

Property Taxpayers'  
**BILL OF RIGHTS**  
**2000-01**  
**ANNUAL REPORT**

**JOHAN KLEHS**  
Hayward  
First District

**DEAN ANDAL**  
Stockton  
Second District

**CLAUDE PARRISH**  
Torrance  
Third District

**JOHN CHIANG**  
Los Angeles  
Fourth District

**KATHLEEN CONNELL**  
Sacramento  
State Controller

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**JAMES E. SPEED**  
Sacramento  
Executive Director

 **STATE BOARD OF EQUALIZATION**



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## TAXPAYERS' RIGHTS ADVOCATE OFFICE

California Board of Equalization  
450 N Street, MIC:70  
P.O. Box 942879, Sacramento, CA 94279-0070

Toll Free (888) 324-2798

FAX: (916) 323-3319

Jennifer L. Willis, *Advocate*  
(916) 324-2798

## PROPERTY TAXES

Bob Reinhard  
(916) 323-2513

## BUSINESS TAXES

Margaret Pennington  
(916) 445-8321

Todd Gilman  
(916) 445-0218

Mark S. Walker  
(916) 324-2797



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## *Letter to Executive Director*

December 2001

Mr. James E. Speed  
*Executive Director*

Dear Mr. Speed:

The Taxpayers' Rights Advocate's (TRA) Office staff and I are pleased to present the 2000-2001 Property Taxpayers' Bill of Rights Annual Report for the Board's and your consideration. This report highlights our accomplishments over the past year, current issues in the process of solution development, and emerging issues with recommendations for consideration in the coming year.

This past year, we identified and suggested solutions to various problems veterans were facing in the property taxes area. With the coordination of the Property Taxes Department and the Legislative Division, three bills were chaptered that make it easier for the disabled veteran or surviving spouse to claim exemption. The Property Taxes Department, in coordination with the Customer and Taxpayer Services Division and the TRA Office, developed the list of "Frequently Asked Questions" (FAQ's) which now appear on the Board's Internet Web site. Included are both general and specific questions, information on property taxation, Propositions 13 and 8, exclusions and exemptions, real and personal property, and taxpayer payment and relief. In cooperation with the Property Taxes Department and the Customer and Taxpayer Services Division, we will continue to develop educational strategies, including media, taxpayer outreach and information for the Board's Web site that improves taxpayer understanding and voluntary compliance with the tax laws.

We look forward to continuing to work with staff, local property taxation offices and the public, as we identify trends and issues, resolve problems and strive to better serve our customers.

*Respectfully submitted,*

Jennifer L. Willis  
*Taxpayers' Rights Advocate*



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## Taxpayers' Rights Advocate's Office — Background

In January 1989, the original Taxpayers' Bill of Rights was established to ensure that the rights, privacy and property of California taxpayers are adequately protected in the assessment and collection of sales and use taxes. Effective January 1993, the Special Taxes Bill of Rights was established, expanding Bill of Rights statutory authority to the special taxes programs administered by the Board of Equalization (Board). As the Board accepts responsibility for new special taxes and fee programs, the Bill of Rights protections are added for each program. Since these programs primarily impact business owners, they will be referred to generally as the Business Taxpayers' Bill of Rights, covering both sales and use taxes and the various special taxes and fees.

The Morgan Property Taxpayers' Bill of Rights, effective January 1, 1994, is found in section (§) 5900, et seq., of California's Revenue and Taxation Code (R & T). It governs the assessment, audit and collection of property taxes, with the goal to ensure that taxpayers receive fair and uniform treatment under the property taxation laws. It requires the Board to designate a "Property Taxpayers' Advocate" independent of, but not duplicative of, the Board's existing property tax programs, to report directly to the Board's Executive Director. The Property Taxpayers' Advocate is to be specifically responsible for reviewing property tax matters from the viewpoint of the taxpayer, and to review, report on and recommend to the Board's Executive Director any necessary changes which will help accomplish the Bill of Rights provisions. Hereinafter, the Property Taxpayers' Advocate will be referred to as the Taxpayers' Rights Advocate. Appendix A provides an explanation of the differences between the Business and Property Taxpayers' Bills of Rights.

The Taxpayers' Rights Advocate's (TRA) Office:

- Facilitates resolution of taxpayer complaints or problems;
- Monitors various Board tax and fee programs and all 58 county property tax programs for compliance with the Taxpayers' Bills of Rights;
- Recommends new procedures or revisions to existing policy to ensure fair and equitable treatment of taxpayers; and
- Participates on various task forces, committees and public forums.

