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CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 50

Introduced by Assembly Member Nava
(Coauthors: Assembly Members ~~Adams, Carter, Harkey, John A. Perez, Saldana, and Smyth~~)
(Coauthors: ~~Senators Maldonado and Runner~~ Coauthor: *Senator Maldonado*)

December 1, 2008

An act to amend Section 65302.6 of the Government Code, and to amend Sections 218, 17207, and 24347.5 of, and to add Sections 170.5, 195.146, 195.147, 195.148, *195.152, 195.153, 195.154, 195.155, 195.156, and 195.157* to, the Revenue and Taxation Code, relating to disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 50, as amended, Nava. Disaster relief.

(1) Under the California Disaster Assistance Act the state share may be up to 100% for costs connected with certain events only if the local

agency has adopted a local hazard mitigation plan in accordance with specified federal law.

Existing law, the Planning and Zoning Law, requires that a city, county, or city and county general plan contain a safety element for the protection of the community from specified safety risks, and authorizes a city, county, or a city and county to adopt with its safety element a federally specified local hazard mitigation plan that includes specified elements.

This bill would eliminate the requirement that adoption of the federally specified local hazard mitigation plan include required specified elements.

(2) Existing law authorizes a county board of supervisors to provide by ordinance for the reassessment of property that is damaged or destroyed, without fault on the part of the assessee, by a major misfortune or calamity, upon the application of the assessee or upon the action of the county assessor with the board's approval. With respect to certain counties that have adopted reassessment ordinances and have been declared by the Governor to be in a state of emergency as a result of certain events, existing law provides for state allocations of the estimated amounts of the reductions in property tax revenues resulting in certain fiscal years from reassessments under those ordinances. Existing law also continuously appropriates, without regard to fiscal years, moneys in the Special Fund for Economic Uncertainties for purposes of funding these state allocations.

This bill would provide for similar state allocations with respect to property tax revenue reductions resulting from a reassessment for damages incurred within the County of Santa Barbara, which was declared by the Governor to be in a state of emergency due to the wildfires that commenced in November 2008 or May 2009, *and within the Counties of Orange, Riverside, and San Bernardino, which were declared by the Governor to be in a state of emergency due to the wildfires that commenced in November 2008.*

By requiring moneys continuously appropriated from the Special Fund for Economic Uncertainties to be allocated for the new purpose of reimbursing ~~the County of Santa Barbara~~ *these counties* for these property tax revenue reductions, this bill would make an appropriation.

(3) Existing property tax law provides, pursuant to a specified provision of the California Constitution, for a homeowners' property tax exemption in the amount of \$7,000 of the full value of a "dwelling," as defined.

This bill would also provide that any dwelling that qualified for the exemption prior to the commencement dates of the wildfires listed in the Governor's disaster proclamations of November 14, 2008, and May 7, 2009, that was damaged or destroyed by the wildfires in the County of Santa Barbara, as declared by the Governor in November 2008 or May 2009, *and prior to the commencement dates of the wildfires listed in the Governor's disaster proclamations of November 15, 2008, and November 17, 2008, that was damaged or destroyed by the wildfires in the Counties of Orange, Riverside, and San Bernardino, as declared by the Governor in November 2008*, and that has not changed ownership since the commencement dates of these disasters as listed in the proclamations, may not be denied the exemption solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to wildfires.

The California Constitution requires the Legislature, in each fiscal year, to reimburse local governments for the revenue losses incurred by those governments in that fiscal year as a result of the homeowners' property tax exemption.

This bill would state the intent of the Legislature to make this required reimbursement in the annual Budget Act. By requiring local tax officials to implement new exemption criteria, 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.

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.

(4) The Personal Income Tax Law and the Corporation Tax Law provide for the carryover to specified taxable years of specified losses sustained as a result of certain disasters occurring in California in an area determined by the President of the United States to warrant specified federal assistance, or proclaimed by the Governor to be in a state of emergency.

This bill would extend these provisions to losses sustained in the County of Santa Barbara as a result of the wildfires that commenced in November 2008 or May 2009, *and in the Counties of Orange, Riverside, and San Bernardino as a result of the wildfires that commenced in*

November 2008. This bill would authorize a taxpayer to make an election to claim a deduction for those losses on the tax return for the preceding year.

(5) Existing law requires the auditor of a county which was the subject of the Governor’s proclamation of a state of emergency to certify to the Director of Finance an estimate of the total reduction in property tax revenues resulting from the reassessment by the county assessor of those properties that are eligible as a result of disasters, and requires the director to verify the county auditor’s estimate and certify that amount to the Controller for allocation to the county.

This bill would prohibit, for any fire disaster occurring after January 1, 2010, the Department of Finance to certify a county auditor’s estimate of the total reduction in property tax resulting from the reassessment by the county assessor of eligible properties as a result of those disasters unless the county demonstrates compliance with specified requirements at the time the fire disaster occurred.

(6) *This bill would incorporate additional changes in Sections 218, 17207, and 24347.5 of the Revenue and Taxation Code proposed by AB 15, to be operative only if AB 15 and this bill are both enacted and become effective on or before January 1, 2010, both bills amend those sections, this bill is enacted after AB 15, and both AB 666 and SB 505 are enacted.*

~~(6)~~

(7) This bill would become operative only if both ~~Assembly Bill AB 666 and Senate Bill SB 505~~ of the 2009–10 Regular Session of the Legislature are enacted in 2009, and the operative date would depend on the enactment date of those bills.

~~(7)~~

(8) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: yes.

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

1 SECTION 1. Section 65302.6 of the Government Code is
2 amended to read:
3 65302.6. (a) A city, county, or a city and county may adopt,
4 with its safety element pursuant to subdivision (g) of Section
5 65302, a local hazard mitigation plan (HMP) specified in the

1 federal Disaster Mitigation Act of 2000 (Public Law 106-390; 42
2 U.S.C. Sec. 5121 et seq.).

3 (b) Local jurisdictions that have not adopted a local hazard
4 mitigation plan shall be given preference by the Office of
5 Emergency Services in recommending actions to be funded from
6 the Pre-Disaster Mitigation Program, the Hazard Mitigation Grant
7 Program, and the Flood Mitigation Assistance Program to assist
8 the local jurisdiction in developing and adopting a local hazard
9 mitigation plan, subject to available funding from the Federal
10 Emergency Management Agency.

11 SEC. 2. Section 170.5 is added to the Revenue and Taxation
12 Code, to read:

13 170.5. For any fire disaster occurring after January 1, 2010,
14 the Department of Finance shall not certify a county auditor's
15 estimate of the total amount of the reduction in property tax
16 revenues resulting from the reassessment by the county assessor
17 pursuant to paragraph (1) of subdivision (a) of Section 170 of those
18 properties that are eligible properties as a result of those disasters,
19 unless the county demonstrates compliance with all of the
20 following requirements at the time the fire disaster occurred:

21 (a) The county had at least one of the following for each state
22 responsibility area within its jurisdiction:

23 (1) Its own structural fire protection services.

24 (2) A contract providing structural fire protection services by
25 the Department of Forestry and Fire Protection that requires all
26 state costs to provide structural fire protection be included in the
27 contract, including, but not limited to, salaries and wages, benefits,
28 retirement, distributed administrative costs, workers' compensation,
29 equipment, and costs associated with entering into the contract.

30 (3) Structural fire protection services from another county, city,
31 special district, or political subdivision of the state, or another
32 entity organized solely to provide fire protection services that is
33 monitored and funded by a county or other public entity.

34 (b) The county was in compliance with Chapter 6.8
35 (commencing with Section 51175) of Part 1 of Division 1 of Title
36 5 of the Government Code.

37 (c) If a county had land designated as a very high fire hazard
38 severity zone of state responsibility area within its jurisdiction, the
39 county had a fire risk reduction public education program that
40 included, but was not limited to, recommendations for

1 ignition-resistant landscaping, creating and maintaining defensible
2 space around homes and other structures, and ignition-resistant
3 construction principles.

4 SEC. 3. Section 195.146 is added to the Revenue and Taxation
5 Code, to read:

6 195.146. (a) By October 30, 2009, the auditor of the County
7 of Santa Barbara, which was the subject of the Governor’s
8 proclamation of a state of emergency for wildfires that commenced
9 on November 13, 2008, shall certify to the Director of Finance an
10 estimate of the total amount of the reduction in property tax
11 revenues on both the regular secured roll and the supplemental
12 roll for the 2008–09 fiscal year resulting from the reassessment
13 by the county assessor pursuant to paragraph (1) of subdivision
14 (a) of Section 170 of those properties that are eligible properties
15 as a result of those disasters, except that the amount certified shall
16 not include any estimated property tax revenue reductions to school
17 districts, other than basic state aid school districts, and county
18 offices of education.

19 (b) For purposes of this section, “basic state aid school district”
20 means any school district that does not receive a state
21 apportionment pursuant to subdivision (h) of Section 42238 of the
22 Education Code, but receives from the state only a basic
23 apportionment pursuant to Section 6 of Article IX of the California
24 Constitution.

25 SEC. 4. Section 195.147 is added to the Revenue and Taxation
26 Code, to read:

27 195.147. After the county auditor of the eligible county, as
28 described in Section 195.146, has made the applicable certification
29 to the Director of Finance pursuant to that section, the director
30 shall, within 30 days after verification of the county auditor’s
31 estimate, certify this amount to the Controller for allocation to the
32 county. Upon receipt of certification from the Director of Finance,
33 the Controller shall make the appropriate allocation to the county
34 within 10 working days.

35 SEC. 5. Section 195.148 is added to the Revenue and Taxation
36 Code, to read:

37 195.148. (a) On or before June 30, 2010, an eligible county,
38 as described in Section 195.146, shall compute and remit to the
39 Controller for deposit in the General Fund an amount equal to the
40 amount allocated to it by the Controller pursuant to Section

1 195.147, less the actual amount of its property tax revenue lost on
2 the regular secured and supplemental rolls with respect to those
3 eligible properties described in Section 195.146 as a result of the
4 reassessment of those properties pursuant to paragraph (1) of
5 subdivision (a) of Section 170, excluding any property tax revenue
6 lost by school districts, other than basic state aid school districts,
7 and county offices of education. If the actual amount of property
8 tax revenue lost by an eligible county in the immediately preceding
9 fiscal year, as described and limited in the preceding sentence,
10 exceeds the amount allocated by the Controller to that county
11 pursuant to Section 195.147, the Controller shall allocate the
12 amount of that excess to that eligible county.

13 (b) For purposes of this section, “basic state aid school district”
14 means any school district that does not receive a state
15 apportionment pursuant to subdivision (h) of Section 42238 of the
16 Education Code, but receives from the state only a basic
17 apportionment pursuant to Section 6 of Article IX of the California
18 Constitution.

19 *SEC. 6. Section 195.152 is added to the Revenue and Taxation*
20 *Code, to read:*

21 *195.152. (a) By October 30, 2009, the auditors of the Counties*
22 *of Orange, Riverside, and San Bernardino, which were the subject*
23 *of the Governor’s proclamations of a state of emergency for*
24 *wildfires that commenced on November 15, 2008, or November*
25 *16, 2008, shall certify to the Director of Finance an estimate of*
26 *the total amount of the reduction in property tax revenues on both*
27 *the regular secured roll and the supplemental roll for the 2008–09*
28 *fiscal year resulting from the reassessment by the county assessor*
29 *pursuant to paragraph (1) of subdivision (a) of Section 170 of*
30 *those properties that are eligible properties as a result of those*
31 *disasters, except that the amount certified shall not include any*
32 *estimated property tax revenue reductions to school districts, other*
33 *than basic state aid school districts, and county offices of*
34 *education.*

35 (b) For purposes of this section, “basic state aid school district”
36 means any school district that does not receive a state
37 apportionment pursuant to subdivision (h) of Section 42238 of the
38 Education Code, but receives from the state only a basic
39 apportionment pursuant to Section 6 of Article IX of the California
40 Constitution.

