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No. 2011/004

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TO COUNTY ASSESSORS:

DISASTER RELIEF – HOMEOWNERS' EXEMPTION

In 2010, five bills were enacted that amend the Revenue and Taxation Code¹ to extend the homeowners' exemption to homes that were damaged or destroyed by a misfortune or calamity. The following four bills were urgency measures and became effective immediately. These bills provide relief for recent specific disasters for which the Governor proclaimed a state of emergency.

- Assembly Bill 1662 (Stats. 2010, ch. 447)
- Assembly Bill 1690 (Stats. 2010, ch. 449)
- Assembly Bill 2136 (Stats. 2010, ch. 461)
- Assembly Bill 11 of the 2009-10 Sixth Extraordinary Session (Stats. of 2009-10 Sixth Extraordinary Session, ch. 2)

Senate Bill 1494 (Stats. 2010, ch. 654) adds general purpose language for any misfortune or calamity, including Governor-proclaimed disasters. This bill will take effect on January 1, 2011.

SPECIFIC GOVERNOR-PROCLAIMED DISASTERS

Effective September 29, 2010, Assembly Bill 1662 added section 218.4 to the Revenue and Taxation Code. Section 218.4 allows persons whose homes were damaged or destroyed in the following specified disasters to retain the homeowners' exemption on their property while they are in the process of rebuilding:

- August 2009 wildfires in Los Angeles and Monterey Counties (subdivision (b))
- August 2009 wildfires in Placer County (subdivision (c))
- January 2010 severe winter storms affecting Calaveras, Imperial, Los Angeles, Orange, Riverside, San Francisco, San Bernardino, and Siskiyou Counties (subdivision (d))
- July 2010 wildfires in Kern County (subdivision (e))

These provisions also apply to homes that are temporarily uninhabited as a result of restricted access to the property due to the wildfires.

¹ All statutory references are to the Revenue and Taxation Code unless otherwise indicated.

Effective September 29, 2010, Assembly Bill 1690 added section 218.2 to the Revenue and Taxation Code. Section 218.2 allows persons whose homes were damaged or destroyed in the January 2010 earthquake in Humboldt County to retain the homeowners' exemption on their property while they are in the process of rebuilding. These provisions also apply to homes that are temporarily uninhabited as a result of restricted access to the property due to the earthquake.

Effective September 29, 2010, Assembly Bill 2136 added section 218.3 to the Revenue and Taxation Code. Section 218.3 allows persons whose homes were damaged or destroyed in the April 2010 earthquake in Imperial County to retain the homeowners' exemption on their property while they are in the process of rebuilding. These provisions also apply to homes that are temporarily uninhabited as a result of restricted access to the property due to the earthquake.

Effective October 19, 2010, Assembly Bill 11 of the 2009-10 Sixth Extraordinary Session added section 218.6 to the Revenue and Taxation Code. Section 218.6 allows persons whose homes were damaged or destroyed in the September 2010 San Bruno explosion and fire in San Mateo County to retain the homeowners' exemption on their property while they are in the process of rebuilding. These provisions also apply to homes that are temporarily uninhabited as a result of restricted access to the property due to the explosion and resulting fire.

GENERAL PURPOSE LANGUAGE

In previous years, section 218 had been amended by special purpose legislation to provide that a dwelling destroyed in specified events for which the Governor declared a state of emergency will not be disqualified as a dwelling or be denied the homeowners' exemption solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner.² Senate Bill 1494 deletes these disaster-specific provisions from section 218 (subdivisions (d) through (y)) and replaces them with general purpose language (subdivision (b)(2) and (3)). Existing subdivision (z) is relettered to subdivision (d).

Effective January 1, 2011, section 218 provides that each time there is a Governor-proclaimed disaster, a property that has been destroyed by the disaster will continue to be eligible to receive the homeowners' exemption. In addition, this bill codifies current administrative practice as it relates to homes that are partially damaged in any type of misfortune or calamity.

