SENATE BILL **No. 824**

Introduced by Committee on Revenue and Taxation (Senators Wolk (Chair), Alquist, Ashburn, Florez, Runner, Walters, and Wiggins)

March 10, 2009

An act to amend Sections 15609 and 15641 of the Government Code, and to amend Sections 69, 69.3, 214.6, 276, 480.3, and 480.4 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 824, as introduced, Committee on Revenue and Taxation. Taxation.

(1) The State Board of Equalization administers various taxes within the state. Existing law requires the board to hold regular meetings at the State Capitol each month, and authorizes it to hold special meetings at such times and places within the state as the chairperson directs.

This bill would instead require that the State Board of Equalization hold at least one regular meeting in Sacramento each quarter and authorizes the board to hold the required monthly meetings at times and places within the state as the chairperson directs.

(2) The California Constitution requires the State Board of Equalization to assess the property, other than franchises, of specified types of entities. Existing law authorizes the State Board of Equalization to permit an assessee of property to inspect any information and records relating to an appraisal of his or her property.

This bill would make a technical, nonsubstantive change to this provision.

(3) Existing property tax law provides, pursuant to a requirement of the California Constitution, that the property tax base year value of real property that is substantially damaged or destroyed by a disaster, as declared by the Governor, may be transferred to a comparable property

located within the same county that is acquired or newly constructed within 3 years after the disaster as a replacement property. Existing law provides that a property is substantially damaged or destroyed if it sustains physical damage amounting to more than 50% of its full cash value immediately prior to the disaster.

This bill would provide that property is substantially damaged or destroyed if either the land or improvements sustain the specified amount of damage.

(4) Existing property tax law, pursuant to the authorization of the California Constitution, authorizes counties to adopt an ordinance allowing the transfer of the property tax base year value of property in another county in the state that has been substantially damaged or destroyed by a disaster, as provided, to comparable replacement property, of equal or lesser value, that is located in the adopting county and is acquired or newly constructed within 3 years of the damage to, or destruction of, the original property. Existing law provides that a property is substantially damaged or destroyed if it sustains physical damage amounting to more than 50% of its full cash value immediately prior to the disaster.

This bill would provide that property is substantially damaged or destroyed if either the land or improvements sustain the specified amount of damage.

(5) Existing property tax law provides for various exemptions from taxation, including an exemption for property owned and operated by various entities in accordance with the welfare exemption. Existing law provides that property which is leased to a community college, state college, or state university for educational purposes falls within the welfare exemption. Existing law also provides for various filing procedures and requirements when an organization or church claims the welfare exemption.

This bill would update the eligible lessees to include public schools and the University of California to conform with current law. This bill would also revise the filing procedures and requirements for an organization or church claiming a welfare exemption.

(6) Existing property tax law provides, pursuant to the authorization of the California Constitution, for the exemption from property taxation of specified amounts of the assessed value of the home of a disabled veteran, or a veteran's spouse in the case in which the person has, as a result of a service-connected disease or injury, died while on active duty in military service.

This bill would correct an erroneous cross-reference and remove obsolete references to prior exemption amounts.

(7) Existing property tax law requires each county assessor and county recorder to make available a form known as a preliminary change in ownership report. Existing law specifies the contents of this form, but authorizes the State Board of Equalization to revise the form.

This bill would delete the specified contents of this form and would instead require the State Board of Equalization, after consultation with the California Assessors' Association and interested parties, to prescribe the contents of the form. This bill would require that this form contain information that includes, but is not limited to, a description of the property, the parties to the transaction, the date of acquisition, the amount, if any, of the consideration paid for the property, whether paid in money or otherwise, and the terms of the transaction. This bill would also make conforming changes to a related provision.

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

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

(9) 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.