1 *SEC. 7. Section 195.153 is added to the Revenue and Taxation*
 2 *Code, to read:*

3 *195.153. After the county auditor of the eligible county, as*
 4 *described in Section 195.152, has made the applicable certification*
 5 *to the Director of Finance pursuant to that section, the director*
 6 *shall within 30 days after verification of the county auditor’s*
 7 *estimate, certify this amount to the Controller for allocation to the*
 8 *county. Upon receipt of certification from the Director of Finance,*
 9 *the Controller shall make the appropriate allocation to the county*
 10 *within 10 working days.*

11 *SEC. 8. Section 195.154 is added to the Revenue and Taxation*
 12 *Code, to read:*

13 *195.154. (a) On or before June 30, 2010, an eligible county,*
 14 *as described in Section 195.152, shall compute and remit to the*
 15 *Controller for deposit in the General Fund an amount equal to*
 16 *the amount allocated to it by the Controller pursuant to Section*
 17 *195.153, less the actual amount of its property tax revenue lost on*
 18 *the regular secured and supplemental rolls with respect to those*
 19 *eligible properties described in Section 195.152 as a result of the*
 20 *reassessment of those properties pursuant to paragraph (1) of*
 21 *subdivision (a) of Section 170, excluding any property tax revenue*
 22 *lost by school districts, other than basic state aid school districts,*
 23 *and county offices of education. If the actual amount of property*
 24 *tax revenue lost by an eligible county in the immediately preceding*
 25 *fiscal year, as described and limited in the preceding sentence,*
 26 *exceeds the amount allocated by the Controller to that county*
 27 *pursuant to Section 195.153, the Controller shall allocate the*
 28 *amount of that excess to that eligible county.*

29 *(b) For purposes of this section, “basic state aid school district”*
 30 *means any school district that does not receive a state*
 31 *apportionment pursuant to subdivision (h) of Section 42238 of the*
 32 *Education Code, but receives from the state only a basic*
 33 *apportionment pursuant to Section 6 of Article IX of the California*
 34 *Constitution.*

35 ~~SEC. 6.~~

36 *SEC. 9. Section 195.155 is added to the Revenue and Taxation*
 37 *Code, to read:*

38 *195.155. (a) By October 30, 2010, the auditor of the County*
 39 *of Santa Barbara, which was the subject of the Governor’s*
 40 *proclamation of a state of emergency for wildfires that commenced*

1 on May 5, 2009, shall certify to the Director of Finance an estimate
2 of the total amount of the reduction in property tax revenues on
3 both the regular secured roll and the supplemental roll for the
4 2009–10 fiscal year resulting from the reassessment by the county
5 assessor pursuant to paragraph (1) of subdivision (a) of Section
6 170 of those properties that are eligible properties as a result of
7 those disasters, except that the amount certified shall not include
8 any estimated property tax revenue reductions to school districts,
9 other than basic state aid school districts, and county offices of
10 education.

11 (b) For purposes of this section, “basic state aid school district”
12 means any school district that does not receive a state
13 apportionment pursuant to subdivision (h) of Section 42238 of the
14 Education Code, but receives from the state only a basic
15 apportionment pursuant to Section 6 of Article IX of the California
16 Constitution.

17 ~~SEC. 7.~~

18 *SEC. 10.* Section 195.156 is added to the Revenue and Taxation
19 Code, to read:

20 195.156. After the county auditor of the eligible county, as
21 described in Section 195.155, has made the applicable certification
22 to the Director of Finance pursuant to that section, the director
23 shall within 30 days after verification of the county auditor’s
24 estimate, certify this amount to the Controller for allocation to the
25 county. Upon receipt of certification from the Director of Finance,
26 the Controller shall make the appropriate allocation to the county
27 within 10 working days.

28 ~~SEC. 8.~~

29 *SEC. 11.* Section 195.157 is added to the Revenue and Taxation
30 Code, to read:

31 195.157. (a) On or before June 30, 2011, an eligible county,
32 as described in Section 195.155, shall compute and remit to the
33 Controller for deposit in the General Fund an amount equal to the
34 amount allocated to it by the Controller pursuant to Section
35 195.156, less the actual amount of its property tax revenue lost on
36 the regular secured and supplemental rolls with respect to those
37 eligible properties described in Section 195.155 as a result of the
38 reassessment of those properties pursuant to paragraph (1) of
39 subdivision (a) of Section 170, excluding any property tax revenue
40 lost by school districts, other than basic state aid school districts,

1 and county offices of education. If the actual amount of property
2 tax revenue lost by an eligible county in the immediately preceding
3 fiscal year, as described and limited in the preceding sentence,
4 exceeds the amount allocated by the Controller to that county
5 pursuant to Section 195.156, the Controller shall allocate the
6 amount of that excess to that eligible county.

7 (b) For purposes of this section, “basic state aid school district”
8 means any school district that does not receive a state
9 apportionment pursuant to subdivision (h) of Section 42238 of the
10 Education Code, but receives from the state only a basic
11 apportionment pursuant to Section 6 of Article IX of the California
12 Constitution.

13 ~~SEC. 9.~~

14 *SEC. 12.* Section 218 of the Revenue and Taxation Code is
15 amended to read:

16 218. (a) The homeowners’ property tax exemption is in the
17 amount of the assessed value of the dwelling specified in this
18 section, as authorized by subdivision (k) of Section 3 of Article
19 XIII of the California Constitution. That exemption shall be in the
20 amount of seven thousand dollars (\$7,000) of the full value of the
21 dwelling.

22 (b) The exemption does not extend to property that is rented,
23 vacant, under construction on the lien date, or that is a vacation or
24 secondary home of the owner or owners, nor does it apply to
25 property on which an owner receives the veteran’s exemption.

26 (c) For purposes of this section, all of the following apply:

27 (1) “Owner” includes a person purchasing the dwelling under
28 a contract of sale or who holds shares or membership in a
29 cooperative housing corporation, which holding is a requisite to
30 the exclusive right of occupancy of a dwelling.

31 (2) (A) “Dwelling” means a building, structure, or other shelter
32 constituting a place of abode, whether real property or personal
33 property, and any land on which it may be situated. A two-dwelling
34 unit shall be considered as two separate single-family dwellings.

35 (B) “Dwelling” includes the following:

36 (i) A single-family dwelling occupied by an owner thereof as
37 his or her principal place of residence on the lien date.

38 (ii) A multiple-dwelling unit occupied by an owner thereof on
39 the lien date as his or her principal place of residence.

1 (iii) A condominium occupied by an owner thereof as his or her
2 principal place of residence on the lien date.

3 (iv) Premises occupied by the owner of shares or a membership
4 interest in a cooperative housing corporation, as defined in
5 subdivision (i) of Section 61, as his or her principal place of
6 residence on the lien date. Each exemption allowed pursuant to
7 this subdivision shall be deducted from the total assessed valuation
8 of the cooperative housing corporation. The exemption shall be
9 taken into account in apportioning property taxes among owners
10 of share or membership interests in the cooperative housing
11 corporations so as to benefit those owners who qualify for the
12 exemption.

13 (d) Any dwelling that qualified for an exemption under this
14 section prior to October 20, 1991, that was damaged or destroyed
15 by fire in a disaster, as declared by the Governor, occurring on or
16 after October 20, 1991, and before November 1, 1991, and that
17 has not changed ownership since October 20, 1991, shall not be
18 disqualified as a “dwelling” or be denied an exemption under this
19 section solely on the basis that the dwelling was temporarily
20 damaged or destroyed or was being reconstructed by the owner.

21 (e) Any dwelling that qualified for an exemption under this
22 section prior to October 15, 2003, that was damaged or destroyed
23 by fire or earthquake in a disaster, as declared by the Governor,
24 during October, November, or December 2003, and that has not
25 changed ownership since October 15, 2003, shall not be
26 disqualified as a “dwelling” or be denied an exemption under this
27 section solely on the basis that the dwelling was temporarily
28 damaged or destroyed or was being reconstructed by the owner.

29 (f) Any dwelling that qualified for an exemption under this
30 section prior to June 3, 2004, that was damaged or destroyed by
31 flood in a disaster, as declared by the Governor, during June 2004,
32 and that has not changed ownership since June 3, 2004, shall not
33 be disqualified as a “dwelling” or be denied an exemption under
34 this section solely on the basis that the dwelling was temporarily
35 damaged or destroyed or was being reconstructed by the owner.

36 (g) Any dwelling that qualified for an exemption under this
37 section prior to August 11, 2004, that was damaged or destroyed
38 by the wildfires and any other related casualty that occurred in
39 Shasta County in a disaster, as declared by the Governor, during
40 August 2004, and that has not changed ownership since August

1 11, 2004, shall not be disqualified as a “dwelling” or be denied an
2 exemption under this section solely on the basis that the dwelling
3 was temporarily damaged or destroyed or was being reconstructed
4 by the owner.

5 (h) Any dwelling that qualified for an exemption under this
6 section prior to December 28, 2004, that was damaged or destroyed
7 by severe rainstorms, floods, mudslides, or the accumulation of
8 debris in a disaster, as declared by the Governor, during December
9 2004, January 2005, February 2005, March 2005, or June 2005,
10 and that has not changed ownership since December 28, 2004,
11 shall not be disqualified as a “dwelling” or be denied an exemption
12 under this section solely on the basis that the dwelling was
13 temporarily damaged or destroyed or was being reconstructed by
14 the owner, or was temporarily uninhabited as a result of restricted
15 access to the property due to floods, mudslides, the accumulation
16 of debris, or washed-out or damaged roads.

17 (i) Any dwelling that qualified for an exemption under this
18 section prior to December 19, 2005, that was damaged or destroyed
19 by severe rainstorms, floods, mudslides, or the accumulation of
20 debris in a disaster, as declared by the Governor in January 2006,
21 April 2006, May 2006, or June 2006, and that has not changed
22 ownership since December 19, 2005, shall not be disqualified as
23 a “dwelling” or be denied an exemption under this section solely
24 on the basis that the dwelling was temporarily damaged or
25 destroyed or was being reconstructed by the owner, or was
26 temporarily uninhabited as a result of restricted access to the
27 property due to floods, mudslides, the accumulation of debris, or
28 washed-out or damaged roads.

29 (j) Any dwelling that qualified for an exemption under this
30 section prior to July 9, 2006, that was damaged or destroyed by
31 the wildfires and any other related casualty that occurred in the
32 County of San Bernardino, as declared by the Governor in July
33 2006, and that has not changed ownership since July 9, 2006, shall
34 not be disqualified as a “dwelling” or be denied an exemption
35 under this section solely on the basis that the dwelling was
36 temporarily damaged or destroyed or was being reconstructed by
37 the owner, or was temporarily uninhabited as a result of restricted
38 access to the property due to the wildfires.