The amendments to section 218 expressly address exemption eligibility in three situations as described below. Continued exemption eligibility depends on the extent of the damage and whether the event causing the damaged resulted in a Governor's proclamation.

Partial Damage – Any Disaster

If a person receiving the homeowners' exemption is not occupying the dwelling on the lien date because the dwelling was damaged in a misfortune or calamity, the exemption will remain in effect provided that the absence is temporary and the person intends to return to the home.³ These provisions are specified in newly added subparagraph (2) of section 218(b). This applies to any misfortune or calamity regardless of whether the event resulted in the Governor issuing a

² See Letter To Assessors 2009/053.

³ Letter To Assessors 82/50, question G16.

proclamation of a state of emergency. The Court of Appeal in *T.L. Enterprises, Inc. v. County of Los Angeles* (1989)⁴ defined the phrase *disaster, misfortune or calamity* as, at a minimum, some event out of the ordinary – an event due to a sudden, unexpected, or unusual cause that physically damaged or destroyed the property.

Total Destruction – Non-Governor-Proclaimed Disaster

When a home has been totally destroyed by a misfortune or calamity, no dwelling exists. If a home that was receiving the homeowners' exemption is totally destroyed in a misfortune or calamity for which the Governor did *not* proclaim a state of emergency, the property is not eligible for the exemption because no dwelling exists as of the lien date (section 218(b)(2)). The exemption will be applicable when the structure has been rebuilt and occupied as a dwelling.

Total Destruction – Governor-Proclaimed Disaster

If a dwelling that qualified for the homeowners' exemption is totally destroyed in a disaster for which the Governor issues a proclamation of a state of emergency, the exemption *will* remain in effect, provided the person:

- Continues to own the property;
- Intends to rebuild a home on the property; and
- Intends to occupy the home as his or her principal place of residence.

These provisions are outlined in section 218(b)(3).

A list of disasters for which the Governor has issued a proclamation of a state of emergency is posted on the Board of Equalization's website at www.boe.ca.gov/proptaxes/pdf/Disasterlist.pdf. This website is updated as Governor-proclaimed emergencies occur.

A copy of sections 218, 218.2, 218.3, 218.4, and 218.6 in ~~strikeout~~/underscore format is enclosed for your information. If you have any questions, please contact the County-Assessed Properties Division at 916-274-3350.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

DJG:grs
Enclosure

⁴ 215 Cal.App.3d 876.

Effective January 1, 2011, Section 218 of the Revenue and Taxation Code is amended to read:

218. (a) The homeowners' property tax exemption is in the amount of the assessed value of the dwelling specified in this section, as authorized by subdivision (k) of Section 3 of Article XIII of the California Constitution. That exemption shall be in the amount of seven thousand dollars (\$7,000) of the full value of the dwelling.

(b) (1) The exemption does not extend to property that is rented, vacant, under construction on the lien date, or that is a vacation or secondary home of the owner or owners, nor does it apply to property on which an owner receives the veteran's exemption.

(2) Notwithstanding paragraph (1), if a person receiving the exemption is not occupying the dwelling on the lien date because the dwelling was damaged in a misfortune or calamity, the person shall be deemed to occupy that same dwelling as his or her principal place of residence on the lien date, provided the person's absence from the dwelling is temporary and the person intends to return to the dwelling when possible to do so. Except as provided in paragraph (3), when a dwelling has been totally destroyed, and thus no dwelling exists on the lien date, the exemption provided by this section shall not be applicable until the structure has been replaced and is occupied as a dwelling.

(3) A dwelling that was totally destroyed in a disaster for which the Governor proclaimed a state of emergency, that qualified for the exemption provided by this section prior to the commencement date of the disaster and that has not changed ownership since the commencement date of the disaster, shall be deemed occupied by the person receiving the exemption on the lien date provided the person intends to reconstruct a dwelling on the property and occupy the dwelling as his or her principal place of residence when it is possible to do so.