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

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

SECTION 1. Section 15609 of the Government Code is amended to read:

15609. The board shall hold regular meetings ~~at the state capital each month, and~~ *each month at times and places within the state as the chairperson directs. At least one regular meeting shall be* *held in Sacramento each quarter. The board* may hold special meetings at such times and places ~~within the state~~ as the ~~chairman~~ *chairperson* directs. At any meeting the board may transact any and all business and perform all duties imposed upon it and give and enter any and all orders and decrees within its jurisdiction.

SEC. 2. Section 15641 of the Government Code is amended to read:

15641. In order to verify the information furnished to the assessor of the county, the board may audit the original books of account, wherever located, of any person owning, claiming, possessing, or controlling property included in a survey conducted pursuant to this chapter ~~when~~ *if* the property is of a type for which accounting records are useful sources of appraisal data.

No appraisal data relating to individual properties obtained for the purposes of any survey under this chapter shall be made public, and no state or local officer or employee thereof gaining knowledge thereof in any action taken under this chapter shall make any disclosure with respect thereto except as that may be required for the purposes of this chapter. Except as specifically provided herein, any appraisal data may be disclosed by the board to any assessor, or by the board or the assessor to the assessee of the property to which the data relate.

The board shall permit an assessee of property to inspect, at the appropriate office of the board, any information and records relating to an appraisal of his or her property, including "market data" as defined in Section 408 *of the Revenue and Taxation Code*. However, no information or records, other than "market data," which relate to the property or business affairs of a person other than the assessee shall be disclosed.

Nothing in this section shall be construed as preventing examination of that data by law enforcement agencies, grand juries, boards of supervisors, or their duly authorized agents, employees, or representatives conducting an investigation of an assessor's office pursuant to Section 25303, and other duly authorized legislative or administrative bodies of the state pursuant to their authorization to examine that data.

SEC. 3. Section 69 of the Revenue and Taxation Code is amended to read:

69. (a) Notwithstanding any other ~~provision of~~ law, pursuant to Section 2 of Article XIII A of the Constitution, the base year

value of property ~~which~~ *that* is substantially damaged or destroyed by a disaster, as declared by the Governor, may be transferred to comparable property within the same county ~~which~~ *that* is acquired or newly constructed within five years after the disaster, or five years in the case of the Northridge earthquake, as a replacement for the substantially damaged or destroyed property. At the time the base year value of the substantially damaged or destroyed property is transferred to the replacement property, the substantially damaged or destroyed property shall be reassessed at its full cash value; however, the substantially damaged or destroyed property shall retain its base year value notwithstanding the transfer authorized by this section. If the owner or owners of substantially damaged or destroyed property receive property tax relief under this section, that property shall not be eligible for property tax relief under subdivision (c) of Section 70 in the event of its reconstruction.

(b) The replacement base year value of the replacement property acquired shall be determined in accordance with this section.

The assessor shall use the following procedure in determining the appropriate replacement base year value of comparable replacement property:

(1) If the full cash value of the comparable replacement property does not exceed 120 percent of the full cash value of the property substantially damaged or destroyed, then the adjusted base year value of the property substantially damaged or destroyed shall be transferred to the comparable replacement property as its replacement base year value.

(2) If the full cash value of the replacement property exceeds 120 percent of the full cash value of the property substantially damaged or destroyed, then the amount of the full cash value over 120 percent of the full cash value of the property substantially damaged or destroyed shall be added to the adjusted base year value of the property substantially damaged or destroyed. The sum of these amounts shall become the replacement property's replacement base year value.

(3) If the full cash value of the comparable replacement property is less than the adjusted base year value of the property substantially damaged or destroyed, then that lower value shall become the replacement property's base year value.

(4) The full cash value of the property substantially damaged or destroyed shall be the amount of its full cash value immediately prior to its substantial damage or destruction, as determined by the county assessor of the county in which the property is located.