39 (k) Any dwelling that qualified for an exemption under this
40 section prior to the commencement dates of the wildfires listed in

1 the Governor’s proclamations of 2006 that was damaged or
2 destroyed by the wildfires and any other related casualty that
3 occurred in the Counties of Riverside and Ventura, and that has
4 not changed ownership since the commencement dates of these
5 disasters as listed in the Governor’s proclamations of 2006 shall
6 not be disqualified as a “dwelling” or be denied an exemption
7 under this section solely on the basis that the dwelling was
8 temporarily damaged or destroyed or was being reconstructed by
9 the owner, or was temporarily uninhabited as a result of restricted
10 access to the property due to the wildfires.

11 (l) Any dwelling that qualified for an exemption under this
12 section prior to January 11, 2007, that was damaged or destroyed
13 by severe freezing conditions, commencing January 11, 2007, and
14 any other related casualty that occurred in the Counties of El
15 Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey,
16 Riverside, San Bernardino, San Diego, San Luis Obispo, Santa
17 Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba as a
18 result of a disaster as declared by the Governor, and that has not
19 changed ownership since January 11, 2007, shall not be disqualified
20 as a “dwelling” or be denied an exemption under this section solely
21 on the basis that the dwelling was temporarily damaged or
22 destroyed or was being reconstructed by the owner, or was
23 temporarily uninhabited as a result of restricted access to the
24 property due to severe freezing conditions.

25 (m) Any dwelling that qualified for an exemption under this
26 section prior to June 24, 2007, that was damaged or destroyed by
27 the wildfires and any other related casualty that occurred as a result
28 of this disaster in the County of El Dorado, as declared by the
29 Governor in June 2007, and that has not changed ownership since
30 June 24, 2007, shall not be disqualified as a “dwelling” or be denied
31 an exemption under this section solely on the basis that the
32 dwelling was temporarily damaged or destroyed or was being
33 reconstructed by the owner, or was temporarily uninhabited as a
34 result of restricted access to the property due to the wildfires.

35 (n) Any dwelling that qualified for an exemption under this
36 section prior to July 4, 2007, that was damaged or destroyed by
37 the Zaca Fire and any other related casualty that occurred as a
38 result of this disaster in the Counties of Santa Barbara and Ventura,
39 as declared by the Governor in August 2007, and that has not
40 changed ownership since July 4, 2007, may not be denied an

1 exemption solely on the basis that the dwelling was temporarily
2 damaged or destroyed or was being reconstructed by the owner,
3 or was temporarily uninhabited as a result of restricted access to
4 the property due to the Zaca Fire.

5 (o) Any dwelling that qualified for an exemption under this
6 section prior to July 6, 2007, that was damaged or destroyed by
7 the wildfires and any other related casualty that occurred as a result
8 of this disaster in the County of Inyo, as declared by the Governor
9 in July 2007, and that has not changed ownership since July 6,
10 2007, may not be denied an exemption solely on the basis that the
11 dwelling was temporarily damaged or destroyed or was being
12 reconstructed by the owner, or was temporarily uninhabited as a
13 result of restricted access to the property due to the wildfires.

14 (p) Any dwelling that qualified for an exemption under this
15 section prior to the commencement dates of the wildfires listed in
16 the Governor’s disaster proclamations of September 15, 2007, and
17 October 21, 2007, that was damaged or destroyed by the wildfires
18 and any other related casualty that occurred in the Counties of Los
19 Angeles, Orange, Riverside, San Bernardino, San Diego, Santa
20 Barbara, and Ventura, and that has not changed ownership since
21 the commencement dates of these disasters as listed in the
22 proclamations shall not be disqualified as a “dwelling” or be denied
23 an exemption under this section solely on the basis that the
24 dwelling was temporarily damaged or destroyed or was being
25 reconstructed by the owner, or was temporarily uninhabited as a
26 result of restricted access to the property due to the wildfires.

27 (q) Any dwelling that qualified for an exemption under this
28 section prior to October 20, 2007, that was damaged or destroyed
29 by the extremely strong and damaging winds and any other related
30 casualty that occurred as a result of this disaster in the County of
31 Riverside, as declared by the Governor in November 2007, and
32 that has not changed ownership since October 20, 2007, shall not
33 be disqualified as a “dwelling” or be denied an exemption under
34 this section solely on the basis that the dwelling was temporarily
35 damaged or destroyed or was being reconstructed by the owner,
36 or was temporarily uninhabited as a result of restricted access to
37 the property due to the extremely strong and damaging winds.

38 (r) Any dwelling that qualified for an exemption under this
39 section prior to the commencement dates of the wildfires listed in
40 the Governor’s disaster proclamations of May, June, or July 2008,

1 that was damaged or destroyed by the wildfires and any other
2 related casualty that occurred in the Counties of Butte, Kern,
3 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
4 Shasta, and Trinity and that has not changed ownership since the
5 commencement dates of these disasters as listed in the
6 proclamations shall not be disqualified as a “dwelling” or be denied
7 an exemption under this section solely on the basis that the
8 dwelling was temporarily damaged or destroyed or was being
9 reconstructed by the owner, or was temporarily uninhabited as a
10 result of restricted access to the property due to the wildfires.

11 (s) Any dwelling that qualified for an exemption under this
12 section prior to July 1, 2008, that was damaged or destroyed by
13 the wildfires and any other related casualty that occurred as a result
14 of this disaster in the County of Santa Barbara, as declared by the
15 Governor in July 2008, and that has not changed ownership since
16 July 1, 2008, may not be denied an exemption solely on the basis
17 that the dwelling was temporarily damaged or destroyed or was
18 being reconstructed by the owner, or was temporarily uninhabited
19 as a result of restricted access to the property due to the wildfires.

20 (t) Any dwelling that qualified for an exemption under this
21 section prior to July 12, 2008, that was damaged or destroyed by
22 severe rainstorms, floods, landslides, or the accumulation of debris
23 in a disaster, as declared by the Governor, in July 2008, and that
24 has not changed ownership since July 12, 2008, shall not be
25 disqualified as a “dwelling” or be denied an exemption under this
26 section solely on the basis that the dwelling was temporarily
27 damaged or destroyed or was being reconstructed by the owner,
28 or was temporarily uninhabited as a result of restricted access to
29 the property due to floods, landslides, the accumulation of debris,
30 or washed-out or damaged roads.

31 (u) Any dwelling that qualified for an exemption under this
32 section prior to May 22, 2008, that was damaged or destroyed by
33 the wildfires and any other related casualty that occurred as a result
34 of this disaster in the County of Humboldt, as declared by the
35 Governor in August 2008, and that has not changed ownership
36 since May 22, 2008, may not be denied an exemption solely on
37 the basis that the dwelling was temporarily damaged or destroyed
38 or was being reconstructed by the owner, or was temporarily
39 uninhabited as a result of restricted access to the property due to
40 the wildfires.

1 (v) Any dwelling that qualified for an exemption under this
2 section prior to November 13, 2008, that was damaged or destroyed
3 by the wildfires and any other related casualty that occurred as a
4 result of this disaster in the County of Santa Barbara, as declared
5 by the Governor in November 2008, and that has not changed
6 ownership since November 13, 2008, shall not be disqualified as
7 a “dwelling” or be denied an exemption under this section solely
8 on the basis that the dwelling was temporarily damaged or
9 destroyed or was being reconstructed by the owner, or was
10 temporarily uninhabited as a result of restricted access to the
11 property due to the wildfires.

12 (w) *Any dwelling that qualified for an exemption under this*
13 *section prior to the commencement dates of the wildfires listed in*
14 *the Governor’s disaster proclamations of November 15, 2008, and*
15 *November 17, 2008, that was damaged or destroyed by the*
16 *wildfires and any other related casualty that occurred as a result*
17 *of this disaster in the Counties of Orange, Riverside, and San*
18 *Bernardino, as declared by the Governor in November 2008, and*
19 *that has not changed ownership since the commencement dates of*
20 *these disasters as listed in the proclamations, shall not be*
21 *disqualified as a “dwelling” or be denied an exemption under this*
22 *section solely on the basis that the dwelling was temporarily*
23 *damaged or destroyed or was being reconstructed by the owner,*
24 *or was temporarily uninhabited as a result of restricted access to*
25 *the property due to the wildfires.*

26 (~~w~~)

27 (x) Any dwelling that qualified for an exemption under this
28 section prior to May 5, 2009, that was damaged or destroyed by
29 the wildfires and any other related casualty that occurred as a result
30 of this disaster in the County of Santa Barbara, as declared by the
31 Governor in May 2009, and that has not changed ownership since
32 May 5, 2009, shall not be disqualified as a “dwelling” or be denied
33 an exemption under this section solely on the basis that the
34 dwelling was temporarily damaged or destroyed or was being
35 reconstructed by the owner, or was temporarily uninhabited as a
36 result of restricted access to the property due to the wildfires.

37 (~~x~~)

38 (y) The exemption provided for in subdivision (k) of Section 3
39 of Article XIII of the California Constitution shall first be applied

1 to the building, structure, or other shelter and the excess, if any,
2 shall be applied to any land on which it may be located.

3 *SEC. 12.5. Section 218 of the Revenue and Taxation Code is*
4 *amended to read:*

5 218. (a) The homeowners' property tax exemption is in the
6 amount of the assessed value of the dwelling specified in this
7 section, as authorized by subdivision (k) of Section 3 of Article
8 XIII of the *California* Constitution. That exemption shall be in the
9 amount of seven thousand dollars (\$7,000) of the full value of the
10 dwelling.

11 (b) The exemption does not extend to property that is rented,
12 vacant, under construction on the lien date, or that is a vacation or
13 secondary home of the owner or owners, nor does it apply to
14 property on which an owner receives the veteran's exemption.

15 (c) For purposes of this section, all of the following apply:

16 (1) "Owner" includes a person purchasing the dwelling under
17 a contract of sale or who holds shares or membership in a
18 cooperative housing corporation, which holding is a requisite to
19 the exclusive right of occupancy of a dwelling.

20 (2) (A) "Dwelling" means a building, structure, or other shelter
21 constituting a place of abode, whether real property or personal
22 property, and any land on which it may be situated. A two-dwelling
23 unit shall be considered as two separate single-family dwellings.

24 (B) "Dwelling" includes the following:

25 (i) A single-family dwelling occupied by an owner thereof as
26 his or her principal place of residence on the lien date.

27 (ii) A multiple-dwelling unit occupied by an owner thereof on
28 the lien date as his or her principal place of residence.

29 (iii) A condominium occupied by an owner thereof as his or her
30 principal place of residence on the lien date.

31 (iv) Premises occupied by the owner of shares or a membership
32 interest in a cooperative housing corporation, as defined in
33 subdivision (i) of Section 61, as his or her principal place of
34 residence on the lien date. Each exemption allowed pursuant to
35 this subdivision shall be deducted from the total assessed valuation
36 of the cooperative housing corporation. The exemption shall be
37 taken into account in apportioning property taxes among owners
38 of share or membership interests in the cooperative housing
39 corporations so as to benefit those owners who qualify for the
40 exemption.

1 (d) Any dwelling that qualified for an exemption under this
2 section prior to October 20, 1991, that was damaged or destroyed
3 by fire in a disaster, as declared by the Governor, occurring on or
4 after October 20, 1991, and before November 1, 1991, and that
5 has not changed ownership since October 20, 1991, shall not be
6 disqualified as a “dwelling” or be denied an exemption under this
7 section solely on the basis that the dwelling was temporarily
8 damaged or destroyed or was being reconstructed by the owner.

