

NAME:

DATE:

**2020 PROPERTY TAX LEGISLATION
SELF STUDY SESSION**

REVIEW QUESTIONS

1. Assembly Bill 107 extends to March 31, 2021 the two-year deadline by which an assessment appeals board is required to render a final determination on an application that was timely filed and has a two-year deadline occurring during the period beginning on March 4, 2021 and before March 31, 2021.
 True
 False

2. Assembly Bill 107 provides that nothing in existing law shall be construed to prohibit an appeals board or a multijurisdictional assessment appeals board from conducting hearings remotely. What methods for conducting hearings remotely are included? Mark all that apply.
 Use of remote interpreting
 Use of video, audio, and telephonic means for remote appearances
 Use of remote reporting and electronic recording to make the official record of action or proceeding
 Electronic exchange and authentication of documentary evidence
 All of the above

3. If an appeals board or multijurisdictional appeals board conducts a hearing remotely, AB 107 requires that the hearings comply with the appeals provisions of the Government Code and any rules and procedures adopted by the county board of supervisors pursuant to article XIII A, section 16, of the California Constitution.
 True
 False

4. The regular assessment filing period in counties where the Assessor has provided an assessment notice by August 1 to all taxpayers on the secured roll is July 2 through November 30.
- True
- False
5. Assembly Bill 2013 adds section 70.5 to the Revenue and Taxation Code with an effective date of January 1, 2021 for property that has been substantially damaged or destroyed by a Governor-declared disaster on or after January 1, 2017.
- True
- False
6. Assembly Bill 2013 adds a new construction exclusion for comparable property that is reconstructed on the site of the damaged or destroyed property under which of the following conditions? Mark all applicable conditions.
- The reconstructed property is similar in function, size, and uniformity.
- The property is substantially damaged or destroyed by a disaster, misfortune, or calamity as declared by the Governor.
- The original property sustains physical damage amounting to 50 percent or less the improvements' full cash value immediately prior to the disaster.
- Construction must be completed within five years of the date of the damage or destruction.
- Only the owner(s) of the property substantially damaged or destroyed is eligible to receive relief under this section.
- All of the above.
7. Assembly Bill 3373 authorizes a County Board of Supervisors to create up to five assessment appeals boards to timely process, hear, and dispose of property tax appeals.
- True
- False

8. From July 24, 1995 to January 1, 2005, the law allowed a county a maximum of 10 assessment appeals boards due to an economic recession that resulted in an unprecedented number of assessment appeals throughout the state.

- True
 False

9. Assembly Constitutional Amendment 11 (Proposition 19) is the Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act.

- True
 False

10. Subject to voter approval, Proposition 19 will add section 2.1 to article XIII A of the California Constitution, to allow homeowners who are over age 55, severely disabled, or victims of wildfire or natural disasters to transfer a base year value to a replacement home. In addition, which of the following are true? Mark all that apply.

- Operative date is April 1, 2021.
 Allows persons over age 55 or severely disabled to transfer their base year three times.
 The replacement property must be located in the same county as the original property or in a different county if that county has enacted an ordinance.
 The replacement property can be located anywhere in California.
 The replacement property must be purchased or newly constructed within five years of the sale of the original property.
 Allows the base year value to be transferred to a home of equal or lesser value. If the value of the replacement home is greater than the value of the original property, the difference in market values will be added to the transferred base year value of the original property.
 The homeowner must file an application with the County Assessor where the replacement property is located.
 All of the above.

11. Under Proposition 19, a victim of a wildfire or natural disaster means the owner of a primary residence which has been substantially damaged as a result of a wildfire or natural disaster that amounts to more than 50 percent of the improvement value immediately before the wildfire or natural disaster.

- True
 False

12. Subject to voter approval, Proposition 19 replaces the existing parent-child and grandparent-grandchild exclusion with a new parent-child and grandparent-grandchild exclusion. Which of the following changes under Proposition 19 are true? Mark all that apply.

- A family home includes a family farm.
- Applies to a transfer of a family home, even if the property does not continue as the family home of the transferee.
- Operative date is February 16, 2021
- The adjusted base year value of the principal residence will remain if the reassessed value is less than the sum of the adjusted base year value of the principal residence of the transferor plus \$1 million.
- Applies to the purchase or transfer of a principal residence or the first \$1 million of all other real property between parents and their children.
- The home must be the principal residence of the transferee and requires the transferee to file for the homeowners' or disabled veterans' exemption.
- All of the above.

13. Under Proposition 19, if the reassessed value of the principal residence is equal to or exceeds the sum of the adjusted base year value of the principal residence of the transferor plus \$1 million, then the reassessed value is to be added to the property's existing adjusted base year value.