(c) For purposes of this section:

(1) Property is substantially damaged or destroyed if ~~it sustains~~ *the land or the improvements sustain* physical damage amounting to more than 50 percent of its full cash value immediately prior to the disaster. Damage includes a diminution in the value of property as a result of restricted access to the property where the restricted access was caused by the disaster and is permanent in nature.

(2) Replacement property is comparable to the property substantially damaged or destroyed if it is similar in size, utility, and function to the property ~~which~~ *that* it replaces.

(A) Property is similar in function if the replacement property is subject to similar governmental restrictions, such as zoning.

(B) Both the size and utility of property are interrelated and associated with value. Property is similar in size and utility only to the extent that the replacement property is, or is intended to be, used in the same manner as the property substantially damaged or destroyed and its full cash value does not exceed 120 percent of the full cash value of the property substantially damaged or destroyed.

(i) A replacement property or any portion thereof used or intended to be used for a purpose substantially different than the use made of the property substantially damaged or destroyed shall to the extent of the dissimilar use be considered not similar in utility.

(ii) A replacement property or portion thereof that satisfies the use requirement but has a full cash value that exceeds 120 percent of the full cash value of the property substantially damaged or destroyed shall be considered, to the extent of the excess, not similar in utility and size.

(C) To the extent that replacement property, or any portion thereof, is not similar in function, size, and utility, the property, or portion thereof, shall be considered to have undergone a change in ownership when the replacement property is acquired or newly constructed.

(3) "Disaster" means a major misfortune or calamity in an area subsequently proclaimed by the Governor to be in a state of disaster as a result of the misfortune or calamity.

(d) (1) This section applies to any comparable replacement property acquired or newly constructed on or after July 1, 1985.

(2) The amendments made by Chapter 1053 of the Statutes of 1993 apply to any comparable replacement property that is acquired or newly constructed as a replacement for property substantially damaged or destroyed by a disaster occurring on or after October 20, 1991, and to the determination of base year values for the 1991–92 fiscal year and fiscal years thereafter.

(3) The amendments made by the act adding this paragraph apply to any comparable replacement property that is acquired or newly constructed as a replacement for property substantially damaged or destroyed by a disaster occurring on or after July 1, 2003, and to the determination of base year values for the 2003–04 fiscal year and fiscal years thereafter.

(e) Only the owner or owners of the property substantially damaged or destroyed, whether one or more individuals, partnerships, corporations, other legal entities, or a combination thereof, shall receive property tax relief under this section. Relief under this section shall be granted to an owner or owners of substantially damaged or destroyed property obtaining title to replacement property. The acquisition of an ownership interest in a legal entity ~~which~~ *that*, directly or indirectly, owns real property is not an acquisition of comparable property.

SEC. 4. Section 69.3 of the Revenue and Taxation Code is amended to read:

69.3. (a) (1) Notwithstanding any other ~~provision of~~ law, pursuant to the authority of paragraph (3) of subdivision (e) of Section 2 of Article XIII A of the California Constitution, a county board of supervisors, after consultation with affected local agencies located within the boundaries of the county, may adopt an ordinance that authorizes the transfer, subject to the conditions and limitations of this section, of the base year value of real property that is located within another county in this state and has been substantially damaged or destroyed by a disaster to comparable replacement property, including land, of equal or lesser value that is located within the adopting county and has been acquired or newly constructed as a replacement for the damaged or destroyed property within three years after the damage or destruction of the original property.

(2) The base year value of the original property shall be the base year value of the original property as determined in accordance with Section 110.1, with the inflation factor adjustments permitted by subdivision (f) of Section 110.1, determined as of the date immediately prior to the date that the original property was substantially damaged or destroyed. The base year value of the original property shall also include any inflation factor adjustments permitted by subdivision (f) of Section 110.1 for the period subsequent to the date of the substantial damage to, or destruction of, the original property and up to the date the replacement property is acquired or newly constructed, regardless of whether the claimant continued to own the original property during this entire period. The base year or years used to compute the base year value of the original property shall be deemed to be the base year or years of any property to which that base year value is transferred pursuant to this section.

