

NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

## 2022 PROPERTY TAX LEGISLATION

### SELF STUDY SESSION

### REVIEW QUESTIONS

1. Assembly Bill 1206 amended section 214 and section 259.15 of the Revenue and Taxation Code and became effective September 28, 2022.  
 True  
 False
  
2. The exclusion, known as the "welfare exclusion", is implemented pursuant to Revenue and Taxation Code section 214.  
 True  
 False
  
3. The California State Board of Equalization (BOE) and 58 County Assessors are jointly responsible for administering the welfare exemption.  
 True  
 False
  
4. What are the BOE's responsibilities in the administration of the welfare exemption? Mark all that apply.  
 Determining if an organization is qualified for either an Organizational Clearance Certificate (OCC) or a Supplemental Clearance Certificate (SCC).  
 Determining whether the use of a qualifying organization's property is eligible for the welfare exemption.  
 Tracking eligible nonprofit organizations and Limited Liability Companies.  
 Monitoring organizations for continued eligibility.  
 All of the above.

5. What are the County Assessor's responsibilities in the administration of the welfare exemption? Mark all that apply.
- Evaluating the application.
  - Granting or denying the exemption to claimants.
  - Determining whether the use of the property meets the statutory requirements for receiving the welfare exemption.
  - All of the above.
6. In what year did the Legislature clarify the requirements for community land trusts (CLT) to claim the welfare exemption and made property owned by a CLT eligible for the welfare exemption prior to beginning construction?
- 2019
  - 2022
  - 2020
  - 2021
7. Assembly Bill 1206 clarifies that section 259.15 requires CLTs, when applying for the welfare exemption for units where occupants earn over 140 percent of the AMI, to submit an affidavit that complies with section 259.15 for fiscal years 2022-23 through 2027-28, as well as provide any other information prescribed by the Board.
- True
  - False
8. Which of the following are true of a Community Land Trust (CLT)? Mark all that apply.
- Nonprofit organizations governed by a board of CLT residents, community residents, and public representatives that provide lasting community assets and shared equity homeownership opportunities for families and communities.
  - Provide an affordable housing model to help low- and moderate-income households that may not otherwise be able to purchase homes.
  - Acquire and develop properties for sale to income-qualified households but retain ownership of the underlying land and leases the land to the homeowners for a nominal fee through a short-term ground lease.
  - Develop rural and urban agriculture projects, commercial spaces to serve local communities, affordable rental and cooperative housing projects, and conserve land or urban green spaces.
  - All of the above.

9. Assembly Bill 1715 amends section 277 and adds Space Force to the list of military branches that are eligible for veterans to receive the disabled veterans' property tax exemption.

True

False

10. Table 8 of the BOE's Open Data Portal provides property tax exemption data.

True

False

11. Assembly Bill 1933 added Revenue and Taxation Code section 214.15.1 which remains in effect until January 1, 2034, and is repealed as of that date.

True

False

12. The sponsors of Assembly Bill 1933 claim to have been denied the property tax exemption by the Board of Equalization because the homebuyer is paying interest on a conventional mortgage instead of all financing going through a 0% interest loan.

True

False

13. Assembly Bill 1933 explicitly includes properties to be sold to first-time homebuyers in welfare exemption.

True

False

14. Assembly Bill 1933 applies the welfare exemption to property owned and operated by nonprofit corporations that are organized and operated for the specific purpose of rehabilitating and building single- or multi-family residential units, if the property is subject to a 45-year recorded agreement with the appropriate local agency and if the agreement includes which of the following? Mark all that apply.

Requires the units to be made available at an affordable housing cost to buyers.

Requires initial down payment on the units to be five percent or less of the market value of the unit at the time of purchase.

Requires some or all of the property's units to be owner-occupied and sold only to and purchased only by any homebuyers that are low-income.

All of the above.

15. Fill in the blanks. Assembly Bill 1933 specifies only the portion of the property proposed to be \_\_\_\_\_ with units that meet the requirements shall receive the \_\_\_\_\_. Following the \_\_\_\_\_, only the portion of the property with units that meet the requirements shall receive the \_\_\_\_\_.
16. Under Assembly Bill 1933, a nonprofit corporation shall be liable for property taxes for the years for which the property was exempt from taxation in which of the following circumstances? Mark all that apply.
- If the property was not developed or rehabilitated by January 1, 2028, for property acquired by the nonprofit corporation before January 1, 2023.
  - If the development or rehabilitation was not in the course of construction within five years of the lien date following the acquisition of the property by the nonprofit corporation for property acquired by the nonprofit corporation on or after January 1, 2023, and before January 1, 2028.
  - If the property was not developed or rehabilitated within five years of the lien date following the acquisition of the property by the nonprofit corporation for property acquired by the nonprofit corporation on or after January 1, 2023, and before January 1, 2028.
  - If the development or rehabilitation was not in the course of construction by January 1, 2028, for property acquired by the nonprofit corporation before January 1, 2023.
  - All of the above.

