

AMENDED IN SENATE JUNE 13, 2000
AMENDED IN ASSEMBLY MARCH 30, 2000
AMENDED IN ASSEMBLY MARCH 23, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 1966

Introduced by Assembly Member Wiggins

February 18, 2000

An act to amend Section ~~4986~~ 75.5 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1966, as amended, Wiggins. Property tax: possessory interests.

~~Existing property tax law requires a county auditor, upon receiving satisfactory proof, to cancel specified classes of taxes, penalties, or costs levied or charged on property.~~

~~This bill would, as provided, include among those taxes, penalties, or costs those amounts levied or charged with respect to (1) a taxable possessory interest that terminates after the property lien date but before the next following fiscal year, and (2) a taxable possessory interest terminating during the fiscal year next following the lien date, to the extent those amounts are attributable to that portion of estimated term of that possessory interest during that fiscal year that exceeds the actual term of that interest.~~

Existing property tax law with respect to assessments on the supplemental property tax roll generally defines the term "property" to mean real property, and specifies certain exclusions from that definition.

This bill would expand those exclusions to also include newly created taxable possessory interests, established by month-to-month agreements in publicly owned real property, having a full cash value of \$50,000 or less.

Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.

This bill would take effect immediately as a tax levy.

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

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

1 ~~SECTION 1. Section 4986 of the Revenue and~~
2 ~~Taxation Code is amended to read:~~
3 ~~4986. (a) All or any portion of any tax, penalty, or~~
4 ~~costs, heretofore or hereafter levied, shall, on satisfactory~~
5 ~~proof, be canceled by the auditor if it was levied or~~
6 ~~charged:~~
7 ~~(1) More than once.~~
8 ~~(2) Erroneously or illegally.~~
9 ~~(3) On the canceled portion of an assessment that has~~
10 ~~been decreased pursuant to a correction authorized by~~
11 ~~Article 2 (commencing with Section 4876) of Chapter 2.~~
12 ~~(4) On property which did not exist on the lien date.~~
13 ~~(5) On property annexed after the lien date by the~~
14 ~~public entity owning it.~~
15 ~~(6) On property acquired by the United States, the~~
16 ~~state, or by any county, city, school district or other public~~



1 ~~entity, to the extent provided in Article 5 (commencing~~
2 ~~with Section 5081).~~

3 ~~(7) On that portion of an assessment in excess of the~~
4 ~~value of the property as determined by the assessor~~
5 ~~pursuant to Section 469.~~

6 ~~(8) On a taxable possessory interest that terminated~~
7 ~~after the lien date, in accordance with the following:~~

8 ~~(A) If the taxable possessory interest terminates prior~~
9 ~~to the beginning of the fiscal year next following the lien~~
10 ~~date, taxes, penalties, or costs shall be canceled in their~~
11 ~~entirety.~~

12 ~~(B) If the taxable possessory interest terminates~~
13 ~~during the fiscal year next following the lien date, taxes,~~
14 ~~penalties, or costs shall be canceled to the extent that they~~
15 ~~are attributable to that portion of the term of that interest~~
16 ~~within that fiscal year, as previously estimated by the~~
17 ~~assessor, that exceeds the actual term of that possessory~~
18 ~~interest during that same fiscal year.~~

19 ~~(b) No cancellation under paragraph (2) of~~
20 ~~subdivision (a) shall be made in respect of all or any~~
21 ~~portion of any tax, or penalties or costs attached thereto,~~
22 ~~collectible by county officers on behalf of a city without~~
23 ~~the written consent of the city attorney or other officer~~
24 ~~designated by the city council unless the city council has~~
25 ~~authorized the cancellation by county officers. The~~
26 ~~resolution shall remain effective until rescinded by the~~
27 ~~city council.~~

28 *SECTION 1. Section 75.5 of the Revenue and*
29 *Taxation Code is amended to read:*

30 75.5. "Property" means and includes real property,
31 other than fixtures which the following:

32 (a) *Fixtures that are normally valued as a separate*
33 *appraisal unit from a structure, and manufactured.*

34 (b) *Newly created taxable possessory interests,*
35 *established by month-to-month agreements in publicly*
36 *owned real property, having a full cash value of fifty*
37 *thousand dollars (\$50,000) or less.*

38 (c) *Manufactured homes subject to taxation under*
39 *Part 13 (commencing with Section 5800).*



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

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

O

