

Memorandum

To : Mr. David Gau
Executive Director (MIC 73)

Date: March 9, 2017

From Amy Kelly, Acting Chief Counsel
Legal Department (MIC: 83)

Subject **Board Meeting, March 28-30, 2017**
Item J - Chief Counsel's Rulemaking Calendar
Rules for Tax Appeals Regulation 5332, *Time of Filing of Application*

We request your approval to place proposed changes to Rules for Tax Appeals (RTA) Regulation 5332, *Time of Filing of Application*, on the Chief Counsel's Rulemaking Calendar for the March 28-30, 2017, Board meeting. The proposed changes update RTA Regulation 5332 to make it consistent with the recent amendment to Revenue and Taxation Code (RTC) section 1840 made by Senate Bill No. (SB) 1480 (Stats. 2016, ch. 116), which changed the deadline to file applications for review of assessments of taxable publicly-owned property (Section 11 appeals).¹

RTA Regulation 5332 implements, interprets, and makes specific RTC section 1840 and subdivision (a) of the regulation currently provides that the deadline for filing Section 11 appeals, other than Section 11 appeals of assessments made outside the regular period for such assessments, is the later of July 20 or two weeks after the preparation of the local assessment roll, as previously provided by RTC section 1840. However, effective January 1, 2017, SB 1480 amended RTC section 1840 and changed the deadline for filing Section 11 appeals, other than Section 11 appeals of assessments made outside the regular period for such assessments, to November 30 to reflect the appeal-filing deadline provided to other property owners in most counties. (See RTC, § 1603, subd. (b)(3).) Therefore, staff proposes to replace the existing filing deadline provisions in RTA Regulation 5332, subdivision (a), with the new statutory filing deadline of November 30 to make the regulation consistent with the amendment to RTC section 1840 made by SB 1480.

Staff will request the Board's authorization to make the changes to RTA Regulation 5332, under California Code of Regulations, title 1, section 100 (Rule 100), without the normal

¹ Generally, local government-owned property is exempt from the property tax. (Cal. Const., art. XIII, §3, subd. (b).) However, under section 11 of article XIII of the California Constitution, local government-owned property is subject to property tax if the property is located outside the local government's jurisdictional boundaries and the property was taxable when acquired. Such taxable government-owned properties are referred to as "Section 11" properties after the section in the California Constitution that requires their taxation. This same constitutional provision requires the Board to review these assessments ("Section 11" appeals), instead of a county board of equalization or an assessment appeals board for the county where the property is located.

notice and public hearing process. The changes are appropriate for processing under Rule 100 because they make RTA Regulation 5332 consistent with the amendment to RTC section 1840 made by SB 1480, and they do not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

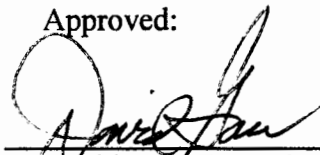
Attached is a strikeout and underlined version of the regulation illustrating the proposed changes.

If you have any questions regarding this request, please let me know or contact Mr. Bradley Heller at 916-323-3091.

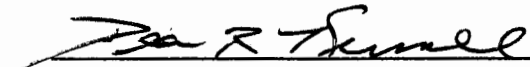
Recommendation by:


Amy Kelly, Acting Chief Counsel

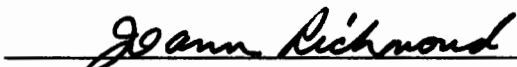
Approved:


David Gau, Executive Director

Approved:


Dean Kinnee, Deputy Director
Property Tax Department

BOARD APPROVED
At the 3/28/17 Board Meeting


Joann Richmond, Chief
Board Proceedings Division

Attachment: Proposed Changes to RTA Regulation 5332

- cc: Mr. Dean Kinnee (MIC 64)
- Ms. Joann Richmond (MIC 80)
- Ms. Christine Bisauta (MIC 82)
- Mr. Benjamin Tang (MIC 64)
- Mr. Richard Moon (MIC 82)
- Mr. Bradley Heller (MIC 82)
- Ms. Glenna Schultz (MIC 64)

Rule 5332. Time of Filing of Application.

Authority: Article XIII, section 11 of the California Constitution; Section 15606, Government Code.

Reference: Revenue and Taxation Code Section 1840.

(a) If any county, city, city and county, or municipal corporation wants to secure a review, equalization, or adjustment of the assessment of its property by the Board under subdivision (g) of section 11 of article XIII of the California Constitution, it must file an application with the Board on or before November 30.~~the later of:~~

~~(1) July 20 of the year in which the assessment is made if the assessment appealed is made during the regular period for such assessments; or~~

~~(2) Within two weeks after the completion and delivery by the county assessor of the local roll containing the assessment to the county auditor as provided in Revenue and Taxation Code section 617.~~

(b) If the assessment appealed is made outside the regular period for such assessments, the application must be filed with the Board within 60 days from the date the tax bill was mailed to the applicant.

(c) An application is filed timely if it is mailed or delivered in accordance with section 5335 or received by the Board Proceedings Division within the time specified by this section.

(d) Failure to provide a timely application bars the applicant from relief under subdivision (g) of section 11 of article XIII of the California Constitution.

History: Adopted September 12, 2007, effective February 6, 2008.

Amended November 19, 2013, effective April 1, 2014.