

## STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA

(PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0001)

TELEPHONE (916) 445-6493

FAX (916) 323-3387

JOHAN KLEHS  
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Acting Member  
Fourth District, Los AngelesE. L. SORENSEN, JR.  
Executive DirectorMay 2, 1997  
(August 7, 1998\*)

RE: Opinion Request;

Dear Mr. [REDACTED]

This is in response to your letter of February 7, 1997, requesting an opinion regarding the eligibility of [REDACTED] House for exemption from property taxation. For the reasons stated hereinafter, it is my opinion that the [REDACTED] House is used exclusively for a state university within the meaning of subdivision (c)<sup>1</sup> of section (3) of Article XIII of the California Constitution, and that the leased underlying parcels on which the [REDACTED] House is situated are likewise used for this exempt purpose.

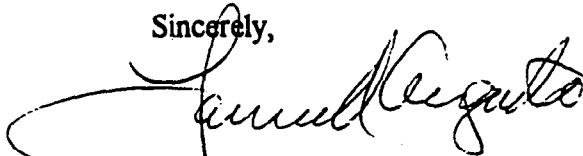
The [REDACTED] Medical Center is a teaching and research institution which is part of the medical school at the University of California at [REDACTED]. As an integral and necessary part of the medical school curriculum, the Medical School operates the medical center as a teaching and research hospital to provide real life experience and practice for their students. Modern hospitals recognize the importance or support provided by guest houses, such as [REDACTED] House, to the medical well being, treatment and recovery of their patients, and many hospitals have such a facility. The facility is used for families and friends of patients, outpatients at the center for short or long term procedures, and inpatients who have been discharged after major surgery who require further monitoring and testing. Special services related to medical care and the training of medical students in giving that care are provided at the [REDACTED] House. For example, a counseling room is available for meetings with social workers or ministers for guests who may need support or guidance. This is all part of the modern delivery of medical care, and part of the education of those students are being trained to give that care.

The rates for stays at [REDACTED] House are determined on a cost recovery basis, not a for profit motive. The House is not used as a fund raiser for the Medical Center.

<sup>1</sup> NOTE -- Citation incorrect. Correct citation is subdivision (d) of Sec. 3. Corrected 8/7/98.

Thus, it is my opinion that the operation of \_\_\_\_\_ House is directly related to the educational mission of UC \_\_\_\_\_ is necessary for the accomplishment of the primary educational purpose for which the UC \_\_\_\_\_ Medical School was organized, and is an integral and necessary part of the university. Accordingly, the underlying leased land is exempt from property taxation.

Sincerely,



Lawrence A. Augusta  
Assistant Chief Counsel

LAA:sao