(b) For purposes of this section:

(1) "Affected local agency" means any city, special district, school district, or community college district that receives an annual allocation of ad valorem property tax revenues.

(2) "Claimant" means an owner or owners of real property claiming the property tax relief provided by this section.

(3) "Comparable replacement property" means a replacement property that has a full cash value of equal or lesser value as defined in paragraph (6).

(4) "Consultation" means a noticed hearing, that is conducted by a county board of ~~supervisors~~ *supervisors,* concerning the adoption of an ordinance described in subdivision (a) and with respect to which all affected local agencies within the boundaries of the county are provided with reasonable notice of the time and the place of the hearing and a reasonable opportunity to appear and participate.

(5) "Disaster" means a major misfortune or calamity in an area subsequently proclaimed by the Governor to be in a state of disaster as a result of the misfortune or calamity.

(6) "Equal or lesser value" means that the amount of the full cash value of the replacement property does not exceed one of the following:

(A) One hundred five percent of the amount of the full cash value of the original property if the replacement property is purchased or newly constructed within the first year following the date of the damage or destruction of the original property.

(B) One hundred ten percent of the amount of the full cash value of the original property if the replacement property is purchased or newly constructed within the second year following the date of the damage or destruction of the original property.

(C) One hundred fifteen percent of the amount of the full cash value of the original property if the replacement property is purchased or newly constructed within the third year following the date of the damage or destruction of the original property.

For ~~the~~ purposes of this paragraph, if the replacement property is, in part, purchased and, in part, newly constructed, the date the "replacement property is purchased or newly constructed" is the date of the purchase or the date of completion of new construction, whichever is later.

(7) "Full cash value of the original property" means its full cash value, as determined in accordance with Section 110, immediately prior to its substantial damage or destruction, as determined by the county assessor of the county in which the property is located.

(8) "Full cash value of the replacement property" means its full cash value, as determined in accordance with Section 110.1 as of the date upon which it was purchased or new construction was completed, that is applicable on and after that date.

(9) "Original property" means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, that is owned and occupied by a claimant as his or her principal place of residence, and any land owned by the claimant on which the building, structure, or other shelter is situated, that has been substantially damaged or destroyed by a disaster. For purposes of this paragraph, land constituting a part of original property includes only that area of reasonable size that is used as a site for a residence, and "land owned by the claimant" includes land for which the claimant either holds a leasehold interest described in subdivision (c) of Section 61 or a land purchase contract. For purposes of this paragraph, each unit of a multiunit dwelling shall be considered a separate original property.

(10) “Owner or owners” means an individual or individuals, but does not include any firm, partnership, association, corporation, company, other legal entity or organization of any kind.

(11) “Replacement property” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, that is owned and occupied by a claimant as his or her principal place of residence, and any land owned by the claimant on which the building, structure, or other shelter is situated. For purposes of this paragraph, land constituting a part of the replacement property includes only that area of reasonable size that is used as the site for a residence, and “land owned by the claimant” includes land for which the claimant either holds a leasehold interest described in subdivision (c) of Section 61 or a land purchase contract. For purposes of this paragraph, each unit of a multiunit dwelling shall be considered a separate replacement property. “Replacement property” does not include any property, including land or improvements, if the claimant owned any portion of that property prior to the date of the disaster that damaged or destroyed the original property.

(12) “Substantially damaged or destroyed” means property ~~that sustains~~ *where either the land or the improvements sustain* physical damage amounting to more than 50 percent of its full cash value immediately prior to the disaster. Damage includes a diminution in the value of property as a result of restricted access to the property where the restricted access was caused by the disaster and is permanent in nature.