9 (e) Any dwelling that qualified for an exemption under this
10 section prior to October 15, 2003, that was damaged or destroyed
11 by fire or earthquake in a disaster, as declared by the Governor,
12 during October, November, or December 2003, and that has not
13 changed ownership since October 15, 2003, shall not be
14 disqualified as a “dwelling” or be denied an exemption under this
15 section solely on the basis that the dwelling was temporarily
16 damaged or destroyed or was being reconstructed by the owner.

17 (f) Any dwelling that qualified for an exemption under this
18 section prior to June 3, 2004, that was damaged or destroyed by
19 flood in a disaster, as declared by the Governor, during June 2004,
20 and that has not changed ownership since June 3, 2004, shall not
21 be disqualified as a “dwelling” or be denied an exemption under
22 this section solely on the basis that the dwelling was temporarily
23 damaged or destroyed or was being reconstructed by the owner.

24 (g) Any dwelling that qualified for an exemption under this
25 section prior to August 11, 2004, that was damaged or destroyed
26 by the wildfires and any other related casualty that occurred in
27 Shasta County in a disaster, as declared by the Governor, during
28 August 2004, and that has not changed ownership since August
29 11, 2004, shall not be disqualified as a “dwelling” or be denied an
30 exemption under this section solely on the basis that the dwelling
31 was temporarily damaged or destroyed or was being reconstructed
32 by the owner.

33 (h) Any dwelling that qualified for an exemption under this
34 section prior to December 28, 2004, that was damaged or destroyed
35 by severe rainstorms, floods, mudslides, or the accumulation of
36 debris in a disaster, as declared by the Governor, during December
37 2004, January 2005, February 2005, March 2005, or June 2005,
38 and that has not changed ownership since December 28, 2004,
39 shall not be disqualified as a “dwelling” or be denied an exemption
40 under this section solely on the basis that the dwelling was

1 temporarily damaged or destroyed or was being reconstructed by
2 the owner, or was temporarily uninhabited as a result of restricted
3 access to the property due to floods, mudslides, the accumulation
4 of debris, or washed-out or damaged roads.

5 (i) Any dwelling that qualified for an exemption under this
6 section prior to December 19, 2005, that was damaged or destroyed
7 by severe rainstorms, floods, mudslides, or the accumulation of
8 debris in a disaster, as declared by the Governor in January 2006,
9 April 2006, May 2006, or June 2006, and that has not changed
10 ownership since December 19, 2005, shall not be disqualified as
11 a “dwelling” or be denied an exemption under this section solely
12 on the basis that the dwelling was temporarily damaged or
13 destroyed or was being reconstructed by the owner, or was
14 temporarily uninhabited as a result of restricted access to the
15 property due to floods, mudslides, the accumulation of debris, or
16 washed-out or damaged roads.

17 (j) Any dwelling that qualified for an exemption under this
18 section prior to July 9, 2006, that was damaged or destroyed by
19 the wildfires and any other related casualty that occurred in the
20 County of San Bernardino, as declared by the Governor in July
21 2006, and that has not changed ownership since July 9, 2006, shall
22 not be disqualified as a “dwelling” or be denied an exemption
23 under this section solely on the basis that the dwelling was
24 temporarily damaged or destroyed or was being reconstructed by
25 the owner, or was temporarily uninhabited as a result of restricted
26 access to the property due to the wildfires.

27 (k) Any dwelling that qualified for an exemption under this
28 section prior to the commencement dates of the wildfires listed in
29 the Governor’s proclamations of 2006 that was damaged or
30 destroyed by the wildfires and any other related casualty that
31 occurred in the Counties of Riverside and Ventura, and that has
32 not changed ownership since the commencement dates of these
33 disasters as listed in the Governor’s proclamations of 2006 shall
34 not be disqualified as a “dwelling” or be denied an exemption
35 under this section solely on the basis that the dwelling was
36 temporarily damaged or destroyed or was being reconstructed by
37 the owner, or was temporarily uninhabited as a result of restricted
38 access to the property due to the wildfires.

39 (l) Any dwelling that qualified for an exemption under this
40 section prior to January 11, 2007, that was damaged or destroyed

1 by severe freezing conditions, commencing January 11, 2007, and
2 any other related casualty that occurred in the Counties of El
3 Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey,
4 Riverside, San Bernardino, San Diego, San Luis Obispo, Santa
5 Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba as a
6 result of a disaster as declared by the Governor, and that has not
7 changed ownership since January 11, 2007, shall not be disqualified
8 as a “dwelling” or be denied an exemption under this section solely
9 on the basis that the dwelling was temporarily damaged or
10 destroyed or was being reconstructed by the owner, or was
11 temporarily uninhabited as a result of restricted access to the
12 property due to severe freezing conditions.

13 (m) Any dwelling that qualified for an exemption under this
14 section prior to June 24, 2007, that was damaged or destroyed by
15 the wildfires and any other related casualty that occurred as a result
16 of this disaster in the County of El Dorado, as declared by the
17 Governor in June 2007, and that has not changed ownership since
18 June 24, 2007, shall not be disqualified as a “dwelling” or be denied
19 an exemption under this section solely on the basis that the
20 dwelling was temporarily damaged or destroyed or was being
21 reconstructed by the owner, or was temporarily uninhabited as a
22 result of restricted access to the property due to the wildfires.

23 (n) Any dwelling that qualified for an exemption under this
24 section prior to July 4, 2007, that was damaged or destroyed by
25 the Zaca Fire and any other related casualty that occurred as a
26 result of this disaster in the Counties of Santa Barbara and Ventura,
27 as declared by the Governor in August 2007, and that has not
28 changed ownership since July 4, 2007, may not be denied an
29 exemption solely on the basis that the dwelling was temporarily
30 damaged or destroyed or was being reconstructed by the owner,
31 or was temporarily uninhabited as a result of restricted access to
32 the property due to the Zaca Fire.

33 (o) Any dwelling that qualified for an exemption under this
34 section prior to July 6, 2007, that was damaged or destroyed by
35 the wildfires and any other related casualty that occurred as a result
36 of this disaster in the County of Inyo, as declared by the Governor
37 in July 2007, and that has not changed ownership since July 6,
38 2007, may not be denied an exemption solely on the basis that the
39 dwelling was temporarily damaged or destroyed or was being

1 reconstructed by the owner, or was temporarily uninhabited as a
2 result of restricted access to the property due to the wildfires.

3 (p) Any dwelling that qualified for an exemption under this
4 section prior to the commencement dates of the wildfires listed in
5 the Governor’s disaster proclamations of September 15, 2007, and
6 October 21, 2007, that was damaged or destroyed by the wildfires
7 and any other related casualty that occurred in the Counties of Los
8 Angeles, Orange, Riverside, San Bernardino, San Diego, Santa
9 Barbara, and Ventura, and that has not changed ownership since
10 the commencement dates of these disasters as listed in the
11 proclamations shall not be disqualified as a “dwelling” or be denied
12 an exemption under this section solely on the basis that the
13 dwelling was temporarily damaged or destroyed or was being
14 reconstructed by the owner, or was temporarily uninhabited as a
15 result of restricted access to the property due to the wildfires.

16 (q) Any dwelling that qualified for an exemption under this
17 section prior to October 20, 2007, that was damaged or destroyed
18 by the extremely strong and damaging winds and any other related
19 casualty that occurred as a result of this disaster in the County of
20 Riverside, as declared by the Governor in November 2007, and
21 that has not changed ownership since October 20, 2007, shall not
22 be disqualified as a “dwelling” or be denied an exemption under
23 this section solely on the basis that the dwelling was temporarily
24 damaged or destroyed or was being reconstructed by the owner,
25 or was temporarily uninhabited as a result of restricted access to
26 the property due to the extremely strong and damaging winds.

27 (r) Any dwelling that qualified for an exemption under this
28 section prior to the commencement dates of the wildfires listed in
29 the Governor’s disaster proclamations of May, June, or July 2008,
30 that was damaged or destroyed by the wildfires and any other
31 related casualty that occurred in the Counties of Butte, Kern,
32 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
33 Shasta, and Trinity and that has not changed ownership since the
34 commencement dates of these disasters as listed in the
35 proclamations shall not be disqualified as a “dwelling” or be denied
36 an exemption under this section solely on the basis that the
37 dwelling was temporarily damaged or destroyed or was being
38 reconstructed by the owner, or was temporarily uninhabited as a
39 result of restricted access to the property due to the wildfires.

1 (s) Any dwelling that qualified for an exemption under this
2 section prior to July 1, 2008, that was damaged or destroyed by
3 the wildfires and any other related casualty that occurred as a result
4 of this disaster in the County of Santa Barbara, as declared by the
5 Governor in July 2008, and that has not changed ownership since
6 July 1, 2008, may not be denied an exemption solely on the basis
7 that the dwelling was temporarily damaged or destroyed or was
8 being reconstructed by the owner, or was temporarily uninhabited
9 as a result of restricted access to the property due to the wildfires.

10 (t) Any dwelling that qualified for an exemption under this
11 section prior to July 12, 2008, that was damaged or destroyed by
12 severe rainstorms, floods, landslides, or the accumulation of debris
13 in a disaster, as declared by the Governor, in July 2008, and that
14 has not changed ownership since July 12, 2008, shall not be
15 disqualified as a “dwelling” or be denied an exemption under this
16 section solely on the basis that the dwelling was temporarily
17 damaged or destroyed or was being reconstructed by the owner,
18 or was temporarily uninhabited as a result of restricted access to
19 the property due to floods, landslides, the accumulation of debris,
20 or washed-out or damaged roads.

21 (u) Any dwelling that qualified for an exemption under this
22 section prior to May 22, 2008, that was damaged or destroyed by
23 the wildfires and any other related casualty that occurred as a result
24 of this disaster in the County of Humboldt, as declared by the
25 Governor in August 2008, and that has not changed ownership
26 since May 22, 2008, may not be denied an exemption solely on
27 the basis that the dwelling was temporarily damaged or destroyed
28 or was being reconstructed by the owner, or was temporarily
29 uninhabited as a result of restricted access to the property due to
30 the wildfires.

