

Senate Bill No. 392

CHAPTER 184

An act to amend Section 96.6 of the Revenue and Taxation Code, relating to local government finance.

[Approved by Governor July 26, 1999. Filed with
Secretary of State July 26, 1999.]

LEGISLATIVE COUNSEL'S DIGEST

SB 392, Chesbro. Property tax revenue allocations: redevelopment agency share: apportionment.

The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities in order to address the effects of blight, as defined, in those communities. Existing law also authorizes a redevelopment plan adopted pursuant to that law to provide for an allocation to the relevant redevelopment agency of a portion of those ad valorem property tax revenues derived with respect to a redevelopment project. Existing property tax law also establishes certain parameters with respect to the subtraction of a redevelopment agency's share of ad valorem property tax revenues from those revenues otherwise allocated to other local jurisdictions within a redevelopment project area.

This bill would clarify the process by which incremental property tax revenues to be allocated to a redevelopment agency are withdrawn from those revenue shares allocated to other local jurisdictions in a redevelopment project area. This bill would make legislative findings and declarations that these provisions are declaratory of existing law, and would deem to be correct any apportionment of property tax revenues made for any fiscal year prior to the effective date of the bill that is inconsistent with the clarifications made by this bill.

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

SECTION 1. Section 96.6 of the Revenue and Taxation Code is amended to read:

96.6. (a) Notwithstanding any other provision of law, for the purposes of this chapter, the apportionment of property tax revenues required by Article 1 (commencing with Section 95) to Article 4 (commencing with Section 98), inclusive, shall not involve the subtraction of the redevelopment increment, calculated pursuant to subdivision (b) of Section 33670 of the Health and Safety Code, from any jurisdiction that is not within the boundaries of a redevelopment project area. For each fiscal year, if, in performing the calculations



set forth in subdivision (a) and in subdivision (b) of Section 33670 of the Health and Safety Code, the auditor determines that there is redevelopment increment to be allocated to a redevelopment agency, the auditor shall withdraw that redevelopment increment determined pursuant to Section 33670 of the Health and Safety Code from those ad valorem property tax revenue allocations to be made to each jurisdiction within the boundaries of the relevant redevelopment project area. Each of those jurisdiction's share of that redevelopment increment shall be computed on the basis of the factors or rates which are developed pursuant to Section 96.5. In order to determine each jurisdiction's share of that redevelopment increment, the factors or rates for all tax rate areas that are part of a redevelopment project shall be applied to the current assessed value of the taxable property within the redevelopment project area, less the assessed valuation on the assessment roll last equalized prior to the effective date of the ordinance establishing the redevelopment project. Nothing in this section shall be construed as prohibiting a county from making the allocation and payment of funds as provided for by subdivision (b) of Section 33670 of the Health and Safety Code prior to the apportionment of property tax revenues to any jurisdiction.

(b) The amendment of subdivision (a) made by the act adding this subdivision does not constitute a change in, but is declaratory of, existing law. However, any apportionment of property tax revenues made prior to the effective date of the act adding this subdivision that is inconsistent with the provisions of subdivision (a), as amended by the act adding this subdivision, shall be deemed correct.