(c) At the time the base year value of the substantially damaged or destroyed property is transferred to the replacement property pursuant to an ordinance adopted under this section, the substantially damaged or destroyed property shall be reassessed at its full cash value. However, the substantially damaged or destroyed property shall retain its base year value notwithstanding that transfer. If the owner or owners of substantially damaged or destroyed property receive property tax relief under this section, that property shall not be eligible for property tax relief under subdivision (c) of Section 70 in the event of its reconstruction.

(d) Only the owner or owners of the property that has been substantially damaged or destroyed may receive property tax relief under an ordinance adopted pursuant to this section. Relief under an ordinance adopted pursuant to this section shall be granted to an owner or owners of a substantially damaged or destroyed property obtaining comparable replacement property. The acquisition of an ownership interest in a legal entity that, directly or indirectly, owns real property is not an acquisition of comparable replacement property for purposes of this section.

(e) A timely claim for relief under an ordinance adopted pursuant to this section, in that form as shall be prescribed by the board, shall be filed by the owner with the assessor of the county in which the replacement property is located. No relief under an ordinance adopted pursuant to this section shall be granted unless the claim is filed no later than January 1, 1996, or within three years after the replacement property is acquired or newly constructed, whichever is later.

(f) Any taxes that were levied on the replacement property prior to the filing of a claim on the basis of the replacement property's new base year value, and any allowable annual adjustments thereto, shall be canceled or refunded to the claimant to the extent that taxes exceed the amount that would be due when determined on the basis of the adjusted new base year value.

(g) This section shall apply to any comparable replacement property of equal or lesser value that is acquired or newly constructed as a replacement for property that has been substantially damaged or destroyed by a disaster occurring on or after October 20, 1991, and to the determination of base year values for the 1991–92 fiscal year and each fiscal year thereafter.

SEC. 5. Section 214.6 of the Revenue and Taxation Code is amended to read:

214.6. (a) *(1)* Property ~~which~~ *that* is owned by an organization meeting the requirements of subdivision (b) of Section 4 of Article XIII of the California Constitution and complying with the requirements of paragraphs (1) to (7), inclusive, of subdivision (a) of Section 214 and ~~which~~ *that* is leased to an exempt governmental entity for the purpose of conducting an activity ~~which~~ *that* if conducted by the owner would qualify the property for an exemption, or leased to a *public school,* community college, state college, or state university*, including the University of California,* for educational purposes, shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 of Article XIII of the California Constitution if:

~~(1)~~

(A) The total income received by the *exempt* organization in the form of rents, fees, or charges from such lease does not exceed the ordinary and usual expenses in maintaining and operating the leased property; and

~~(2)~~

(B) With respect to entities ~~which~~ *that* are political subdivisions of the state, the property is located within the boundaries of the exempt governmental entity leasing the same.

(2) To claim the exemption provided by this section for property leased by a qualifying organization to a public school, community college, state college, or state university, including the University of California, when both entities use the property in a joint manner, the organization need only attach a copy of the lease agreements with the annual filing of the welfare exemption claim.

(b) To claim the *welfare* exemption provided by this section for property leased by a church to a ~~school district, the church need only file a~~ *public school, community college, state college, or state university, including the University of California, when both entities use the property in a joint manner, and where the church has claimed a religious exemption, the church need only annually file a church* lessor's exemption claim and affirm each of the following:

(1) The total income received by the ~~organization~~ *church* in the form of rents, fees, or charges from the lease does not exceed the ordinary and usual expenses in maintaining and operating the leased property.

(2) With respect to entities ~~which~~ *that* are political subdivisions of the state, the property is located within the boundaries of the exempt governmental entity leasing the same.

SEC. 6. Section 276 of the Revenue and Taxation Code is amended to read:

276. (a) Except as otherwise provided by subdivision (b), for property for which the disabled veterans' exemption described in Section 205.5 was available, but for which a timely claim was not filed, a partial exemption shall be applied in accordance with whichever of the following is applicable:

(1) Ninety percent of any tax, including any interest or penalty thereon, levied upon that portion of the assessed value of the property that would have been exempt under a timely and appropriate claim shall be canceled or refunded, provided that an

appropriate claim for exemption is filed after 5 p.m. on February 15 of the calendar year in which the fiscal year begins but on or before the following December 10.