- True
- False

14. Senate Bill 364 provides that nonresidential active solar energy systems are personal property and exempt from taxation until the system undergoes a subsequent change in ownership. These provisions are operative only if Proposition 15 on the November 3, 2020 ballot is voter approved.

- True
- False

15. Senate Bill 1473 proposes which of the following BOE-sponsored changes? Mark all that apply.

- For purposes of the welfare exemption, corrects an erroneous cross-reference in the definition of "community land trust."
- Clarifies that the BOE must issue a final county survey report within 18 months.
- Extends the BOE's current county survey cycle for an additional five years.
- Revises the interest component used for assessment of historical property.
- Provides that the final county survey report that the Assessor files with specified government officials is to include any addendums.
- All of the above.

16. Under Senate Bill 1473, the new survey cycle sunset date is January 1, 2026.

- True
- False

17. The Assessment Practices Survey Program is one of the state's major efforts to promote uniformity, fairness, equity, and integrity in the property tax assessment process. Which of the following describe the program? Mark all that apply.

- The survey report concentrates on statutory mandates and revenue-related issues.
- In some cases, the law requires the BOE's survey to include a "sampling" of assessments in the county.
- The BOE periodically reviews the practices and procedures of every County Assessor's office.
- The survey report provides useful information to the County Assessor and the taxpayer in determining the adequacy of the County Assessor's procedures and practices in valuing property and determining whether the total assessment roll complies with statutory standards.
- The purpose of the survey is to determine the adequacy of the procedures and practices the County Assessor uses in valuing property and to evaluate the County Assessor's performance of mandated duties.
- In the sampling, the BOE selects a statistically representative sample of property types; BOE appraisers independently value the selected properties; and the BOE's results are compared to the County Assessor's results.
- All of the above

18. For purposes of applying the welfare exemption to rental housing, Senate Bill 1473 defines "a contract or contracts serving as an enforceable restriction on the affordability of rental units" as an unenforceable and unverifiable agreement with a public agency, a recorded deed restriction, or other legal document described in RTC section 214(g)(2)(A).

True

False

19. A Community Land Trust is a community housing development organization not sponsored by a for-profit organization, with a specified board membership that is established to carry out which of the following activities? Mark all that apply.

Retain a preemptive option to purchase any structural improvement at a price determined by a formula designed to ensure that the improvement remains affordable to low and moderate income families for 10 years.

Acquire parcels of land, held in perpetuity, primarily for conveyance under long-term ground leases.

Transfer ownership of any structural improvements located on the leased parcels to the lessees.

All of the above.

20. Which of the following is/are true of a Community Land Trust? Mark all that apply.

The heart of their work is the creation of homes that remain permanently affordable, providing successful homeownership opportunities for generations of lower income families.

Acquires and develops properties for sale to income-qualified households but retains ownership of the underlying land and leases land to the homeowner for a nominal fee through a long-term ground lease.

A nonprofit organization governed by a board of CLT residents, community residents and public residents that provide lasting community assets and shared equity homeownership opportunities for families and communities.

Will be a party to all future sales and enforce resale restrictions.

Provides an affordable housing model to help low- and moderate-income households that may not otherwise be able to purchase homes.

All of the above.

21. For the assessment of enforceably restricted historical property, Senate Bill 1473 replaces the effective rate on conventional mortgages as determined by the Federal Housing Finance Agency with the average interest rate as published by the Federal Home Loan Mortgage Corporation.

True

False

22. The Mills Act grants participating local governments (cities and counties) the authority to enter into a contract with a qualified historical property owner to enforceably restrict the historical property's use

True

False

23. Revenue and Taxation Code section 439.2 prescribes two types of capitalization rates for restricted historical property, distinguished by the property's type and usage: restricted historical property that is an owner-occupied multi-family residence and all other restricted historical property.

True

False

24. Match the bill number(s) enacted in 2020 with the code section that each bill adds or amends.

1	ACA 11
2	SB 1473
3	AB 2013
4	SB 364
5	AB 107
6	AB 3373

	Government Code section 15643
	Revenue and Taxation Code section 73
	Revenue and Taxation Code section 86
	Revenue and Taxation Code section 214.18
	Revenue and Taxation Code section 70.5
	Revenue and Taxation Code section 1604
	Revenue and Taxation Code section 83
	California Constitution, Article XIII A section 2.1
	Revenue and Taxation Code section 1621
	Revenue and Taxation Code section 84
	Revenue and Taxation Code section 88
	Revenue and Taxation Code section 106
	Government Code section 15645
	Revenue and Taxation Code section 83.5
	Revenue and Taxation Code section 439.2
	Revenue and Taxation Code section 86
	Revenue and Taxation Code section 1616
	Revenue and Taxation Code section 85
	Government Code section 15646
	Revenue and Taxation Code section 1752.4
	Revenue and Taxation Code section 105
	Revenue and Taxation Code section 87