(c) For purposes of this section, all of the following apply:

(1) "Owner" includes a person purchasing the dwelling under a contract of sale or who holds shares or membership in a cooperative housing corporation, which holding is a requisite to the exclusive right of occupancy of a dwelling.

(2) (A) "Dwelling" means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, and any land on which it may be situated. A two-dwelling unit shall be considered as two separate single-family dwellings.

(B) "Dwelling" includes the following:

(i) A single-family dwelling occupied by an owner thereof as his or her principal place of residence on the lien date.

(ii) A multiple-dwelling unit occupied by an owner thereof on the lien date as his or her principal place of residence.

(iii) A condominium occupied by an owner thereof as his or her principal place of residence on the lien date.

(iv) Premises occupied by the owner of shares or a membership interest in a cooperative housing corporation, as defined in subdivision (i) of Section 61, as his or her principal place of residence on the lien date. Each exemption allowed pursuant to this subdivision shall be deducted from the total assessed valuation of the cooperative housing corporation. The exemption shall be taken into account in apportioning property taxes among owners of share or membership interests in the cooperative housing corporations so as to benefit those owners who qualify for the exemption.

~~(d) Any dwelling that qualified for an exemption under this section prior to October 20, 1991, that was damaged or destroyed by fire in a disaster, as declared by the~~

~~Governor, occurring on or after October 20, 1991, and before November 1, 1991, and that has not changed ownership since October 20, 1991, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner.~~

~~(e) Any dwelling that qualified for an exemption under this section prior to October 15, 2003, that was damaged or destroyed by fire or earthquake in a disaster, as declared by the Governor, during October, November, or December 2003, and that has not changed ownership since October 15, 2003, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner.~~

~~(f) Any dwelling that qualified for an exemption under this section prior to June 3, 2004, that was damaged or destroyed by flood in a disaster, as declared by the Governor, during June 2004, and that has not changed ownership since June 3, 2004, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner.~~

~~(g) Any dwelling that qualified for an exemption under this section prior to August 11, 2004, that was damaged or destroyed by the wildfires and any other related casualty that occurred in Shasta County in a disaster, as declared by the Governor, during August 2004, and that has not changed ownership since August 11, 2004, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner.~~

~~(h) Any dwelling that qualified for an exemption under this section prior to December 28, 2004, that was damaged or destroyed by severe rainstorms, floods, mudslides, or the accumulation of debris in a disaster, as declared by the Governor, during December 2004, January 2005, February 2005, March 2005, or June 2005, and that has not changed ownership since December 28, 2004, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to floods, mudslides, the accumulation of debris, or washed out or damaged roads.~~

~~(i) Any dwelling that qualified for an exemption under this section prior to December 19, 2005, that was damaged or destroyed by severe rainstorms, floods, mudslides, or the accumulation of debris in a disaster, as declared by the Governor in January 2006, April 2006, May 2006, or June 2006, and that has not changed ownership since December 19, 2005, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to floods, mudslides, the accumulation of debris, or washed out or damaged roads.~~

~~(j) Any dwelling that qualified for an exemption under this section prior to July 9, 2006, that was damaged or destroyed by the wildfires and any other related casualty that occurred in the County of San Bernardino, as declared by the Governor in July 2006, and that has not changed ownership since July 9, 2006, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(k) Any dwelling that qualified for an exemption under this section prior to the commencement dates of the wildfires listed in the Governor's proclamations of 2006 that was damaged or destroyed by the wildfires and any other related casualty that occurred in the Counties of Riverside and Ventura, and that has not changed ownership since the commencement dates of these disasters as listed in the Governor's proclamations of 2006 shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(l) Any dwelling that qualified for an exemption under this section prior to January 11, 2007, that was damaged or destroyed by severe freezing conditions, commencing January 11, 2007, and any other related casualty that occurred in the Counties of El Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba as a result of a disaster as declared by the Governor, and that has not changed ownership since January 11, 2007, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to severe freezing conditions.~~