31 (v) *Any dwelling that qualified for an exemption under this*
32 *section prior to November 13, 2008, that was damaged or*
33 *destroyed by the wildfires and any other related casualty that*
34 *occurred as a result of this disaster in the County of Santa Barbara,*
35 *as declared by the Governor in November 2008, and that has not*
36 *changed ownership since November 13, 2008, shall not be*
37 *disqualified as a “dwelling” or be denied an exemption under this*
38 *section solely on the basis that the dwelling was temporarily*
39 *damaged or destroyed or was being reconstructed by the owner,*

1 *or was temporarily uninhabited as a result of restricted access to*
2 *the property due to the wildfires.*

3 *(w) Any dwelling that qualified for an exemption under this*
4 *section prior to the commencement dates of the wildfires that were*
5 *the subject of the Governor’s disaster proclamations of October*
6 *13, 2008, and November 15, 2008, that was damaged or destroyed*
7 *by the wildfires and any other related casualty that occurred in*
8 *the Counties of Los Angeles and Ventura and that has not changed*
9 *ownership since the commencement dates of these wildfires, shall*
10 *not be disqualified as a “dwelling” or be denied an exemption*
11 *under this section solely on the basis that the dwelling was*
12 *temporarily damaged or destroyed or was being reconstructed by*
13 *the owner, or was temporarily uninhabited as a result of restricted*
14 *access to the property due to the wildfires.*

15 *(x) Any dwelling that qualified for an exemption under this*
16 *section prior to the commencement dates of the wildfires listed in*
17 *the Governor’s disaster proclamations of November 15, 2008, and*
18 *November 17, 2008, that was damaged or destroyed by the*
19 *wildfires and any other related casualty that occurred as a result*
20 *of this disaster in the Counties of Orange, Riverside, and San*
21 *Bernardino, as declared by the Governor in November 2008, and*
22 *that has not changed ownership since the commencement dates of*
23 *these disasters as listed in the proclamations, shall not be*
24 *disqualified as a “dwelling” or be denied an exemption under this*
25 *section solely on the basis that the dwelling was temporarily*
26 *damaged or destroyed or was being reconstructed by the owner,*
27 *or was temporarily uninhabited as a result of restricted access to*
28 *the property due to the wildfires.*

29 *(y) Any dwelling that qualified for an exemption under this*
30 *section prior to May 5, 2009, that was damaged or destroyed by*
31 *the wildfires and any other related casualty that occurred as a*
32 *result of this disaster in the County of Santa Barbara, as declared*
33 *by the Governor in May 2009, and that has not changed ownership*
34 *since May 5, 2009, shall not be disqualified as a “dwelling” or*
35 *be denied an exemption under this section solely on the basis that*
36 *the dwelling was temporarily damaged or destroyed or was being*
37 *reconstructed by the owner, or was temporarily uninhabited as a*
38 *result of restricted access to the property due to the wildfires.*

39 *(v)*

1 (z) The exemption provided for in subdivision (k) of Section 3
2 of Article XIII of the *California* Constitution shall first be applied
3 to the building, structure, or other shelter and the excess, if any,
4 shall be applied to any land on which it may be located.

5 ~~SEC. 10.~~

6 *SEC. 13.* Section 17207 of the Revenue and Taxation Code is
7 amended to read:

8 17207. (a) An excess disaster loss, as defined in subdivision
9 (c), shall be carried to other taxable years as provided in
10 subdivision (b), with respect to losses resulting from any of the
11 following disasters:

12 (1) Forest fire or any other related casualty occurring in 1985
13 in California.

14 (2) Storm, flooding, or any other related casualty occurring in
15 1986 in California.

16 (3) Any loss sustained during 1987 as a result of a forest fire or
17 any other related casualty.

18 (4) Earthquake, aftershock, or any other related casualty
19 occurring in 1987 in California.

20 (5) Earthquake, aftershock, or any other related casualty
21 occurring in 1989 in California.

22 (6) Any loss sustained during 1990 as a result of fire or any
23 other related casualty in California.

24 (7) Any loss sustained as a result of the Oakland/Berkeley Fire
25 of 1991, or any other related casualty.

26 (8) Any loss sustained as a result of storm, flooding, or any
27 other related casualty occurring in February 1992 in California.

28 (9) Earthquake, aftershock, or any other related casualty
29 occurring in April 1992 in the County of Humboldt.

30 (10) Riots, arson, or any other related casualty occurring in
31 April or May 1992 in California.

32 (11) Any loss sustained as a result of the earthquakes that
33 occurred in the County of San Bernardino in June and July of 1992,
34 or any other related casualty.

35 (12) Any loss sustained as a result of the Fountain Fire that
36 occurred in the County of Shasta, or as a result of either of the
37 fires in the Counties of Calaveras and Trinity that occurred in
38 August 1992, or any other related casualty.

39 (13) Any loss sustained as a result of storm, flooding, or any
40 other related casualty that occurred in the Counties of Alpine,

1 Contra Costa, Fresno, Humboldt, Imperial, Lassen, Los Angeles,
2 Madera, Mendocino, Modoc, Monterey, Napa, Orange, Plumas,
3 Riverside, San Bernardino, San Diego, Santa Barbara, Sierra,
4 Siskiyou, Sonoma, Tehama, Trinity, and Tulare, and the City of
5 Fillmore in January 1993.

6 (14) Any loss sustained as a result of a fire that occurred in the
7 Counties of Los Angeles, Orange, Riverside, San Bernardino, San
8 Diego, and Ventura, during October or November of 1993, or any
9 other related casualty.

10 (15) Any loss sustained as a result of the earthquake, aftershocks,
11 or any other related casualty that occurred in the Counties of Los
12 Angeles, Orange, and Ventura on or after January 17, 1994.

13 (16) Any loss sustained as a result of a fire that occurred in the
14 County of San Luis Obispo during August of 1994, or any other
15 related casualty.

16 (17) Any loss sustained as a result of the storms or flooding
17 occurring in 1995, or any other related casualty, sustained in any
18 county of this state subject to a disaster declaration with respect
19 to the storms and flooding.

20 (18) Any loss sustained as a result of the storms or flooding
21 occurring in December 1996 or January 1997, or any related
22 casualty, sustained in any county of this state subject to a disaster
23 declaration with respect to the storms or flooding.

24 (19) Any loss sustained as a result of the storms or flooding
25 occurring in February 1998, or any related casualty, sustained in
26 any county of this state subject to a disaster declaration with respect
27 to the storms or flooding.

28 (20) Any loss sustained as a result of a freeze occurring in the
29 winter of 1998–99, or any related casualty, sustained in any county
30 of this state subject to a disaster declaration with respect to the
31 freeze.

32 (21) Any loss sustained as a result of an earthquake occurring
33 in September 2000, that was included in the Governor’s
34 proclamation of a state of emergency for the County of Napa.

35 (22) Any loss sustained as a result of the Middle River levee
36 break in San Joaquin County occurring in June 2004.

37 (23) Any losses sustained as a result of the fires that occurred
38 in the Counties of Los Angeles, Riverside, San Bernardino, San
39 Diego, and Ventura in October and November 2003, or as a result
40 of floods, mudflows, and debris flows, directly related to fires.

1 (24) Any losses sustained in the Counties of Santa Barbara and
2 San Luis Obispo as a result of the San Simeon earthquake,
3 aftershocks, and any other related casualties.

4 (25) Any losses sustained as a result of the wildfires that
5 occurred in Shasta County, commencing August 11, 2004, and
6 any other related casualty.

7 (26) Any loss sustained in the Counties of Kern, Los Angeles,
8 Orange, Riverside, San Bernardino, San Diego, Santa Barbara,
9 and Ventura as a result of the severe rainstorms, related flooding
10 and slides, and any other related casualties, that occurred in
11 December 2004, January 2005, February 2005, March 2005, or
12 June 2005.

13 (27) Any loss sustained in the Counties of Alameda, Alpine,
14 Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El
15 Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin,
16 Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer,
17 Plumas, Sacramento, San Joaquin, San Luis Obispo, San Mateo,
18 Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus,
19 Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba as a result of
20 the severe rainstorms, related flooding and slides, and any other
21 related casualties, that occurred in December 2005, January 2006,
22 March 2006, or April 2006.

23 (28) Any loss sustained in the County of San Bernardino as a
24 result of the wildfires that occurred in July 2006.

25 (29) Any loss sustained in the Counties of Riverside and Ventura
26 as a result of wildfires that occurred during the 2006 calendar year.

27 (30) Any loss sustained in the Counties of El Dorado, Fresno,
28 Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San
29 Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa
30 Clara, Stanislaus, Tulare, Ventura, and Yuba that were the subject
31 of the Governor's proclamations of a state of emergency for the
32 severe freezing conditions that occurred in January 2007.

33 (31) Any loss sustained in the County of El Dorado as a result
34 of wildfires that occurred in June 2007.

35 (32) Any loss sustained in the Counties of Santa Barbara and
36 Ventura as a result of the Zaca Fire that occurred during the 2007
37 calendar year.

38 (33) Any loss sustained in the County of Inyo as a result of
39 wildfires that commenced in July 2007.

1 (34) Any loss sustained in the Counties of Los Angeles, Orange,
2 Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura
3 as a result of wildfires that occurred during the 2007 calendar year
4 that were the subject of the Governor’s disaster proclamations of
5 September 15, 2007, and October 21, 2007.

6 (35) Any loss sustained in the County of Riverside as a result
7 of extremely strong and damaging winds that occurred in October
8 2007.

9 (36) Any loss sustained in the Counties of Butte, Kern,
10 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
11 Shasta, and Trinity as a result of wildfires that occurred in May or
12 June 2008 that were the subject of the Governor’s proclamations
13 of a state of emergency.

14 (37) Any loss sustained in the County of Santa Barbara as a
15 result of wildfires that occurred in July 2008.

16 (38) Any loss sustained in the County of Inyo as a result of the
17 severe rainstorms, related flooding and landslides, and any other
18 related casualties, that occurred in July 2008.

19 (39) Any loss sustained in the County of Humboldt as a result
20 of wildfires that commenced in May 2008.

21 (40) Any loss sustained in the County of Santa Barbara as a
22 result of wildfires that commenced in November 2008.

23 *(41) Any loss sustained in the Counties of Orange, Riverside,*
24 *and San Bernardino as a result of wildfires that commenced in*
25 *November 2008.*

26 ~~(41)~~

27 (42) Any loss sustained in the County of Santa Barbara as a
28 result of wildfires that commenced in May 2009.

29 (b) (1) In the case of any loss allowed under Section 165(c) of
30 the Internal Revenue Code, relating to limitation of losses of
31 individuals, any excess disaster loss shall be carried forward to
32 each of the five taxable years following the taxable year for which
33 the loss is claimed. However, if there is any excess disaster loss
34 remaining after the five-year period, then the applicable percentage,
35 as set forth in paragraph (1) of subdivision (b) of Section 17276,
36 of that excess disaster loss shall be carried forward to each of the
37 next 10 taxable years.

38 (2) The entire amount of any excess disaster loss as defined in
39 subdivision (c) shall be carried to the earliest of the taxable years
40 to which, by reason of subdivision (b), the loss may be carried.

1 The portion of the loss which shall be carried to each of the other
2 taxable years shall be the excess, if any, of the amount of excess
3 disaster loss over the sum of the adjusted taxable income for each
4 of the prior taxable years to which that excess disaster loss is
5 carried.

6 (c) “Excess disaster loss” means a disaster loss computed
7 pursuant to Section 165 of the Internal Revenue Code which
8 exceeds the adjusted taxable income of the year of loss or, if the
9 election under Section 165(i) of the Internal Revenue Code is
10 made, the adjusted taxable income of the year preceding the loss.

11 (d) The provisions of this section and Section 165(i) of the
12 Internal Revenue Code shall be applicable to any of the losses
13 listed in subdivision (a) sustained in any county or city in this state
14 which was proclaimed by the Governor to be in a state of disaster.

15 (e) Losses allowable under this section may not be taken into
16 account in computing a net operating loss deduction under Section
17 172 of the Internal Revenue Code.

18 (f) For purposes of this section, “adjusted taxable income” shall
19 be defined by Section 1212(b)(2)(B) of the Internal Revenue Code.

20 (g) For losses described in paragraphs (15) to ~~(41)~~ (42),
21 inclusive, of subdivision (a), the election under Section 165(i) of
22 the Internal Revenue Code may be made on a return or amended
23 return filed on or before the due date of the return (determined
24 with regard to extension) for the taxable year in which the disaster
25 occurred.