17. Which of the following conditions are true under Assembly Bill 1933. Mark all that apply.

- Allows the exemption to apply to larger, mixed-income development projects where a portion of the units may be available to persons or families that are not low-income families.
- A nonprofit shall make their annual independent audits available upon request in order to be eligible for the exemption.
- The holding of real property by a for-profit corporation for purposes of future construction for housing that complies with this bill's provisions is central to that corporation's exempt purposes and activities.
- The holding of property by a nonprofit corporation for future construction on that property of a single- or multi-family residence as described in subdivision (a), constitutes the exclusive use of that property for a charitable purpose within the meaning of subdivision (b) of section 4 of Article XIII of the California Constitution.
- If the property was not previously designated as open space, then the welfare exemption may be denied on the basis that the property does not currently include a single- or multi-family residential unit, or a single- or multi-family residential unit that is in the course of construction.
- Requires the County Assessor, on each lien date, to adjust the exemption by a proration factor that reflects the portion of the property proposed to be built or rehabilitated with units that meet the requirements for exemption as a percentage of the total development.
- All of the above.

18. What is the effective date of Assembly Bill 2651?

- January 1, 2023
- April 15, 2023
- September 28, 2022
- January 1, 2025

19. Assembly Bill 2651 extends the sunset dates for the property tax welfare exemption for disabled veterans that qualify under the exemption granted under Revenue and Taxation code section 214.18 for an additional two years from January 1, 2025, to January 1, 2027.

- True
- False

20. For California property tax purposes, a "community land trust" is defined in Revenue and Taxation Code section 402.1(a)(11)(C)(ii) as a nonprofit corporation organized pursuant to section 501(c)(3) of the Internal Revenue Code that satisfies all the following? List all that apply.

- \_\_\_\_\_  
\_\_\_\_\_
- \_\_\_\_\_  
\_\_\_\_\_
- \_\_\_\_\_  
\_\_\_\_\_

21. Which of the following are NOT true of Senate Bill 989? Mark all that apply.

- Adds sections 2610.8 and 2636.1 of the Revenue and Taxation Code.
- Provisions apply to counties with a population less than 4 million as determined by the 2020 federal census.
- Authored by Hertzberg.
- Adds a disclosure on property tax bills regarding Proposition 19 base year value transfer provisions and property tax deferment procedures.
- Allows taxpayers to eliminate payment of local property taxes if their property meets certain qualifications.
- Effective January 1, 2023.
- Other counties may comply if the county's Board of Supervisors, after consultation with the Board of Equalization, adopts a resolution implementing the requirements of the bill.
- The local property tax deferment section shall remain in effect only until January 1, 2026.

22. Senate Bill 989 allows a taxpayer to defer local property taxes, without penalty or interest if both of the following conditions apply. List both conditions.

- \_\_\_\_\_  
\_\_\_\_\_
- \_\_\_\_\_  
\_\_\_\_\_

23. Local property taxes shall be deferred until either the County Assessor has reassessed the property and a corrected tax bill prepared pursuant to section 69.6 has been sent to the property owner, or the County Assessor has determined the property is not eligible for exclusion pursuant to section 69.6 and the County Assessor has notified the property owner.

True

False

24. Senate Bill 1340 specifies any active solar energy system that qualifies for the exclusion under section 73 prior to January 1, 2027, shall continue to be excluded until there is a subsequent change in ownership.

True

False

25. Match the bill number(s) enacted in 2022 with the code section that each bill adds or amends.

1	SB 1340
2	AB 1715
3	AB 1206
4	AB 1933
5	AB 2651
6	AB 1206
7	SB 989

	Revenue and Taxation Code section 214
	Revenue and Taxation Code section 2636.1
	Revenue and Taxation Code section 214.18
	Revenue and Taxation Code section 205.5
	Revenue and Taxation Code section 73
	Revenue and Taxation Code section 259.15
	Revenue and Taxation Code section 214.15.1
	Revenue and Taxation Code section 2610.8