The Board holds annual Taxpayers' Bill of Rights hearings to solicit the input of the public, Assessors and other local agency representatives.

The TRA Office generally assists taxpayers who have been unable to resolve a matter through normal channels, when they want information regarding procedures relating to a particular set of circumstances, or when there are apparent rights violations in the audit, compliance, or property tax areas. Some taxpayers call to communicate their frustration with aspects of the property taxation system or seeking confirmation that they have been treated lawfully and fairly by a county or state office. In cases where the law, policy, or procedure does not allow any change to the staff action, but a change appears justified, the TRA Office is alerted to a



potential area that may need clarification or modification. Several past recommendations for policy, procedural and legislative changes have resulted from these types of contacts with taxpayers.

The TRA Office facilitates communication between taxpayers, Board and county staff to eliminate potential misunderstandings. Taxpayers are provided information on policies and procedures so they can be better prepared to discuss their issues with the appropriate staff and increase the opportunity to effect a resolution which will satisfy them.



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## Prior Issue Resolution

*Two primary functions of the Taxpayers' Rights Advocate's Office are to:*

- (1) Ensure fair and equitable treatment of all taxpayers in the assessment and collection of taxes.*
- (2) Identify changes in policies, procedures, regulations, and statutes that will enhance taxpayer communication and compliance and improve the relationship between taxpayers and their government.*

*As a result of specific contacts with taxpayers and local government authorities, suggestions for legislative and administrative remedies are developed and considered. With the cooperation and assistance of Board staff, other State agencies, and local county government officials, the following were accomplished this past year.*

- ***Application for Reduced Assessment Filing Period:*** Taxpayers receive notification of their assessed value after the deadline to appeal that value has passed for that year. Currently, the 75-day period during which a taxpayer can apply for a reduction in assessed value is July 2 to September 15, inclusive. Currently, the law does not require a County Assessor to notify taxpayers of their assessed value in certain situations. Consequently, when taxpayers receive their tax bill in October or November they may realize the assessed value on the roll is greater than the fair market value of their property — but by then it is after the September 15 deadline and too late for them to file an appeal.

Last year's TRA Annual Report discussed our legislative proposal that would have provided a method for taxpayers to apply for equalization after they have received their tax bill. This year, Board Member Chiang's proposal, which was supported by the California Assessors' Association and others, was introduced by Assembly Member Horton and chaptered. Assembly Bill (AB) 645 amends R & T § 1603 to extend the final date to file applications for assessment appeals from September 15 to November 30, if the County Assessor has not sent value notices by August 1.

- ***Manufactured Housing:*** In last year's report we highlighted two manufactured housing issues. The first issue concerned properly reflecting declines in value on the assessment roll. The second issue involved reappraisals after changes in ownership where a manufactured housing park conversion to tenant ownership had been excluded from initial reappraisal.

Assembly Member Keeley introduced AB 1457, which specifically addresses some of the major issues concerning the manufactured housing park exclusion from change in ownership. It had the support of industry, Assessors, the Board, and other interested parties and passed earlier this year (Chapter 772, Statutes of 2001, effective January 1, 2002.)

The Property Taxes Department continues to look at manufactured housing issues as part of their assessment practices surveys and report instances where proper appraisal and assessment standards are not being followed. In addition, the Property Taxes Department is rewriting and combining two 17-18-year old Assessors' Handbook (AH) sections, the AH 511, *Assessment of Manufactured Homes*, and the AH 512, *Assessment of Manufactured Home Parks*. In November 2001, the Board authorized publication of the revised AH 511, *Assessment of Manufactured Homes and Parks*, and repealed the existing versions of the AH 511 and 512.



- **Calamity Relief Deadline(s):** In last year's annual report we discussed deadlines for filing for relief after a disaster — different R & T sections had differing filing periods, some of which did not allow taxpayers sufficient time to get their records together after suffering losses. In some instances the law also precluded the Assessor from making a disaster reappraisal unless the taxpayer had timely filed a claim.

The Board sponsored legislation that increases various filing periods after a disaster, misfortune, or calamity. It also permits a County Board of Supervisors to amend an ordinance to allow the Assessor to initiate a reassessment where a property was destroyed or damaged without a claim being filed by the victim. S B 1181 passed earlier this year (Chapter 407, Statutes of 2001, effective January 1, 2002.)

