may
27 prescribe.

28 (b) In addition to the information specified in
29 subdivision (a), the notice shall inform the assessee of the
30 procedure for filing a claim for exemption that is to be
31 filed within 30 days of the date of the notice.

32 (c) (1) The notice shall advise the assessee of the right
33 to an informal review and the right to appeal the
34 supplemental assessment, and, unless subject to
35 ~~subdivision (d)~~ *paragraph (2) or (3)*, that the appeal
36 ~~must~~ *shall* be filed within 60 days of the date of *mailing*
37 *printed on the notice or the postmark date therefor,*
38 *whichever is later.* For the purposes of equalization
39 proceedings, the supplemental assessment shall be



1 considered an assessment made outside of the regular
2 assessment period as provided in Section 1605.

3 ~~(d)~~

4 (2) For counties in which the board of supervisors has
5 adopted the provisions of subdivision (c) of Section 1605,
6 the notice shall advise the assessee of the right to appeal
7 the supplemental assessment, and that the appeal—~~must~~
8 *shall, except as provided in paragraph (3), be filed within*
9 *60 days of the date of the mailing—of printed on the tax bill*
10 *or the postmark date therefor, whichever is later.* For the
11 purposes of equalization proceedings, the supplemental
12 assessment shall be considered an assessment made
13 outside of the regular assessment period as provided in
14 Section 1605.

15 (3) (A) *If the taxpayer does not receive a notice in*
16 *accordance with this section at least 15 days prior to the*
17 *deadline to file the application described in Section 1603,*
18 *the affected party or his or her agent may file an*
19 *application within 60 days of the date of mailing printed*
20 *on the tax bill or the postmark thereof, whichever is*
21 *earlier, along with an affidavit declaring under penalty of*
22 *perjury that the notice was not timely received.*

23 (B) *Notwithstanding any other provision of this*
24 *subdivision, an application for reduction in a*
25 *supplemental assessment may be filed within 12 months*
26 *following the month in which the assessee is notified of*
27 *that assessment, if the affected party or his or her agent*
28 *and the assessor stipulate that there is an error in*
29 *assessment as the result of the exercise of the assessor's*
30 *judgment in determining the full cash value of the*
31 *property and a written stipulation as to the full cash value*
32 *and the assessed value is filed in accordance with Section*
33 *1607.*

34 ~~(e)~~

35 (d) The notice shall advise the assessee of both of the
36 following:

37 (1) The requirements, procedures, and deadlines with
38 respect to an application for the reduction of a base year
39 value pursuant to Section 80, or the reduction of an
40 assessment pursuant to Section 1603.



1 (2) The criteria under Section 51 for the
2 determination of taxable value, and the requirement of
3 Section 1602 that the custodial officer of the local roll
4 make the roll, or a copy thereof, available for inspection
5 by all interested parties during regular office hours.

6 ~~(f)~~

7 (e) The notice shall advise the assessee that if the
8 supplemental assessment is a negative amount the
9 auditor shall make a refund of a portion of taxes paid on
10 assessments made on the current roll, or the roll being
11 prepared, or both.

12 ~~(g)~~

13 (f) The notice shall be furnished by the assessor to the
14 assessee by regular United States mail directed to the
15 assessee at the assessee's latest address known to the
16 assessor.

17 (g) *The notice given by the assessor under this section*
18 *shall be on a form prescribed by the board.*

19 *SEC. 3. Section 534 of the Revenue and Taxation*
20 *Code is amended to read:*

21 534. (a) Assessments made pursuant to Article 3
22 (commencing with Section 501) ~~of this chapter~~ or
23 ~~pursuant to~~ this article shall be treated like, and taxed at
24 the same rate applicable to, property regularly assessed
25 on the roll on which it is entered, unless the assessment
26 relates to a prior year and then the tax rate of the prior
27 year shall be applied, except that the tax rate for years
28 prior to the 1981-82 fiscal year shall be divided by four.

29 ~~No such~~

30 (b) *No assessment described in subdivision (a) shall be*
31 *effective for any purpose, including its review,*
32 *equalization and adjustment by the Board of*
33 *Equalization, until the assessee has been notified thereof*
34 *personally or by United States mail at his address as*
35 *contained in the official records of the county assessor.*
36 *For purposes of Section 532, ~~such~~ the assessment shall be*
37 *deemed made on the date on which it is entered on the*
38 *roll pursuant to Section 533, if the assessee is notified of*
39 *the assessment within 60 days after the statute of*
40 *limitations or the placing of the escape assessment on the*



1 assessment roll; ~~otherwise, such.~~ *Otherwise the*
2 *assessment shall be deemed made only on the date the*
3 *assessee is so notified. Receipt of the assessee of a tax bill*
4 *based on such assessment shall suffice as such notice.*

5 *(c) The notice given by the assessor pursuant to this*
6 *section shall include all of the following:*

7 *(1) The date the notice was mailed.*

8 *(2) Information regarding the assessee's right to an*
9 *informal review and the right to appeal the assessment,*
10 *and except in a case in which paragraph (3) applies, that*
11 *the appeal shall be filed within 60 days of the date of*
12 *mailing printed on the notice or the postmarked date*
13 *therefor, whichever is later.*

14 *(3) For counties in which the board of supervisors has*
15 *adopted a resolution in accordance with subdivision (c)*
16 *of Section 1605, the notice shall advise the assessee of the*
17 *right to appeal the assessment, and that the appeal shall*
18 *be filed within 60 days of the date of mailing printed on*
19 *the tax bill or the postmark therefor, whichever is later.*

20 *(4) A description of the requirements, procedures,*
21 *and deadlines with respect to an application for the*
22 *reduction of an assessment pursuant to Section 1605.*