~~(m) Any dwelling that qualified for an exemption under this section prior to June 24, 2007, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of El Dorado, as declared by the Governor in June 2007, and that has not changed ownership since June 24, 2007, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(n) Any dwelling that qualified for an exemption under this section prior to July 4, 2007, that was damaged or destroyed by the Zaca Fire and any other related casualty that occurred as a result of this disaster in the Counties of Santa Barbara and Ventura, as declared by the Governor in August 2007, and that has not changed ownership since July 4, 2007, may not be denied an exemption solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the Zaca Fire.~~

~~(o) Any dwelling that qualified for an exemption under this section prior to July 6, 2007, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of Inyo, as declared by the Governor in July 2007, and that has not changed ownership since July 6, 2007, may not be denied an exemption solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(p) Any dwelling that qualified for an exemption under this section prior to the commencement dates of the wildfires listed in the Governor's disaster proclamations of September 15, 2007, and October 21, 2007, that was damaged or destroyed by the wildfires and any other related casualty that occurred in the Counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura, and that has not changed ownership since the commencement dates of these disasters as listed in the proclamations shall not be~~

disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.

~~(q) Any dwelling that qualified for an exemption under this section prior to October 20, 2007, that was damaged or destroyed by the extremely strong and damaging winds and any other related casualty that occurred as a result of this disaster in the County of Riverside, as declared by the Governor in November 2007, and that has not changed ownership since October 20, 2007, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the extremely strong and damaging winds.~~

~~(r) Any dwelling that qualified for an exemption under this section prior to the commencement dates of the wildfires listed in the Governor's disaster proclamations of May, June, or July 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred in the Counties of Butte, Kern, Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz, Shasta, and Trinity and that has not changed ownership since the commencement dates of these disasters as listed in the proclamations shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(s) Any dwelling that qualified for an exemption under this section prior to July 1, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of Santa Barbara, as declared by the Governor in July 2008, and that has not changed ownership since July 1, 2008, may not be denied an exemption solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(t) Any dwelling that qualified for an exemption under this section prior to July 12, 2008, that was damaged or destroyed by severe rainstorms, floods, landslides, or the accumulation of debris in a disaster, as declared by the Governor, in July 2008, and that has not changed ownership since July 12, 2008, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to floods, landslides, the accumulation of debris, or washed-out or damaged roads.~~

~~(u) Any dwelling that qualified for an exemption under this section prior to May 22, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of Humboldt, as declared by the Governor in August 2008, and that has not changed ownership since May 22, 2008, may not be denied an exemption solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(v) Any dwelling that qualified for an exemption under this section prior to the commencement dates of the wildfires that were the subject of the Governor's disaster proclamations of October 13, 2008, and November 15, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred in the Counties of Los Angeles and~~

~~Ventura and that has not changed ownership since the commencement dates of these wildfires, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(w) Any dwelling that qualified for an exemption under this section prior to November 13, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of Santa Barbara, as declared by the Governor in November 2008, and that has not changed ownership since November 13, 2008, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(x) Any dwelling that qualified for an exemption under this section prior to the commencement dates of the wildfires listed in the Governor's disaster proclamations of November 15, 2008, and November 17, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the Counties of Orange, Riverside, and San Bernardino, as declared by the Governor in November 2008, and that has not changed ownership since the commencement dates of these disasters as listed in the proclamations, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(y) Any dwelling that qualified for an exemption under this section prior to May 5, 2009, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of Santa Barbara, as declared by the Governor in May 2009, and that has not changed ownership since May 5, 2009, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.~~

~~(z)~~ (d) The exemption provided for in subdivision (k) of Section 3 of Article XIII of the California Constitution shall first be applied to the building, structure, or other shelter and the excess, if any, shall be applied to any land on which it may be located.

Effective September 29, 2010, Section 218.2 is added to the Revenue and Taxation Code:

218.2. (a) For purposes of this section, all of the following apply:

(1) "Owner" includes a person purchasing the dwelling under a contract of sale or who holds shares or membership in a cooperative housing corporation, which holding is a requisite to the exclusive right of occupancy of a dwelling.