26 *SEC. 13.5. Section 17207 of the Revenue and Taxation Code*
27 *is amended to read:*

28 17207. (a) An excess disaster loss, as defined in subdivision
29 (c), shall be carried to other taxable years as provided in
30 subdivision (b), with respect to losses resulting from any of the
31 following disasters:

32 (1) Forest fire or any other related casualty occurring in 1985
33 in California.

34 (2) Storm, flooding, or any other related casualty occurring in
35 1986 in California.

36 (3) Any loss sustained during 1987 as a result of a forest fire or
37 any other related casualty.

38 (4) Earthquake, aftershock, or any other related casualty
39 occurring in 1987 in California.

- 1 (5) Earthquake, aftershock, or any other related casualty
2 occurring in 1989 in California.
- 3 (6) Any loss sustained during 1990 as a result of fire or any
4 other related casualty in California.
- 5 (7) Any loss sustained as a result of the Oakland/Berkeley Fire
6 of 1991, or any other related casualty.
- 7 (8) Any loss sustained as a result of storm, flooding, or any
8 other related casualty occurring in February 1992 in California.
- 9 (9) Earthquake, aftershock, or any other related casualty
10 occurring in April 1992 in the County of Humboldt.
- 11 (10) Riots, arson, or any other related casualty occurring in
12 April or May 1992 in California.
- 13 (11) Any loss sustained as a result of the earthquakes that
14 occurred in the County of San Bernardino in June and July of 1992,
15 or any other related casualty.
- 16 (12) Any loss sustained as a result of the Fountain Fire that
17 occurred in the County of Shasta, or as a result of either of the
18 fires in the Counties of Calaveras and Trinity that occurred in
19 August 1992, or any other related casualty.
- 20 (13) Any loss sustained as a result of storm, flooding, or any
21 other related casualty that occurred in the Counties of Alpine,
22 Contra Costa, Fresno, Humboldt, Imperial, Lassen, Los Angeles,
23 Madera, Mendocino, Modoc, Monterey, Napa, Orange, Plumas,
24 Riverside, San Bernardino, San Diego, Santa Barbara, Sierra,
25 Siskiyou, Sonoma, Tehama, Trinity, and Tulare, and the City of
26 Fillmore in January 1993.
- 27 (14) Any loss sustained as a result of a fire that occurred in the
28 Counties of Los Angeles, Orange, Riverside, San Bernardino, San
29 Diego, and Ventura, during October or November of 1993, or any
30 other related casualty.
- 31 (15) Any loss sustained as a result of the earthquake, aftershocks,
32 or any other related casualty that occurred in the Counties of Los
33 Angeles, Orange, and Ventura on or after January 17, 1994.
- 34 (16) Any loss sustained as a result of a fire that occurred in the
35 County of San Luis Obispo during August of 1994, or any other
36 related casualty.
- 37 (17) Any loss sustained as a result of the storms or flooding
38 occurring in 1995, or any other related casualty, sustained in any
39 county of this state subject to a disaster declaration with respect
40 to the storms and flooding.

1 (18) Any loss sustained as a result of the storms or flooding
2 occurring in December 1996 or January 1997, or any related
3 casualty, sustained in any county of this state subject to a disaster
4 declaration with respect to the storms or flooding.

5 (19) Any loss sustained as a result of the storms or flooding
6 occurring in February 1998, or any related casualty, sustained in
7 any county of this state subject to a disaster declaration with respect
8 to the storms or flooding.

9 (20) Any loss sustained as a result of a freeze occurring in the
10 winter of 1998–99, or any related casualty, sustained in any county
11 of this state subject to a disaster declaration with respect to the
12 freeze.

13 (21) Any loss sustained as a result of an earthquake occurring
14 in September 2000, that was included in the Governor’s
15 proclamation of a state of emergency for the County of Napa.

16 (22) Any loss sustained as a result of the Middle River levee
17 break in San Joaquin County occurring in June 2004.

18 (23) Any losses sustained as a result of the fires that occurred
19 in the Counties of Los Angeles, Riverside, San Bernardino, San
20 Diego, and Ventura in October and November 2003, or as a result
21 of floods, mudflows, and debris flows, directly related to fires.

22 (24) Any losses sustained in the Counties of Santa Barbara and
23 San Luis Obispo as a result of the San Simeon earthquake,
24 aftershocks, and any other related casualties.

25 (25) Any losses sustained as a result of the wildfires that
26 occurred in Shasta County, commencing August 11, 2004, and
27 any other related casualty.

28 (26) Any loss sustained in the Counties of Kern, Los Angeles,
29 Orange, Riverside, San Bernardino, San Diego, Santa Barbara,
30 and Ventura as a result of the severe rainstorms, related flooding
31 and slides, and any other related casualties, that occurred in
32 December 2004, January 2005, February 2005, March 2005, or
33 June 2005.

34 (27) Any loss sustained in the Counties of Alameda, Alpine,
35 Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El
36 Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin,
37 Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer,
38 Plumas, Sacramento, San Joaquin, San Luis Obispo, San Mateo,
39 Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus,
40 Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba as a result of

1 the severe rainstorms, related flooding and slides, and any other
2 related casualties, that occurred in December 2005, January 2006,
3 March 2006, or April 2006.

4 (28) Any loss sustained in the County of San Bernardino as a
5 result of the wildfires that occurred in July 2006.

6 (29) Any loss sustained in the Counties of Riverside and Ventura
7 as a result of wildfires that occurred during the 2006 calendar year.

8 (30) Any loss sustained in the Counties of El Dorado, Fresno,
9 Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San
10 Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa
11 Clara, Stanislaus, Tulare, Ventura, and Yuba that were the subject
12 of the Governor's proclamations of a state of emergency for the
13 severe freezing conditions that occurred in January 2007.

14 (31) Any loss sustained in the County of El Dorado as a result
15 of wildfires that occurred in June 2007.

16 (32) Any loss sustained in the Counties of Santa Barbara and
17 Ventura as a result of the Zaca Fire that occurred during the 2007
18 calendar year.

19 (33) Any loss sustained in the County of Inyo as a result of
20 wildfires that commenced in July 2007.

21 (34) Any loss sustained in the Counties of Los Angeles, Orange,
22 Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura
23 as a result of wildfires that occurred during the 2007 calendar year
24 that were the subject of the Governor's disaster proclamations of
25 September 15, 2007, and October 21, 2007.

26 (35) Any loss sustained in the County of Riverside as a result
27 of extremely strong and damaging winds that occurred in October
28 2007.

29 (36) Any loss sustained in the Counties of Butte, Kern,
30 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
31 Shasta, and Trinity as a result of wildfires that occurred in May or
32 June 2008 that were the subject of the Governor's proclamations
33 of a state of emergency.

34 (37) Any loss sustained in the County of Santa Barbara as a
35 result of wildfires that occurred in July 2008.

36 (38) Any loss sustained in the County of Inyo as a result of the
37 severe rainstorms, related flooding and landslides, and any other
38 related casualties, that occurred in July 2008.

39 (39) Any loss sustained in the County of Humboldt as a result
40 of wildfires that commenced in May 2008.

1 (40) Any loss sustained in the County of Santa Barbara as a
2 result of wildfires that commenced in November 2008.

3 (41) Any loss sustained in the Counties of Los Angeles and
4 Ventura as a result of wildfires that commenced in October 2008
5 or November 2008 that were the subject of the Governor's
6 proclamations of a state of emergency.

7 (42) Any loss sustained in the Counties of Orange, Riverside,
8 and San Bernardino as a result of wildfires that commenced in
9 November 2008.

10 (43) Any loss sustained in the County of Santa Barbara as a
11 result of wildfires that commenced in May 2009.

12 (b) (1) In the case of any loss allowed under Section 165(c) of
13 the Internal Revenue Code, relating to limitation of losses of
14 individuals, any excess disaster loss shall be carried forward to
15 each of the five taxable years following the taxable year for which
16 the loss is claimed. However, if there is any excess disaster loss
17 remaining after the five-year period, then the applicable percentage,
18 as set forth in paragraph (1) of subdivision (b) of Section 17276,
19 of that excess disaster loss shall be carried forward to each of the
20 next 10 taxable years.

21 (2) The entire amount of any excess disaster loss as defined in
22 subdivision (c) shall be carried to the earliest of the taxable years
23 to which, by reason of subdivision (b), the loss may be carried.
24 The portion of the loss which shall be carried to each of the other
25 taxable years shall be the excess, if any, of the amount of excess
26 disaster loss over the sum of the adjusted taxable income for each
27 of the prior taxable years to which that excess disaster loss is
28 carried.

29 (c) "Excess disaster loss" means a disaster loss computed
30 pursuant to Section 165 of the Internal Revenue Code which
31 exceeds the adjusted taxable income of the year of loss or, if the
32 election under Section 165(i) of the Internal Revenue Code is
33 made, the adjusted taxable income of the year preceding the loss.

34 (d) The provisions of this section and Section 165(i) of the
35 Internal Revenue Code shall be applicable to any of the losses
36 listed in subdivision (a) sustained in any county or city in this state
37 which was proclaimed by the Governor to be in a state of disaster.

38 (e) Losses allowable under this section may not be taken into
39 account in computing a net operating loss deduction under Section
40 172 of the Internal Revenue Code.

1 (f) For purposes of this section, “adjusted taxable income” shall
2 be defined by Section 1212(b)(2)(B) of the Internal Revenue Code.

3 (g) For losses described in paragraphs (15) to ~~(39)~~ (43),
4 inclusive, of subdivision (a), the election under Section 165(i) of
5 the Internal Revenue Code may be made on a return or amended
6 return filed on or before the due date of the return (determined
7 with regard to extension) for the taxable year in which the disaster
8 occurred.

9 ~~SEC. 14.~~

10 *SEC. 14.* Section 24347.5 of the Revenue and Taxation Code
11 is amended to read:

12 24347.5. (a) An excess disaster loss, as defined in subdivision
13 (c), shall be carried to other taxable years as provided in
14 subdivision (b), with respect to losses resulting from any of the
15 following disasters:

16 (1) Forest fire or any other related casualty occurring in 1985
17 in California.

18 (2) Storm, flooding, or any other related casualty occurring in
19 1986 in California.

20 (3) Any loss sustained during 1987 as a result of a forest fire or
21 any other related casualty.

22 (4) Earthquake, aftershock, or any other related casualty
23 occurring in October 1987 in California.

24 (5) Earthquake, aftershock, or any other related casualty
25 occurring in October 1989 in California.

26 (6) Any loss sustained during 1990 as a result of fire or any
27 other related casualty in California.

28 (7) Any loss sustained as a result of the Oakland/Berkeley Fire
29 of 1991, or any other related casualty.

30 (8) Any loss sustained as a result of storm, flooding, or any
31 other related casualty occurring in February 1992 in California.

32 (9) Earthquake, aftershock, or any other related casualty
33 occurring in April 1992 in the County of Humboldt.

34 (10) Riots, arson, or any other related casualty occurring in
35 April or May 1992 in California.

36 (11) Any loss sustained as a result of the earthquakes or any
37 other related casualty that occurred in the County of San
38 Bernardino in June and July of 1992.

39 (12) Any loss sustained as a result of the Fountain Fire that
40 occurred in the County of Shasta, or as a result of either of the

1 fires in the Counties of Calaveras and Trinity that occurred in
2 August 1992, or any other related casualty.

