



STATE BOARD OF EQUALIZATION
PROPERTY TAX DEPARTMENT
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064
1-916-274-3350 • FAX 1-916-285-0134
www.boe.ca.gov

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No. 2022/049

October 25, 2022

TO COUNTY ASSESSORS:

2022 PROPERTY TAX LEGISLATION

This is a summary of 2022 legislation affecting property taxes. All bills will become effective January 1, 2023, unless otherwise specified.

AB 1206 (Bennett), Chapter 636, effective September 28, 2022

Amends sections 214 and 259.15 of the Revenue and Taxation Code.

Welfare Exemption – Rental Housing and Related Facilities. For fiscal years 2022-23 through 2027-28, requires that a unit continue to be treated as occupied by a lower income household when the income of those occupants increases up to 140 percent of area median income, if the owner is a community land trust whose land is leased to low-income households and subject to a contract that complies with the requirements of Revenue and Taxation Code (RTC) section 402.1(a)(11). In uncodified language, requires County Assessors to provide any data requested by the State Board of Equalization (BOE) regarding the effectiveness of the tax exemption allowed by RTC section 214(g).

AB 1715 (Muratsuchi), Chapter 379

Among others, amends section 205.5 of the Revenue and Taxation Code.

Disabled Veterans' Exemption. Adds United States Space Force to the list of military branches for which eligible veterans have served for purposes of the disabled veterans' property tax exemption.

AB 1933 (Friedman), Chapter 643, effective September 28, 2022

Adds and repeals section 214.15.1 of the Revenue and Taxation Code.

Welfare Exemption: Low and Moderate Income Housing. Provides the welfare exemption from property tax for property that is owned and operated by a nonprofit corporation, that is otherwise qualified for the exemption, and is organized and operated for the specific and primary purpose of building and rehabilitating single or multifamily residential units that meet certain requirements. Specifies that a nonprofit corporation is liable for property tax for the years for which the property was exempt, if the property was not in process of being developed or rehabilitated by specified dates, depending on the date that the nonprofit corporation acquired the property. Remains in effect only until January 1, 2034, and is repealed as of that date.

AB 2651 (Petrie-Norris), Chapter 656, effective September 28, 2022

Amends section 214.18 of the Revenue and Taxation Code.

Welfare Exemption – Community Land Trust. Extends the sunset date for the welfare exemption from property tax for community land trusts that qualify under RTC section 214.18 for an additional two years from January 1, 2025 to January 1, 2027.

SB 989 (Hertzberg), Chapter 712, effective September 28, 2022

Adds section 2610.8 to, and adds and repeals section 2636.1 of, the Revenue and Taxation Code.

Taxable Value Transfers: Disclosure and Deferment. Adds a disclosure on certain property tax bills regarding Proposition 19 base year value transfers. Allows taxpayers to defer property tax payment if a claim for the RTC section 69.6 base year value transfer has been filed, but has not yet been processed by the County Assessor. Applies to counties with a population greater than 4 million, as determined by the 2020 federal census, and any other counties whose board of supervisors adopts a resolution implementing these requirements. Remains in effect only until January 1, 2026, and is repealed as of that date.

SB 1340 (Hertzberg), Chapter 425, effective September 18, 2022

Amends section 73 of the Revenue and Taxation Code.

New Construction Exclusion – Active Solar Energy Systems. Extends the sunset date for the active solar energy system new construction exclusion from January 1, 2025 to January 1, 2027. Specifies that any active solar energy system that qualifies for the exclusion under RTC section 73 prior to January 1, 2027, will continue to be excluded until there is a subsequent change in ownership.

These bills and their analyses may be viewed from the California State Legislature's website at <http://leginfo.legislature.ca.gov/#>. The BOE's legislative bill analyses may be viewed from our website at <http://www.boe.ca.gov/legislative-research-and-stats/legislation.htm#Analyses>.

If you have any questions regarding the application of these measures, please contact the County-Assessed Properties Division at 1-916-274-3350.

Sincerely,

/s/ David Yeung

David Yeung
Deputy Director
Property Tax Department

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