- **Review of Statements and Forms:** The Board's Property Taxes Department has included the TRA in the existing forms revision process. TRA Office staff joins the Property Taxes Department in advising members of the California Assessors' Association's Forms Subcommittee.
- **Taxpayer Contacts:** This year we were contacted by several hundred taxpayers, their representatives, and county and state officials. We also assisted 134 property taxpayers on Taxpayers' Bill of Rights issues. [Also see "Taxpayer Contacts with TRA's Office" on page 10 and Appendix B that displays the types of contacts received and the counties from which they came.]
- **Revision Efforts:** We participated with the Board's Property Taxes Department as they coordinated various efforts to include industry representatives and Assessors in the revisions to various laws, rules, and handbooks.
- **Presentations:** We participated in and gave presentations to various California Assessors' Association conferences and workshops. This year the Customer and Taxpayer Services Division made a presentation on "Resolving Taxpayer Complaints" at a California Assessors' Association conference.
- **Media Outreach:** We used media contacts to inform taxpayers of various critical dates and provide them timely information throughout the year.



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## Current Issues

*In coordination with program and legal staff, other state agencies, and local government officials, solutions are being developed to address the following issues identified during last year's hearing, in the TRA Annual Report, and throughout the year.*

- **Property Taxpayer Education:** A need for taxpayer education continues to exist. The more information and education provided to taxpayers, the better they are able to understand and voluntarily comply with the laws. Many of the contacts received throughout the year stemmed from taxpayers who lacked knowledge of how the property tax system works.

Many counties are already providing education on the assessment program and the appeals process. For example, Los Angeles County presented details on their educational offerings at the Board-summoned Assessors' meeting three years ago. We will continue to monitor this area, and develop strategies for taxpayer education, as time and workload permits.

**RECOMMENDATION:** We will work with the Property Taxes Department, the Customer and Taxpayer Services Division, Assessor's offices, and local Clerks of the Board to develop educational strategies for the dissemination of information on property tax assessment matters. We will continue to work with the Property Taxes Department and the Customer and Taxpayer Services Division to provide more periodic property taxation news releases and update and expand the Frequently Asked Questions (FAQ's) on the Board's Web site.

- **Value Restorations And Proposition 8 Litigation:** With assessed values increasing by more than two percent per year, many taxpayers do not understand the provisions of Propositions 13 and 8 and R & T § 51(a). Increasing property values, with resultant assessment increases, are creating questions and frustration on the part of taxpayers who believe that their taxes cannot increase by more than two percent annually under Proposition 13. We are receiving more and more referrals from the counties. Taxpayers are asking us to explain why taxes are going up 10, 15, or 20 percent in one year. In all cases we found that it was due to the proper application of R & T § 51 after the property had experienced a decline in value.

Orange County was sued by a taxpayer after the Assessor raised the value of the taxpayer's property by approximately four percent. (The factored base year value had not been enrolled previously when values were declining or stagnant.) A judge has heard the case and ruled in the taxpayer's favor [November 2001]. The county is considering appealing the decision. We will continue to follow this case.

**RECOMMENDATION:** We will work with the Property Taxes Department, Customer and Taxpayer Services Division and the Legal Division to identify appropriate and applicable educational strategies, including media, taxpayer outreach, and information for the Board's Web site.

- **Information for County Assessors' And Tax Collectors' Web Sites:** Increasingly governmental agencies are using the Internet to present information to the public, and the public is accessing that information, to their benefit. Many taxpayers expect a Web site, and voice complaints in those counties that lack an Internet presence.



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**RECOMMENDATION:** Develop property taxation information that counties can use on their Web sites. Suggest counties provide links to the Board's, State Controller's and other applicable Web resources.

- ***Customer Service Training To Assessors Offices:*** In last year's annual report we discussed needs for customer service training in Assessors' offices. As noted earlier, the Customer and Taxpayer Services Division made a presentation on "Resolving Taxpayer Complaints" at a California Assessors' Association conference.

**RECOMMENDATION:** Conduct a survey to determine counties' interest in attending "Training for Trainers" for the Board's internally developed Customer Service training course. Identify counties that already have a customer service training course in place to share with other counties. Encourage counties to use the Internet to identify customer service training mechanisms and share those links with each other.

- ***Assessment Appeals:*** Because of amendments to R & T § 1603, the Property Taxes Department will again have to revise the *Application for Changed Assessment* form, BOE-305-AH, and Publication 30, *Residential Property Assessment Appeals*.