3 (13) Any loss sustained as a result of storm, flooding, or any
4 other related casualty that occurred in the Counties of Alpine,
5 Contra Costa, Fresno, Humboldt, Imperial, Lassen, Los Angeles,
6 Madera, Mendocino, Modoc, Monterey, Napa, Orange, Plumas,
7 Riverside, San Bernardino, San Diego, Santa Barbara, Sierra,
8 Siskiyou, Sonoma, Tehama, Trinity, and Tulare, and the City of
9 Fillmore in January 1993.

10 (14) Any loss sustained as a result of a fire that occurred in the
11 Counties of Los Angeles, Orange, Riverside, San Bernardino, San
12 Diego, and Ventura, during October or November of 1993, or any
13 other related casualty.

14 (15) Any loss sustained as a result of the earthquake, aftershocks,
15 or any other related casualty that occurred in the Counties of Los
16 Angeles, Orange, and Ventura on or after January 17, 1994.

17 (16) Any loss sustained as a result of a fire that occurred in the
18 County of San Luis Obispo during August of 1994, or any other
19 related casualty.

20 (17) Any loss sustained as a result of the storms or flooding
21 occurring in 1995, or any other related casualty, sustained in any
22 county of this state subject to a disaster declaration with respect
23 to the storms and flooding.

24 (18) Any loss sustained as a result of the storms or flooding
25 occurring in December 1996 or January 1997, or any related
26 casualty, sustained in any county of this state subject to a disaster
27 declaration with respect to the storms or flooding.

28 (19) Any loss sustained as a result of the storms or flooding
29 occurring in February 1998, or any related casualty, sustained in
30 any county of this state subject to a disaster declaration with respect
31 to the storms or flooding.

32 (20) Any loss sustained as a result of a freeze occurring in the
33 winter of 1998–99, or any related casualty, sustained in any county
34 of this state subject to a disaster declaration with respect to the
35 freeze.

36 (21) Any loss sustained as a result of an earthquake occurring
37 in September 2000, that was included in the Governor's
38 proclamation of a state of emergency for the County of Napa.

39 (22) Any loss sustained as a result of the Middle River levee
40 break in San Joaquin County occurring in June 2004.

1 (23) Any losses sustained as a result of the fires that occurred
2 in the Counties of Los Angeles, Riverside, San Bernardino, San
3 Diego, and Ventura in October and November 2003, or as a result
4 of floods, mudflows, and debris flows, directly related to fires.

5 (24) Any losses sustained in the Counties of Santa Barbara and
6 San Luis Obispo as a result of the San Simeon earthquake,
7 aftershocks, and any other related casualties.

8 (25) Any losses sustained as a result of the wildfires that
9 occurred in Shasta County, commencing August 11, 2004, and
10 any other related casualty.

11 (26) Any loss sustained in the Counties of Kern, Los Angeles,
12 Orange, Riverside, San Bernardino, San Diego, Santa Barbara,
13 and Ventura as a result of the severe rainstorms, related flooding
14 and slides, and any other related casualties, that occurred in
15 December 2004, January 2005, February 2005, March 2005, or
16 June 2005.

17 (27) Any loss sustained in the Counties of Alameda, Alpine,
18 Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El
19 Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin,
20 Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer,
21 Plumas, Sacramento, San Joaquin, San Luis Obispo, San Mateo,
22 Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus,
23 Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba as a result of
24 the severe rainstorms, related flooding and slides, and any other
25 related casualties, that occurred in December 2005, January 2006,
26 March 2006, or April 2006.

27 (28) Any loss sustained in the County of San Bernardino as a
28 result of the wildfires that occurred in July 2006.

29 (29) Any loss sustained in the Counties of Riverside and Ventura
30 as a result of wildfires that occurred during the 2006 calendar year.

31 (30) Any loss sustained in the Counties of El Dorado, Fresno,
32 Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San
33 Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa
34 Clara, Stanislaus, Tulare, Ventura, and Yuba that were the subject
35 of the Governor's proclamations of a state of emergency for the
36 severe freezing conditions that occurred in January 2007.

37 (31) Any loss sustained in the County of El Dorado as a result
38 of wildfires that occurred in June 2007.

- 1 (32) Any loss sustained in the Counties of Santa Barbara and
 2 Ventura as a result of the Zaca Fire that occurred during the 2007
 3 calendar year.
- 4 (33) Any loss sustained in the County of Inyo as a result of
 5 wildfires that commenced in July 2007.
- 6 (34) Any loss sustained in the Counties of Los Angeles, Orange,
 7 Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura
 8 as a result of wildfires that occurred during the 2007 calendar year
 9 that were the subject of the Governor’s disaster proclamations of
 10 September 15, 2007, and October 21, 2007.
- 11 (35) Any loss sustained in the County of Riverside as a result
 12 of extremely strong and damaging winds that occurred in October
 13 2007.
- 14 (36) Any loss sustained in the Counties of Butte, Kern,
 15 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
 16 Shasta, and Trinity as a result of wildfires that occurred in May or
 17 June 2008 that were the subject of the Governor’s proclamations
 18 of a state of emergency.
- 19 (37) Any loss sustained in the County of Santa Barbara as a
 20 result of wildfires that occurred in July 2008.
- 21 (38) Any loss sustained in the County of Inyo as a result of the
 22 severe rainstorms, related flooding and landslides, and any other
 23 related casualties, that occurred in July 2008.
- 24 (39) Any loss sustained in the County of Humboldt as a result
 25 of wildfires that commenced in May 2008.
- 26 (40) Any loss sustained in the County of Santa Barbara as a
 27 result of wildfires that commenced in November 2008.
- 28 *(41) Any loss sustained in the Counties of Orange, Riverside,*
 29 *and San Bernardino as a result of wildfires that commenced in*
 30 *November 2008.*
- 31 ~~(41)~~
- 32 (42) Any loss sustained in the County of Santa Barbara as a
 33 result of wildfires that commenced in May 2009.
- 34 (b) (1) In the case of any loss allowed under Section 165 of the
 35 Internal Revenue Code, relating to losses, any excess disaster loss
 36 shall be carried forward to each of the five taxable years following
 37 the taxable year for which the loss is claimed. However, if there
 38 is any excess disaster loss remaining after the five-year period,
 39 then the applicable percentage, as set forth in paragraph (1) of

1 subdivision (b) of Section 24416, of that excess disaster loss shall
2 be carried forward to each of the next 10 taxable years.

3 (2) The entire amount of any excess disaster loss as defined in
4 subdivision (c) shall be carried to the earliest of the taxable years
5 to which, by reason of subdivision (b), the loss may be carried.
6 The portion of the loss which shall be carried to each of the other
7 taxable years shall be the excess, if any, of the amount of excess
8 disaster loss over the sum of the net income for each of the prior
9 taxable years to which that excess disaster loss is carried.

10 (c) "Excess disaster loss" means a disaster loss computed
11 pursuant to Section 165 of the Internal Revenue Code, which
12 exceeds the net income of the year of loss or, if the election under
13 Section 165(i) of the Internal Revenue Code is made, the net
14 income of the year preceding the loss.

15 (d) The provisions of this section and Section 165(i) of the
16 Internal Revenue Code shall be applicable to any of the losses
17 listed in subdivision (a) sustained in any county or city in this state
18 which was proclaimed by the Governor to be in a state of disaster.

19 (e) Any corporation subject to the provisions of Section 25101
20 or 25101.15 that has disaster losses pursuant to this section, shall
21 determine the excess disaster loss to be carried to other taxable
22 years under the principles specified in Section 25108 relating to
23 net operating losses.

24 (f) Losses allowable under this section may not be taken into
25 account in computing a net operating loss deduction under Section
26 172 of the Internal Revenue Code.

27 (g) For losses described in paragraphs (15) to ~~(41)~~ (42),
28 inclusive, of subdivision (a), the election under Section 165(i) of
29 the Internal Revenue Code may be made on a return or amended
30 return filed on or before the due date of the return (determined
31 with regard to extension) for the taxable year in which the disaster
32 occurred.

33 *SEC. 14.5. Section 24347.5 of the Revenue and Taxation Code*
34 *is amended to read:*

35 24347.5. (a) An excess disaster loss, as defined in subdivision
36 (c), shall be carried to other taxable years as provided in
37 subdivision (b), with respect to losses resulting from any of the
38 following disasters:

39 (1) Forest fire or any other related casualty occurring in 1985
40 in California.

- 1 (2) Storm, flooding, or any other related casualty occurring in
2 1986 in California.
- 3 (3) Any loss sustained during 1987 as a result of a forest fire or
4 any other related casualty.
- 5 (4) Earthquake, aftershock, or any other related casualty
6 occurring in October 1987 in California.
- 7 (5) Earthquake, aftershock, or any other related casualty
8 occurring in October 1989 in California.
- 9 (6) Any loss sustained during 1990 as a result of fire or any
10 other related casualty in California.
- 11 (7) Any loss sustained as a result of the Oakland/Berkeley Fire
12 of 1991, or any other related casualty.
- 13 (8) Any loss sustained as a result of storm, flooding, or any
14 other related casualty occurring in February 1992 in California.
- 15 (9) Earthquake, aftershock, or any other related casualty
16 occurring in April 1992 in the County of Humboldt.
- 17 (10) Riots, arson, or any other related casualty occurring in
18 April or May 1992 in California.
- 19 (11) Any loss sustained as a result of the earthquakes or any
20 other related casualty that occurred in the County of San
21 Bernardino in June and July of 1992.
- 22 (12) Any loss sustained as a result of the Fountain Fire that
23 occurred in the County of Shasta, or as a result of either of the
24 fires in the Counties of Calaveras and Trinity that occurred in
25 August 1992, or any other related casualty.
- 26 (13) Any loss sustained as a result of storm, flooding, or any
27 other related casualty that occurred in the Counties of Alpine,
28 Contra Costa, Fresno, Humboldt, Imperial, Lassen, Los Angeles,
29 Madera, Mendocino, Modoc, Monterey, Napa, Orange, Plumas,
30 Riverside, San Bernardino, San Diego, Santa Barbara, Sierra,
31 Siskiyou, Sonoma, Tehama, Trinity, and Tulare, and the City of
32 Fillmore in January 1993.
- 33 (14) Any loss sustained as a result of a fire that occurred in the
34 Counties of Los Angeles, Orange, Riverside, San Bernardino, San
35 Diego, and Ventura, during October or November of 1993, or any
36 other related casualty.
- 37 (15) Any loss sustained as a result of the earthquake, aftershocks,
38 or any other related casualty that occurred in the Counties of Los
39 Angeles, Orange, and Ventura on or after January 17, 1994.

1 (16) Any loss sustained as a result of a fire that occurred in the
2 County of San Luis Obispo during August of 1994, or any other
3 related casualty.

4 (17) Any loss sustained as a result of the storms or flooding
5 occurring in 1995, or any other related casualty, sustained in any
6 county of this state subject to a disaster declaration with respect
7 to the storms and flooding.

8 (18) Any loss sustained as a result of the storms or flooding
9 occurring in December 1996 or January 1997, or any related
10 casualty, sustained in any county of this state subject to a disaster
11 declaration with respect to the storms or flooding.

12 (19) Any loss sustained as a result of the storms or flooding
13 occurring in February 1998, or any related casualty, sustained in
14 any county of this state subject to a disaster declaration with respect
15 to the storms or flooding.

