



STATE BOARD OF EQUALIZATION
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No. 2005/012

February 10, 2005

TO COUNTY ASSESSORS AND
INTERESTED PARTIES:

CALIFORNIA CODE OF REGULATIONS
TITLE 18. PUBLIC REVENUES

RULES OF PRACTICE
REGULATIONS 5060, 5061, 5062, 5063, AND 5064

Enclosed are copies of the following amended Rules of Practice Regulations that govern the Property Tax Welfare Exemption Claim Review Procedure:

- Regulation 5060, Definitions; Board Hearing Procedures; Application*
- Regulation 5061, Supplementary Material; Application for Additional Time To Submit Supplementary Material*
- Regulation 5062, Petition Time Limit*
- Regulation 5063, Hearing Petition: Contents*
- Regulation 5064, Oral Hearings; Waiver*

The revision of these regulations was necessary to implement the statutory amendments to the Welfare and Veterans' Organization Exemption law enacted by Senate Bill 1062 (Statutes of 2003, Chapter 471), effective January 1, 2004.

If you have any questions regarding these Rules of Practice, please contact Ms. Mary Ann Alonzo, Senior Tax Counsel, Legal Department, at (916) 324-1392.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:sk
Enclosures

RULES OF PRACTICE
of the
STATE BOARD OF EQUALIZATION

California Code of Regulations
Title 18, Public Revenues
Division 2. State Board of Equalization
Chapter 10. Petition and Hearing Procedures

ARTICLE 6. PROPERTY TAX WELFARE EXEMPTION CLAIM REVIEW PROCEDURE.

5060. DEFINITIONS; BOARD HEARING PROCEDURES; APPLICATION.

(a) The definitions in Article 7, Regulation 5070 shall apply to this Article, and Board hearings on petitions filed pursuant to this Article shall be conducted pursuant to the hearing procedures set forth in Article 7, commencing with Regulation 5070.

(b) The provisions of this Article shall apply to property tax welfare exemption clearance certificate claims received by the Board pursuant to Section 254.6 of the Revenue and Taxation Code.

Note: Authority: Section 15606(a), Government Code.
Reference: Sections 254.6 and 270, Revenue and Taxation Code.

History: 1. New article 6 and section adopted 8-31-95; effective 1-1-96.
2. Change without regulatory effect amending article heading and section filed 3-19-98.
3. Amended October 19, 2004, effective February 3, 2005.

5061. SUPPLEMENTARY MATERIAL; APPLICATION FOR ADDITIONAL TIME TO SUBMIT SUPPLEMENTARY MATERIAL.

(a) Where, after analysis of a claim, Board Staff determines that the requirements of Section 214 and following sections of the Revenue and Taxation Code have not been met one of the following reasons will be indicated on the Board's clearance certificate finding sheet to the claimant:

- (1) Religious Aspect Not Apparent (Coded - R.N.A.)
- (2) Hospital Aspect Not Apparent (Coded – H.N.A.)
- (3) Scientific Aspect Not Apparent (Coded – S.N.A.)
- (4) Charitable Aspect Not Apparent (Coded - C.N.A.)
- (5) Management Authority of Nonprofit Managing General Partner Not Apparent (Coded – M.G.P.)

A preliminary notice shall accompany the finding sheet sent to the claimant informing the claimant that it has 30 days from the date of the notice to submit supplementary material supporting the claim.

(b) Upon written application filed within the noticed time limit, the claimant shall be granted an additional 30 days to submit the material.

Note: Authority: Section 15606(a), Government Code.
Reference: Sections 214, 214.01, 214.02, 214.05, 214.1, 214.2, 214.3, 214.4, 214.5, 214.6, 214.7, 214.8, 214.9, 214.10, 214.11, 214.13, 214.14, 254.6 and 270, Revenue and Taxation Code.

History: 1. New section adopted 8-31-95; effective 1-1-96.
2. Change without regulatory effect amending subsection (a) and Note filed 3-19-98.
3. Amended October 19, 2004, effective February 3, 2005.

5062. PETITION TIME LIMIT.

Upon receipt of supplementary material, the Board staff shall conduct a complete review of the claim. A final notice informing the claimant that the supplementary material provides or does not provide a basis for changing the original finding shall be issued. A no-change notice shall advise the claimant that it has 60 days from the date of the notice to petition the Board for hearing on the claim.