(2) If an appropriate claim for exemption is filed after the time period specified in paragraph (1), 85 percent of that portion of any tax, including any interest or penalty thereon, that was levied upon that portion of the assessed value of the property that would have been exempt under a timely and appropriate claim, shall be canceled or refunded. Cancellations made under this paragraph are subject to the provisions of Article 1 (commencing with Section ~~4895)~~ *4985)* of Chapter 4. Refunds issued under this paragraph are subject to the limitations periods on refunds as described in Article 1 (commencing with Section 5096) of Chapter 5.

(b) If a ~~late filed~~ *late-filed* claim for the ~~sixty-thousand-dollar ($60,000) exemption is filed in conjunction with a timely filed claim for the forty-thousand-dollar ($40,000) exemption, or if a late filed claim for the~~ one-hundred-fifty-thousand-dollar ($150,000) exemption is filed in conjunction with a timely filed claim for the one-hundred-thousand-dollar ($100,000) exemption, the amount of any exemption allowed under the late-filed claim under subdivision (a) shall be determined on the basis of that portion of the exemption amount, otherwise available under subdivision (a), that exceeds ~~forty thousand dollars ($40,000) or~~ one hundred thousand dollars ($100,000), as applicable.

(c) For those claims filed pursuant to subdivision (a) after November 15, the exemption under that subdivision may be applied to the second installment. If that exemption is so applied, the first installment is still delinquent on December 10, and is subject to delinquent penalties provided for in this division if that installment is not timely paid. A refund shall be made to the taxpayer upon a claim submitted to the auditor if the exemption is applied to the second installment and either of the following is true:

(1) Both installments are paid on or before December 10.

(2) The reduction in taxes resulting from the exemption exceeds the amount of taxes due on the second installment.

SEC. 7. Section 480.3 of the Revenue and Taxation Code is amended to read:

480.3. (a) Each county assessor and recorder shall make available, without charge and upon request, a form entitled "Preliminary Change of Ownership Report," which transferees of real property shall complete and may file with the recorder concurrent with the recordation of any document effecting a change in ownership. The form shall be signed by the transferee or an officer of the transferee ~~and~~ *certifying that the information provided on the form is, to the best of his or her knowledge and belief, true, correct, and complete. The form* shall not be signed by an agent acting for a transferee.

(b) If a document evidencing a change in ownership is presented to the recorder for recordation without the concurrent filing of a preliminary change in ownership report, the recorder may charge an additional recording fee of twenty dollars ($20).

(c) Noncompliance with this section by the transferee shall not delay or preclude the recordation of documents if the additional fee specified in subdivision (b) is tendered.

(d) The authority to obtain information pursuant to this section is in addition to, and not in lieu of, any existing authority the assessor has under this article.

(e) In cases where the county tax collector files purchaser's deeds with respect to a sale for defaulted taxes, the information given to the assessor pursuant to Sections 3716 and 3811 shall be deemed to constitute compliance with this section.

(f) The filing of a preliminary change of ownership report or the payment of an additional recording fee shall not be required of any intermediate transferee of property, or of any trustee issuing a trustee's deed to the mortgagee or beneficiary of a mortgage or deed of trust, or his or her assignees, pursuant to the exercise of a power of sale contained in a deed of trust or mortgage pursuant to Chapter 2 (commencing with Section 2920) of Title 14 of Part 4 of Division 3 of the Civil Code. For purposes of this subdivision, "intermediate transferee" means any transferee who is acting as both a transferee and the transferor of the same property as part of a series of simultaneous transfers which affect that property and who records the transfer documents and any other recorded documents related to the transfer in consecutive order at one time.