16 (20) Any loss sustained as a result of a freeze occurring in the
17 winter of 1998–99, or any related casualty, sustained in any county
18 of this state subject to a disaster declaration with respect to the
19 freeze.

20 (21) Any loss sustained as a result of an earthquake occurring
21 in September 2000, that was included in the Governor’s
22 proclamation of a state of emergency for the County of Napa.

23 (22) Any loss sustained as a result of the Middle River levee
24 break in San Joaquin County occurring in June 2004.

25 (23) Any losses sustained as a result of the fires that occurred
26 in the Counties of Los Angeles, Riverside, San Bernardino, San
27 Diego, and Ventura in October and November 2003, or as a result
28 of floods, mudflows, and debris flows, directly related to fires.

29 (24) Any losses sustained in the Counties of Santa Barbara and
30 San Luis Obispo as a result of the San Simeon earthquake,
31 aftershocks, and any other related casualties.

32 (25) Any losses sustained as a result of the wildfires that
33 occurred in Shasta County, commencing August 11, 2004, and
34 any other related casualty.

35 (26) Any loss sustained in the Counties of Kern, Los Angeles,
36 Orange, Riverside, San Bernardino, San Diego, Santa Barbara,
37 and Ventura as a result of the severe rainstorms, related flooding
38 and slides, and any other related casualties, that occurred in
39 December 2004, January 2005, February 2005, March 2005, or
40 June 2005.

1 (27) Any loss sustained in the Counties of Alameda, Alpine,
2 Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El
3 Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin,
4 Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer,
5 Plumas, Sacramento, San Joaquin, San Luis Obispo, San Mateo,
6 Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus,
7 Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba as a result of
8 the severe rainstorms, related flooding and slides, and any other
9 related casualties, that occurred in December 2005, January 2006,
10 March 2006, or April 2006.

11 (28) Any loss sustained in the County of San Bernardino as a
12 result of the wildfires that occurred in July 2006.

13 (29) Any loss sustained in the Counties of Riverside and Ventura
14 as a result of wildfires that occurred during the 2006 calendar year.

15 (30) Any loss sustained in the Counties of El Dorado, Fresno,
16 Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San
17 Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa
18 Clara, Stanislaus, Tulare, Ventura, and Yuba that were the subject
19 of the Governor's proclamations of a state of emergency for the
20 severe freezing conditions that occurred in January 2007.

21 (31) Any loss sustained in the County of El Dorado as a result
22 of wildfires that occurred in June 2007.

23 (32) Any loss sustained in the Counties of Santa Barbara and
24 Ventura as a result of the Zaca Fire that occurred during the 2007
25 calendar year.

26 (33) Any loss sustained in the County of Inyo as a result of
27 wildfires that commenced in July 2007.

28 (34) Any loss sustained in the Counties of Los Angeles, Orange,
29 Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura
30 as a result of wildfires that occurred during the 2007 calendar year
31 that were the subject of the Governor's disaster proclamations of
32 September 15, 2007, and October 21, 2007.

33 (35) Any loss sustained in the County of Riverside as a result
34 of extremely strong and damaging winds that occurred in October
35 2007.

36 (36) Any loss sustained in the Counties of Butte, Kern,
37 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
38 Shasta, and Trinity as a result of wildfires that occurred in May or
39 June 2008 that were the subject of the Governor's proclamations
40 of a state of emergency.

1 (37) Any loss sustained in the County of Santa Barbara as a
2 result of wildfires that occurred in July 2008.

3 (38) Any loss sustained in the County of Inyo as a result of the
4 severe rainstorms, related flooding and landslides, and any other
5 related casualties, that occurred in July 2008.

6 (39) Any loss sustained in the County of Humboldt as a result
7 of wildfires that commenced in May 2008.

8 (40) *Any loss sustained in the County of Santa Barbara as a*
9 *result of wildfires that commenced in November 2008.*

10 (41) *Any loss sustained in the Counties of Los Angeles and*
11 *Ventura as a result of wildfires that commenced in October 2008*
12 *or November 2008 that were the subject of the Governor's*
13 *proclamations of a state of emergency.*

14 (42) *Any loss sustained in the Counties of Orange, Riverside,*
15 *and San Bernardino as a result of wildfires that commenced in*
16 *November 2008.*

17 (43) *Any loss sustained in the County of Santa Barbara as a*
18 *result of wildfires that commenced in May 2009.*

19 (b) (1) In the case of any loss allowed under Section 165 of the
20 Internal Revenue Code, relating to losses, any excess disaster loss
21 shall be carried forward to each of the five taxable years following
22 the taxable year for which the loss is claimed. However, if there
23 is any excess disaster loss remaining after the five-year period,
24 then the applicable percentage, as set forth in paragraph (1) of
25 subdivision (b) of Section 24416, of that excess disaster loss shall
26 be carried forward to each of the next 10 taxable years.

27 (2) The entire amount of any excess disaster loss as defined in
28 subdivision (c) shall be carried to the earliest of the taxable years
29 to which, by reason of subdivision (b), the loss may be carried.
30 The portion of the loss which shall be carried to each of the other
31 taxable years shall be the excess, if any, of the amount of excess
32 disaster loss over the sum of the net income for each of the prior
33 taxable years to which that excess disaster loss is carried.

34 (c) "Excess disaster loss" means a disaster loss computed
35 pursuant to Section 165 of the Internal Revenue Code, which
36 exceeds the net income of the year of loss or, if the election under
37 Section 165(i) of the Internal Revenue Code is made, the net
38 income of the year preceding the loss.

39 (d) The provisions of this section and Section 165(i) of the
40 Internal Revenue Code shall be applicable to any of the losses

1 listed in subdivision (a) sustained in any county or city in this state
 2 which was proclaimed by the Governor to be in a state of disaster.

3 (e) Any corporation subject to the provisions of Section 25101
 4 or 25101.15 that has disaster losses pursuant to this section, shall
 5 determine the excess disaster loss to be carried to other taxable
 6 years under the principles specified in Section 25108 relating to
 7 net operating losses.

8 (f) Losses allowable under this section may not be taken into
 9 account in computing a net operating loss deduction under Section
 10 172 of the Internal Revenue Code.

11 (g) For losses described in paragraphs (15) to ~~(39)~~ (43),
 12 inclusive, of subdivision (a), the election under Section 165(i) of
 13 the Internal Revenue Code may be made on a return or amended
 14 return filed on or before the due date of the return (determined
 15 with regard to extension) for the taxable year in which the disaster
 16 occurred.

17 ~~SEC. 12.~~

18 *SEC. 15.* It is the intent of the Legislature to provide in the
 19 annual Budget Act those additional reimbursements to local
 20 governments that, as a result of Section ~~9 12~~ of this act, are required
 21 by Section 25 of Article XIII of the California Constitution.

22 ~~SEC. 13.~~

23 *SEC. 16.* The Legislature finds and declares that this act fulfills
 24 a statewide public purpose because of all of the following:

25 (a) The Governor of California has officially proclaimed a state
 26 of emergency declaring that the wildfires that occurred within the
 27 County of Santa Barbara, commencing in November 2008 or May
 28 2009, *and within the Counties of Orange, Riverside, and San*
 29 *Bernardino, commencing in November 2008*, constitute conditions
 30 of extreme peril to public health and safety to persons and property
 31 within ~~that county~~ *those counties*, thus qualifying affected persons
 32 for various forms of governmental assistance and relief.

33 (b) This act is consistent with, and supplements, the proclaimed
 34 disaster assistance and relief by providing necessary fiscal
 35 assistance and tax relief to affected jurisdictions and persons to
 36 allow them to maintain essential basic services and repair damage
 37 to, and restore, their homes and businesses.

38 *SEC. 17. (a) Notwithstanding Section 19 of this bill, Section*
 39 *12.5 of this bill incorporates amendments to Section 218 of the*
 40 *Revenue and Taxation Code proposed by this bill and AB 15. It*

1 shall only become operative if (1) both bills are enacted and
2 become effective on or before January 1, 2010, (2) each bill
3 amends Section 218 of the Revenue and Taxation Code, (3) this
4 bill is enacted after AB 15, and (4) both AB 666 and SB 505 are
5 enacted, in which case Section 218 of the Revenue and Taxation
6 Code, as amended by AB 15, shall, if both AB 666 and SB 505
7 have been enacted, remain operative only until the operative date
8 of this bill, at which time Section 12.5 of this bill shall become
9 operative, and Section 12 of this bill shall not become operative.

10 (b) Notwithstanding Section 19 of this bill, Section 13.5 of this
11 bill incorporates amendments to Section 17207 of the Revenue
12 and Taxation Code proposed by this bill and AB 15. It shall only
13 become operative if (1) both bills are enacted and become effective
14 on or before January 1, 2010, (2) each bill amends Section 17207
15 of the Revenue and Taxation Code, (3) this bill is enacted after
16 AB 15, and (4) both AB 666 and SB 505 are enacted, in which case
17 Section 17207 of the Revenue and Taxation Code, as amended by
18 AB 15, shall, if both AB 666 and SB 505 have been enacted, remain
19 operative only until the operative date of this bill, at which time
20 Section 13.5 of this bill shall become operative, and Section 13 of
21 this bill shall not become operative.

22 (c) Notwithstanding Section 19 of this bill, Section 14.5 of this
23 bill incorporates amendments to Section 24347.5 of the Revenue
24 and Taxation Code proposed by this bill and AB 15. It shall only
25 become operative if (1) both bills are enacted and become effective
26 on or before January 1, 2010, (2) each bill amends Section 24347.5
27 of the Revenue and Taxation Code, (3) this bill is enacted after
28 AB 15, and (4) both AB 666 and SB 505 are enacted, in which case
29 Section 24347.5 of the Revenue and Taxation Code, as amended
30 by AB 15, shall, if both AB 666 and SB 505 have been enacted,
31 remain operative only until the operative date of this bill, at which
32 time Section 14.5 of this bill shall become operative, and Section
33 14 of this bill shall not become operative.

34 ~~SEC. 14.~~

35 *SEC. 18.* If the Commission on State Mandates determines that
36 this act contains costs mandated by the state, reimbursement to
37 local agencies and school districts for those costs shall be made
38 pursuant to Part 7 (commencing with Section 17500) of Division
39 4 of Title 2 of the Government Code.

1 ~~SEC. 15.~~

2 *SEC. 19.* This act shall become operative only if both Assembly
3 Bill 666 and Senate Bill 505 of the 2009–10 Regular Session of
4 the Legislature are enacted in 2009, in which case this act shall
5 become operative on the later of the effective date of this act or
6 the date on which both Assembly Bill 666 and Senate Bill 505 are
7 enacted.

8 ~~SEC. 16.~~

9 *SEC. 20.* This act is an urgency statute necessary for the
10 immediate preservation of the public peace, health, or safety within
11 the meaning of Article IV of the Constitution and shall go into
12 immediate effect. The facts constituting the necessity are:

13 In order to timely provide essential relief to those persons and
14 jurisdictions who have suffered damage or loss as a result of the
15 wildfires that occurred within the state in ~~2007, 2008,~~ 2008 and
16 2009, that were the subject of a Governor’s proclamation of a state
17 of emergency, it is necessary that this act take effect immediately.

18

19

20 **CORRECTIONS:** _____

21 **Title—Page 1.**

22 **Text—Page 6.**

23 _____