(2) (A) "Dwelling" means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, and any land on which it may be situated. A two-dwelling unit shall be considered as two separate single-family dwellings.

(B) "Dwelling" includes the following:

(i) A single-family dwelling occupied by an owner thereof as his or her principal place of residence on the lien date.

(ii) A multiple-dwelling unit occupied by an owner thereof on the lien date as his or her principal place of residence.

(iii) A condominium occupied by an owner thereof as his or her principal place of residence on the lien date.

(iv) Premises occupied by the owner of shares or a membership interest in a cooperative housing corporation, as defined in subdivision (i) of Section 61, as his or her principal place of residence on the lien date. Each exemption allowed pursuant to this subdivision shall be deducted from the total assessed valuation of the cooperative housing corporation. The exemption shall be taken into account in apportioning property taxes among owners of share or membership interests in the cooperative housing corporations so as to benefit those owners who qualify for the exemption.

(b) Any dwelling that qualified for an exemption under Section 218 prior to January 9, 2010, that was damaged or destroyed by the earthquake and any other related casualty that occurred as a result of the disaster in the County of Humboldt, as declared by the Governor in January 2010, and that has not changed ownership since January 9, 2010, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the earthquake.

(c) The exemption provided for in subdivision (k) of Section 3 of Article XIII of the California Constitution shall first be applied to the building, structure, or other shelter and the excess, if any, shall be applied to any land on which it may be located.

Effective September 29, 2010, Section 218.3 is added to the Revenue and Taxation Code:

218.3. (a) For purposes of this section, all of the following apply:

(1) "Owner" includes a person purchasing the dwelling under a contract of sale or who holds shares or membership in a cooperative housing corporation, which holding is a requisite to the exclusive right of occupancy of a dwelling.

(2) (A) "Dwelling" means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, and any land on which it may be situated. A two-dwelling unit shall be considered as two separate single-family dwellings.

(B) "Dwelling" includes the following:

(i) A single-family dwelling occupied by an owner thereof as his or her principal place of residence on the lien date.

(ii) A multiple-dwelling unit occupied by an owner thereof on the lien date as his or her principal place of residence.

(iii) A condominium occupied by an owner thereof as his or her principal place of residence on the lien date.

(iv) Premises occupied by the owner of shares or a membership interest in a cooperative housing corporation, as defined in subdivision (i) of Section 61, as his or her principal place of residence on the lien date. Each exemption allowed pursuant to this subdivision shall be deducted from the total assessed valuation of the cooperative housing corporation. The exemption shall be taken into account in apportioning property taxes among owners of share or membership interests in the cooperative housing corporations so as to benefit those owners who qualify for the exemption.

(b) Any dwelling that qualified for an exemption under Section 218 prior to April 4, 2010, that was damaged or destroyed by the earthquake and any other related casualty that occurred as a result of the disaster in the County of Imperial, as declared by the Governor in April 2010, and that has not changed ownership since April 4, 2010, shall not be disqualified as a "dwelling" or be denied an exemption under Section 218 solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the earthquake.

(c) The exemption provided for in subdivision (k) of Section 3 of Article XIII of the California Constitution shall first be applied to the building, structure, or other shelter and the excess, if any, shall be applied to any land on which it may be located.

Effective September 29, 2010, Section 218.4 is added to the Revenue and Taxation Code:

218.4. (a) For purposes of this section, all of the following apply:

(1) "Owner" includes a person purchasing the dwelling under a contract of sale or who holds shares or membership in a cooperative housing corporation, which holding is a requisite to the exclusive right of occupancy of a dwelling.

(2) (A) "Dwelling" means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, and any land on which it may be situated. A two-dwelling unit shall be considered as two separate single-family dwellings.

(B) "Dwelling" includes the following:

(i) A single-family dwelling occupied by an owner thereof as his or her principal place of residence on the lien date. (ii) A multiple-dwelling unit occupied by an owner thereof on the lien date as his or her principal place of residence.