23 *(d) (1) The notice given by the assessor under this*
24 *section shall be on a form prescribed by the board.*

25 *(2) Giving of the notice required by Section 531.8 shall*
26 *not satisfy the requirements of this section.*

27 *SEC. 4. Section 1605 of the Revenue and Taxation*
28 *Code is amended to read:*

29 *1605. (a) An assessment made outside of the regular*
30 *assessment period is not effective for any purpose,*
31 *including its review, equalization and adjustment by the*
32 *county board, until the assessee has been notified thereof*
33 *personally or by United States mail at the assessee's*
34 *address as contained in the official records of the county*
35 *assessor. Receipt For purposes of this subdivision, for*
36 *counties in which the board of supervisors has adopted*
37 *the provisions of subdivision (c) and counties of the first*
38 *class, receipt by the assessee of a tax bill based on that*
39 *assessment shall suffice as the notice.*



1 (b) Upon application for reduction pursuant to
2 subdivision (a) of Section 1603, the assessment shall be
3 subject to review, equalization and adjustment by the
4 county board. ~~The~~ *In the case of an assessment made*
5 *pursuant to Article 3 (commencing with Section 501) or*
6 *Article 4 (commencing with Section 531) of Chapter 3 of*
7 *Part 2, the application shall be filed with the clerk no later*
8 *than 60 days after the date on which the assessee was*
9 *notified of mailing printed on the notice of assessment, or*
10 *the postmark therefor, whichever is later. For counties in*
11 *which the board of supervisors has adopted a resolution*
12 *in accordance with subdivision (c), and counties of the*
13 *first class, the an application subject to the preceding*
14 *sentence shall be filed within 60 days of the date of the*
15 *mailing of printed on the tax bill or the postmark therefor,*
16 *whichever is later. However, an application for reduction*
17 *in a supplemental assessment may be filed within 12*
18 *months following the month in which the assessee is*
19 *notified of that assessment, if the party affected or his or*
20 *her agent and the assessor stipulate that there is an error*
21 *in the assessment as the result of the exercise of the*
22 *assessor's judgment in determining the full cash value of*
23 *the property and a written stipulation as to the full cash*
24 *value and assessed value of the property is filed in*
25 *accordance with Section 1607. If the taxpayer does not*
26 *receive the notice of assessment described in Section 534*
27 *at least 15 calendar days prior to the deadline to file the*
28 *application described in Section 1603, the party affected,*
29 *or his or her agent, may file the application within 60 days*
30 *of the date of mailing printed on the tax bill or the*
31 *postmark therefor, whichever is earlier, along with an*
32 *affidavit declaring under penalty of perjury that the*
33 *notice was not timely received.*

34 (c) The board of supervisors of any county may by
35 resolution require that the application for reduction
36 pursuant to subdivision (a) of Section 1603 be filed with
37 the clerk no later than 60 days after the date of the mailing
38 of printed on the tax bill or the postmark therefor,
39 whichever is later.



1 (d) In counties where assessment appeals boards have
2 not been created and are not in existence, at any regular
3 meeting, the board of supervisors, on the request of the
4 assessor or any taxpayer, shall sit as the county board to
5 equalize any assessments made by the assessor outside the
6 regular assessment period for those assessments.
7 Notwithstanding any other provision of law to the
8 contrary, in any county in which assessment appeals
9 boards have been created and are in existence, the time
10 for equalization of assessments made outside the regular
11 assessment period for those assessments, including
12 assessments made pursuant to Sections 501, 503, 504, 531,
13 and 531.1, shall be prescribed by rules adopted by the
14 board of supervisors.

15 (e) If an audit of the books and records of any
16 profession, trade, or business pursuant to Section 469
17 discloses property subject to an escaped assessment for
18 any year, then the original assessment of all property of
19 the assessee at the location of the profession, trade, or
20 business for that year shall be subject to review,
21 equalization and adjustment by the county board of
22 equalization or assessment appeals board pursuant to this
23 chapter, except in those instances when that property
24 had previously been equalized for the year in question by
25 the county board of equalization or assessment appeals
26 board. The application shall be filed with the clerk no
27 later than 60 days after the date on which the assessee was
28 notified. Receipt by the assessee of a tax bill based upon
29 that assessment shall suffice as that notice.

30 (f) For purposes of subdivision (a), “regular
31 assessment period” means January 1 to and including July
32 1 of the calendar year in which the assessment, other than
33 escape assessments, should have been enrolled if it had
34 been timely made.

35 *SEC. 5. No reimbursement is required by this act*
36 *pursuant to Section 6 of Article XIII B of the California*
37 *Constitution for certain costs that may be incurred by a*
38 *local agency or school district because in that regard this*
39 *act creates a new crime or infraction, eliminates a crime*
40 *or infraction, or changes the penalty for a crime or*



1 *infraction, within the meaning of Section 17556 of the*
2 *Government Code, or changes the definition of a crime*
3 *within the meaning of Section 6 of Article XIII B of the*
4 *California Constitution.*

5 *However, notwithstanding Section 17610 of the*
6 *Government Code, if the Commission on State Mandates*
7 *determines that this act contains other costs mandated by*
8 *the state, reimbursement to local agencies and school*
9 *districts for those costs shall be made pursuant to Part 7*
10 *(commencing with Section 17500) of Division 4 of Title*
11 *2 of the Government Code. If the statewide cost of the*
12 *claim for reimbursement does not exceed one million*
13 *dollars (\$1,000,000), reimbursement shall be made from*
14 *the State Mandates Claims Fund.*

15 *Notwithstanding Section 17580 of the Government*
16 *Code, unless otherwise specified, the provisions of this act*
17 *shall become operative on the same date that the act*
18 *takes effect pursuant to the California Constitution.*