(g) Except as prescribed in subdivisions (e) and (f), this section shall apply to changes of ownership occurring on or after July 1, 1985.

SEC. 8. Section 480.4 of the Revenue and Taxation Code is amended to read:

480.4. (a) The preliminary change of ownership report referred to in Section 480.3 shall ~~be in substantially the following form:~~ *give information relative to the transfer. The information shall include, but not be limited to, a description of the property, the parties to the transaction, the date of acquisition, the amount, if any, of the consideration paid for the property, whether paid in money or otherwise, and the terms of the transaction. The preliminary change in ownership report shall not include any question that is not germane to the assessment function.*

~~PRELIMINARY CHANGE OF OWNERSHIP REPORT~~

~~(To be completed by transferee (buyer) prior to transfer of subject property in accordance with Section 480.3 of the Revenue and Taxation Code.)~~

~~FOR RECORDER: Recorded Book , Page , Date Document No.~~

~~SELLER:~~
~~BUYER:~~
~~A.P. #(s):~~
~~LEGAL DESCRIPTION:~~
~~ADDRESS (if improved):~~
~~MAIL TAX INFORMATION TO: Name:~~ ____________________
~~Address:~~ ____________________________________

~~FOR ASSESSOR'S USE ONLY:~~

~~NOTICE: A lien for property taxes applies to your property on January 1 of each year for the taxes owing in the following fiscal year, July 1 through June 30. One-half of these taxes is due November 1, and one-half is due February 1. The first installment becomes delinquent on December 10, and the second installment becomes delinquent on April 10. One tax bill is mailed before November 1 to the owner of record. If this transfer occurs after January 1 and on or before December 31, you may be responsible for the second installment of taxes due February 1.~~

~~The property which you acquired may be subject to a supplemental tax assessment in an amount to be determined by the (name of county) County Assessor. For further information on your supplemental roll tax obligation, please call the (name of county) County Assessor at (phone number).~~

~~1. Transfer Information:~~

~~A.~~	~~Was this transfer solely between husband & wife, addition of a spouse, death of a spouse, divorce settlement, etc.?~~	~~a. ( ) YES b. ( ) NO~~
~~B.~~	~~Was this transaction only a correction of the name(s) of the person(s) holding title to the property?~~	~~a. ( ) YES b. ( ) NO~~
~~C.~~	~~Was this document recorded to create, terminate, or reconvey a lender's interest in the property?~~	~~a. ( ) YES b. ( ) NO~~
~~D.~~	~~Was this document recorded to substitute a trustee under a deed of trust, mortgage, or other similar document?~~	~~a. ( ) YES b. ( ) NO~~
~~E.~~	~~Did this transfer result in the creation of a joint tenancy in which the seller (transferor) remains as one of the joint tenants?~~	~~a. ( ) YES b. ( ) NO~~
~~F.~~	~~Return of property to person who created the joint tenancy?~~	~~a. ( ) YES b. ( ) NO~~
~~G.~~	~~Is this transfer of property:~~	
	~~a. to a trust for the benefit of the grantor?~~	~~a. ( ) YES b. ( ) NO~~
	~~b. to a revocable trust?~~	~~a. ( ) YES b. ( ) NO~~
	~~c. to a trust from which the property reverts to the grantor within 12 years?~~	~~a. ( ) YES b. ( ) NO~~
~~H.~~	~~If this property is the subject of a lease, is the lease for a term of less than 35 years including written options?~~	~~a. ( ) YES b. ( ) NO~~
~~I.~~	~~If the conveying document constitutes an exclusion from a change in ownership as defined in Section 62 of the Revenue & Taxation Code for any reason other than those listed above, set forth the specific exclusion claimed:~~ ____________	

~~* IF YOU HAVE ANSWERED "NO" TO QUESTIONS A THROUGH H, INCLUSIVE, AND HAVE NOT CLAIMED ANY OTHER EXCLUSIONS UNDER I, PLEASE COMPLETE BALANCE OF FORM. OTHERWISE SIGN AND DATE.~~