(iii) A condominium occupied by an owner thereof as his or her principal place of residence on the lien date.

(iv) Premises occupied by the owner of shares or a membership interest in a cooperative housing corporation, as defined in subdivision (i) of Section 61, as his or her principal place of residence on the lien date. Each exemption allowed pursuant to this subdivision shall be deducted from the total assessed valuation of the cooperative housing corporation. The exemption shall be taken into account in apportioning property taxes among owners of share or membership interests in the cooperative housing corporations so as to benefit those owners who qualify for the exemption.

(b) Any dwelling that qualified for an exemption under Section 218 prior to the commencement dates of the wildfires listed in the Governor's disaster proclamation of August 2009, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the Counties of Los Angeles and Monterey, as declared by the Governor in August 2009, and that has not changed ownership since the commencement dates of these disasters as listed in the proclamations, shall not be disqualified as a "dwelling" or be denied an exemption under Section 218 solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.

(c) Any dwelling that qualified for an exemption under Section 218 prior to August 30, 2009, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of Placer, as declared by the Governor in August 2009, and that has not changed ownership since August 30, 2009, shall not be disqualified as a "dwelling"

or be denied an exemption under Section 218 solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.

(d) Any dwelling that qualified for an exemption under Section 218 prior to the commencement dates of the severe winter storms listed in the Governor's disaster proclamations of January 2010, that was damaged or destroyed by the severe rainstorms, heavy snows, floods, or mudslides that occurred as a result of these disasters in the Counties of Calaveras, Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Francisco, and Siskiyou, as declared by the Governor in January 2010, and that has not changed ownership since the commencement dates of these disasters as listed in the proclamations, shall not be disqualified as a "dwelling" or be denied an exemption under Section 218 solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to floods, mudslides, rockslides, or washed-out or damaged roads.

(e) Any dwelling that qualified for an exemption under Section 218 prior to July 26, 2010, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of the disaster in the County of Kern, as declared by the Governor in July 2010, and that has not changed ownership since July 26, 2010, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.

(f) The exemption provided for in subdivision (k) of Section 3 of Article XIII of the California Constitution shall first be applied to the building, structure, or other shelter and the excess, if any, shall be applied to any land on which it may be located.

Effective October 19, 2010, Section 218.6 is added to the Revenue and Taxation Code:

218.6. (a) For purposes of this section, all of the following apply:

(1) "Owner" includes a person purchasing the dwelling under a contract of sale or who holds shares or membership in a cooperative housing corporation, which holding is a requisite to the exclusive right of occupancy of a dwelling.

(2) (A) "Dwelling" means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, and any land on which it may be situated. A two-dwelling unit shall be considered as two separate single-family dwellings.

(B) "Dwelling" includes the following:

(i) A single-family dwelling occupied by an owner thereof as his or her principal place of residence on the lien date.

(ii) A multiple-dwelling unit occupied by an owner thereof on the lien date as his or her principal place of residence.

(iii) A condominium occupied by an owner thereof as his or her principal place of residence on the lien date.

(iv) Premises occupied by the owner of shares or a membership interest in a cooperative housing corporation, as defined in subdivision (i) of Section 61, as his or her principal place of residence on the lien date. Each exemption allowed pursuant to this subdivision shall be deducted from the total assessed valuation of the cooperative housing corporation. The exemption shall be taken into account in apportioning property taxes among owners of share or

membership interests in the cooperative housing corporations so as to benefit those owners who qualify for the exemption.

(b) Any dwelling that qualified for an exemption under Section 218 prior to September 9, 2010, that was damaged or destroyed by the explosion and fire that occurred in the County of San Mateo, as declared by the Governor in September 2010, and that has not changed ownership since September 9, 2010, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the explosion and fire.

(c) The exemption provided for in subdivision (k) of Section 3 of Article XIII of the California Constitution shall first be applied to the building, structure, or other shelter and the excess, if any, shall be applied to any land on which it may be located.