Note: Authority: Section 15606(a), Government Code.
Reference: Sections 254.6 and 270, Revenue and Taxation Code.

History: 1. New section adopted 8-31-95; effective 1-1-96.
2. Change without regulatory effect amending section filed 3-19-98.
3. Amended October 19, 2004, effective February 3, 2005.

5063. HEARING PETITION: CONTENTS.

(a) The petition for hearing shall be in writing and addressed to the Chief of Board Proceedings. It shall state all of the grounds upon which qualification is claimed, and shall include all documents the petitioner wishes the Board to consider in deciding the petition. The parties to the hearing or proceeding shall be the Board Staff and the petitioner. The parties may agree in writing to submit the matter to the Board for a decision without a hearing. The petition shall indicate whether an oral hearing is desired, and if so, petitioner's estimate of the time necessary therefor. If requested in the petition, the Board shall grant a hearing and hear the matter. The petition shall be signed by an authorized representative of the petitioner and shall be mailed to the Chief of Board Proceedings of the State Board of Equalization at Sacramento, California, or shall be deposited personally at the Board's headquarters office in Sacramento. The Chief of Board Proceedings may require the representative to demonstrate the representative's authority to represent the petitioner.

(b) No later than 30 days after the date that the petition for hearing is received pursuant to subdivision (a), the Board Attorney assigned to the case shall schedule a meeting or telephone conference, at a time suitable for the petitioner, for the purpose of establishing the agreed upon and contested facts and the legal issues under consideration.

(c) The Board Staff shall submit an analysis of the petition, related documents and a staff recommendation for Board Action no later than 30 days prior to the date set for hearing or other action on the petition. The analysis and recommendation shall be submitted to the Chief of Board Proceedings and a copy shall be sent to the petitioner.

(d) The petitioner may file a written response to the staff analysis and recommendation no later than 15 days before the date set for hearing or other action on the petition. The response shall be submitted to the Chief of Board Proceedings.

(e) The provisions of subdivisions (b) of Regulation 5075 shall apply to materials submitted pursuant to (a), (c) or (d) of this regulation.

(f) The Board Staff shall also prepare a summary for Board hearing, which shall be a neutral statement of the relevant facts, the issues, and the positions of the Legal Department and the petitioner. The summary for Board hearing shall not be written by any staff person or persons who reviewed the claim and determined it should be denied, or who participated in the preparation of the staff analysis and recommendation.

(g) The Board Proceedings Division shall distribute the petition and related documents, the staff analysis and recommendation, the petitioner's response, if any, and the summary for Board hearing to the Board, the petitioner and the staff at the time agenda materials are distributed for the Board meeting at which the petition is to be considered.

(h) The Chief of Board Proceedings, upon a showing of reasonable cause, may grant a reasonable extension of time for filing materials under (c) or (d) above. The request for an extension of time shall be submitted in writing before the scheduled due date of any materials.

(i) The petition and related documents, the staff analysis and recommendation and related documents, and the petitioner's response to the staff analysis and recommendation shall be the only documents accepted for filing and distribution prior to a scheduled hearing. The Board Proceedings Division shall return any other documents received to the person submitting the documents.

(j) The provisions of Regulation 5081.2 shall apply regarding the Board's issuance of written findings and decision.

Note: Authority: Section 15606(a), Government Code.
Reference: Sections 254.6 and 270, Revenue and Taxation Code.

History: 1. New section adopted 8-31-95; effective 1-1-96.
2. Amendment adding subsection (a) designator, amending newly designated subsection (a), and adding new subsections (b)-(h) 11-19-97; effective 4-8-98.
3. New subsection (b), subsection relettering, and amendment of newly designated subsections (e) and (h) 3-8-01; effective 7-6-01.
4. Amended October 19, 2004, effective February 3, 2005.

5064. ORAL HEARINGS; WAIVER.

The Board shall schedule an oral hearing on a property tax welfare exemption clearance certificate petition. The petitioner shall receive 60 days notice of the hearing date and time, and the procedures shall be governed by Article 7. Oral hearing may be waived by the taxpayer and the matter submitted for decision on the basis of the written petition.

Note: Authority: Section 15606(a), Government Code.
Reference: Section 254.6, Revenue and Taxation Code.

History: 1. New section adopted 11-19-97; effective 4-8-98.
2. Amendment of section 7-29-99; effective 10-31-99.
3. Amended October 19, 2004, effective February 3, 2005.