~~Preliminary Change of Ownership Report~~ ~~Page Two~~

~~2. Type of property transferred:~~
~~a. ( ) Single-family residence~~
~~b. ( ) Multiple-family residence (no. of units: ______)~~
~~c. ( ) Co-op~~
~~d. ( ) Condo~~
~~e. ( ) Manufactured home~~
~~f. ( ) Unimproved lot~~
~~g. ( ) Commercial/Industrial~~
~~h. ( ) Other (description: ______)~~

~~3. Intended as principal residence?~~ ~~a. ( ) YES b. ( ) NO~~

~~4. Transfer is by:~~
~~a. ( ) Deed; b. ( ) Contract of sale;~~
~~c. ( ) Other—explain:~~ ________________________

~~5. Is less than 100% of property being transferred?~~ ~~a. ( ) YES b. ( ) NO~~

~~6. a. ( ) Date of transfer or; b. ( ) If an inheritance, date of death~~ ________________________

~~7. Is or will, the property produce(ing) income?~~ ~~a. ( ) YES b. ( ) NO~~

~~8. If answer to Question 4 is yes, is income pursuant to:~~
~~a. ( ) Lease; b. ( ) Contract; c. ( ) Mineral rights;~~
~~d. ( ) Other—explain:~~ ________________________

~~9. Did the transfer of this property involve the trade or exchange of other real property?~~ ~~a. ( ) YES b. ( ) NO~~

~~10. a. Total Purchase Price or Acquisition Price, If Exchanged:~~ ~~$~~ ____________

~~b. Cash Downpayment or Value of Trade (excluding closing costs):~~ ~~$~~ ____________

~~c. 1st Deed of Trust~~ ~~$~~ ____________
~~at ______ % interest for ______ years.~~
~~New Loan ( ); Assumed Existing Loan Balance ( );~~
~~FHA ( ); Cal-Vet ( ); VA ( ); Bank ( ); Finance Co. ( );~~
~~Savings & Loan ( ); Loan Carried By Seller ( );~~
~~All Inclusive ( ); Balloon Payment:~~
~~Yes ( ) No ( ).~~

~~d. 2nd Deed of Trust~~ ~~$~~ ____________
~~at ______ % interest for ______ years.~~
~~New Loan ( ); Assumed Existing Loan Balance ( );~~
~~Loan Carried By Seller ( ); Balloon Payment:~~
~~Yes ( ) No ( ).~~

~~e. Was other type of financing involved not covered in (c) or (d), above?~~ ~~a. ( ) YES b. ( ) NO~~

~~f. Improvement Bond: Yes ( ) No ( ); Outstanding Balance~~ ~~$~~ ____________

~~11. Was any personal property involved in purchase other than a mobilehome on real property?~~ ~~a. ( ) YES b. ( ) NO~~ ~~c. AMOUNT~~ ______

~~Preliminary Change of Ownership Report~~ ~~Page Three~~

~~I certify that the foregoing is true, correct, and complete to the best of my knowledge and belief.~~

~~Signed~~ ______________________ ~~Date:~~ ______________________
~~(New Owner/Corporate Officer)~~

~~Address if other than above~~ ______________________

~~Phone No. Where You Are Available From 8:00 am–5:00 pm: ( )~~ ______________________
~~(NOTE: The Assessor may contact you for further information.)~~

(b) The State Board of ~~Equalization may revise the~~ *Equalization, after consultation with the California Assessors' Association and interested parties, shall prescribe the* preliminary change of ownership report~~, as necessary,~~ for the purpose of maintaining statewide uniformity in the contents of the report.

~~(c) This section shall become operative on July 1, 1991.~~

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

SEC. 10. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

CORRECTIONS:

Text—Pages 15, 16, 17, 18.

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