

Assembly Bill No. 313

Passed the Assembly August 27, 2009

Chief Clerk of the Assembly

Passed the Senate August 24, 2009

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2009, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 1366.4 to the Civil Code, relating to common interest developments.

LEGISLATIVE COUNSEL'S DIGEST

AB 313, Fletcher. Common interest developments: assessments.

The Davis-Stirling Common Interest Development Act defines and regulates common interest developments and authorizes the association that manages the development to levy assessments to fulfill its obligations. The act establishes limits on the percentage by which an association may increase regular and special assessments based on the amounts of those assessments in the preceding fiscal year.

This bill would prohibit an association from levying assessments on separate interests within the common interest development based on the taxable value of the separate interests unless the association, on or before December 31, 2009, in accordance with its declaration, levied assessments on those separate interests based on their taxable value, as determined by the tax assessor of the county in which the separate interests are located. The bill would provide an exception for an association that is responsible for paying taxes on the separate interests within the development.

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

SECTION 1. Section 1366.4 is added to the Civil Code, to read:

1366.4. (a) Except as provided in subdivision (b), notwithstanding any provision of this title or the governing documents to the contrary, an association shall not levy assessments on separate interests within the common interest development based on the taxable value of the separate interests unless the association, on or before December 31, 2009, in accordance with its governing documents, levied assessments on those separate interests based on their taxable value, as determined by the tax assessor of the county in which the separate interests are located.

(b) An association that is responsible for paying taxes on the separate interests within the common interest development may levy that portion of assessments on separate interests that is related to the payment of taxes based on the taxable value of the separate interest, as determined by the tax assessor.

Approved _____, 2009

Governor