

AMENDED IN ASSEMBLY MARCH 28, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 2562

Introduced by Assembly Member Brewer

February 24, 2000

An act to *add Section 276.1 to, and to repeal and add Section 276 of, the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2562, as amended, Brewer. Property taxation: disabled veterans' exemption.

Existing property tax law provides, pursuant to the authorization of the California Constitution, for the exemption from property taxation of specified amounts of the assessed value of the home of a disabled veteran, or a veteran's spouse in the case in which the person has, as a result of a service-connected disease or injury, died while on active duty in military service. Existing property tax law generally requires a claiming affidavit for the disabled veterans' exemption to be filed no later than the February 15 following the relevant lien date. It also provides for partial exemptions, each applicable as provided and contingent upon an affidavit being no later than the December 10 following the lien date, of the lesser of either certain amounts of assessed value or 80% of the full value of the real property to which the exemption is to be applied.

This bill would, *subject to a specified minimum exemption level*, also revise and recast current partial exemption provisions to require the cancellation or refund of either 90% or 85% of those taxes, including any interest and penalties, ~~or that portion of those same amounts that exceeds \$250~~, levied on that portion of the property’s assessed value that would have been exempted under a timely exemption claim, depending upon whether a claim is filed either before, or on or after, the December 10 following the lien date.

This bill would, in the case in which the subject real property was only acquired after the property tax lien date, also require the cancellation or refund of those taxes levied on the full exemption amount or a prorated amount, provided an appropriate affidavit is filed on or before the next property tax lien date. This bill would, if this filing deadline is not met, provide, subject to a specified minimum exemption level, for an exemption equal to 85% of the exemption that would have been allowed if the filing deadline had been met.

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 276 of the Revenue and Taxation
- 2 Code is repealed.
- 3 SEC. 2. Section 276 is added to the Revenue and
- 4 Taxation Code, to read:
- 5 276. (a) Except as otherwise provided by subdivision
- 6 (b), for property for which the disabled veterans’
- 7 exemption described in Section 205.5 was available, but



1 for which a timely claim was not filed, a partial exemption
2 shall be applied in accordance with whichever of the
3 following is applicable:

4 (1) Ninety percent of any tax, including any interest or
5 penalty thereon, levied upon that portion of the assessed
6 value of the property that would have been exempt
7 under a timely and appropriate claim shall be canceled or
8 refunded, provided that an appropriate claim for
9 exemption is filed prior to December 10 of the calendar
10 year in which a timely claim was not filed.

11 (2) If an appropriate claim for exemption is filed on or
12 after the date specified in paragraph (1), 85 percent of
13 that portion of any tax, including any interest or penalty
14 thereon, that is ~~in excess of two hundred fifty dollars~~
15 ~~(\$250) and~~ was levied upon that portion of the assessed
16 value of the property that would have been exempt
17 under a timely and appropriate claim, shall be canceled
18 or refunded.

19 (b) *(1) Notwithstanding subdivision (a), that portion*
20 *of any tax, including an interest or penalty thereon, that*
21 *is in excess of two hundred fifty dollars (\$250) and was*
22 *levied upon that portion of the assessed value of the*
23 *property that would have been exempt under a timely*
24 *and appropriate claim, shall be canceled or refunded*
25 *under an exemption described in either paragraph (1) or*
26 *(2) of subdivision (a).*

27 (2) If a late-filed claim for the sixty thousand dollar
28 (\$60,000) exemption or the one hundred fifty thousand
29 dollar (\$150,000) exemption is filed in conjunction with
30 a timely filed claim for the forty thousand dollar (\$40,000)
31 or one hundred thousand dollar (\$100,000) exemption,
32 the amount of any exemption allowed under the late-filed
33 claim under subdivision (a) shall be determined on the
34 basis of that portion of the exemption amount, otherwise
35 available under subdivision (a), that exceeds forty
36 thousand dollars (\$40,000) or one hundred thousand
37 dollars (\$100,000), as applicable.

38 SEC. 3. *Section 276.1 is added to the Revenue and*
39 *Taxation Code, to read:*



1 276.1. (a) If the disabled veterans' exemption as
2 described in Section 205.5 would have been available for
3 a property, but for that property being acquired by a
4 person eligible for that exemption only after the lien date,
5 and an appropriate application for that exemption is filed
6 on or before the lien date in the calendar year next
7 following the calendar year in which the property was
8 acquired, an exemption shall be allowed in accordance
9 with whichever of the following is applicable:

10 (1) If the property was acquired after the lien date, but
11 prior to the fiscal year commencing in that same calendar
12 year, there shall be canceled or refunded the amount of
13 any taxes, including any interest and penalties thereon,
14 levied on that portion of the assessed value of the
15 property that would have been exempt under a timely
16 and appropriate application.

17 (2) If the property was acquired during a calendar
18 year after the beginning of the fiscal year commencing in
19 that same calendar year, there shall be canceled or
20 refunded an amount that is equal to the product of both
21 of the following:

22 (A) The amount of any taxes, plus interest and
23 penalties thereon, levied on that portion of the assessed
24 value of the property that would have been exempt
25 under a timely and appropriate application.

26 (B) A ratio, the numerator of which is the number of
27 days during the fiscal year in which the property was
28 acquired that the claimant owns the property, and the
29 denominator of which is 365.

30 (b) (1) Except as otherwise provided by paragraph
31 (2), for property for which a disabled veterans'
32 exemption described in subdivision (a) was available, but
33 for which a claim for exemption was not filed on or before
34 the lien date in the calendar year next following the
35 calendar year in which the property was acquired, 85
36 percent of any tax, including any interest or penalty
37 thereon, levied upon that portion of the assessed value of
38 the property that would have been exempt under the
39 applicable provisions of subdivision (a) if a claim for
40 exemption had been filed on or before that lien date.



1 (2) Notwithstanding paragraph (1), that portion of
2 any tax, including an interest or penalty thereon, that is
3 in excess of two hundred fifty dollars (\$250) and was
4 levied upon that portion of the assessed value of the
5 property that would have been exempt under the
6 applicable provisions of subdivision (a), shall be canceled
7 or refunded under an exemption described in paragraph
8 (1).

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

13 ~~SEC. 4.—~~

14 SEC. 5. This act provides for a tax levy within the
15 meaning of Article IV of the Constitution and shall go into
16 immediate effect.