**RECOMMENDATION:** We will work with the Property Taxes Department and Legal Division, the County Clerks Association and other interested parties as these changes are made.



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## Emerging Issues

*As a result of taxpayer contacts and review of issues, policies, procedures, and trends, both within the Board and at the local (county) level, the Taxpayers' Rights Advocate's Office recommends considering the following areas.*

- **Exemption For Disabled Veteran's Residence:** In the 1998-99 Property Taxpayers' Bill of Rights Annual Report, we made several suggestions to improve the ability of veterans to timely apply for the disabled veteran's exemption. During 1999-2000 we worked with the Legislative Division and Senator Poochigian's office to point out some of the problems veterans were facing and to suggest possible solutions. Three bills were chaptered that make it easier for the disabled veteran or their surviving spouse to claim the exemption-Senator Poochigian's SB 1362, and Assembly Bills 2092 (Reyes) and 2562 (Brewer).

One of the amendments allows the disabled veteran/surviving spouse to transfer their full exemption to a newly acquired home. It also provides that the exemption on their old property, sold to an ineligible third party, will be immediately terminated. (Homeowners' exemptions, in contrast, stay on the property until the next lien date.) The result, for the purchaser of the veteran's/spouse's old property, will be a supplemental assessment considerably greater than would normally be expected.

For example, a purchase of a \$225,000 home that was assessed at \$200,000 would normally receive a supplemental assessment based on \$25,000 difference. But if the previous owner had been receiving a \$150,000 disabled veteran exemption, the supplemental would be based on \$175,000 — which would result in an assessment seven times greater.

**RECOMMENDATION:** Work with other Board offices and interested parties to seek administrative and/or regulatory solutions to better articulate the information on property tax exemptions.

- **"Prop 13" Reappraisal Exclusions-Missed Filing Period:** Subsequent to the 1978 approval of Proposition 13, which added Article XIII A to California's Constitution, fourteen additional voter approved propositions amended Article XIII A. Many of these amendments exclude some class of property owners from a reappraisal following a change in ownership or new construction. Many of these exclusions require a claim form, but homeowners may not be aware and therefore fail to timely file for the exclusion within the statutory deadlines. Excluded changes in ownership and new construction may include transferring a base year value to a replacement property for:
  - ♦ Senior citizens buying or building a new home.
  - ♦ Severely disabled homeowners acquiring a new dwelling.
  - ♦ Property owners acquiring property after being displaced by governmental action or eminent domain proceedings.
  - ♦ Victims acquiring a comparable property to one destroyed or substantially damaged by a disaster.
  - ♦ Property owners replacing certain "qualified" contaminated property.



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Other excluded changes in ownership may include transfers:

- ♦ Between spouses and between some former spouses.
- ♦ Of a home between parents and their children.
- ♦ Of \$1 million of property between parents and their children.
- ♦ Between grandparents and grandchildren, in some cases.

Excluded new construction may include:

- ♦ Work necessary to comply with local seismic safety ordinances.
- ♦ Seismic retrofitting improvements and improvements utilizing earthquake hazard mitigation technologies.
- ♦ Fire detection and extinguishing systems and fire-related egress improvements.
- ♦ Active solar energy systems.
- ♦ Work for the purpose of making a dwelling more accessible to a severely disabled person.
- ♦ Work for the purpose of making a building more accessible to a disabled person.
- ♦ Victims constructing a property comparable to one destroyed or substantially damaged by a disaster.

These Constitutional amendments required the Legislature to work on the details of the exclusion. In many instances the Legislature has required that the claim be filed within three years of the excludable event. When the exclusion is granted, the lower value is enrolled. Three years does not seem like an unreasonable period of time for someone who is knowledgeable about ad valorem property taxation in California.

Through numerous phone calls, the TRA Office, Property Taxes Department and the Assessors are hearing that homeowners may not learn that they could have retained a lower base year value until five or ten years after the event which would have allowed the exclusion. Examples include the homeowner who sells one home and buys another home for retirement, one who makes modifications to a home so a handicapped spouse can still live in it, or another who buys the family home from the parent(s). The time limitations in current law may prevent them from being able to claim the exclusion. And it is too late for as long as they own the property — there is no provision allowing them to make a late claim, and at least prospectively receive the benefits to which they had been entitled.

**RECOMMENDATION:** TRA staff will work with the Customer and Taxpayer Services Division, the Property Taxes Department and County Assessors to identify mechanisms to inform the public about these benefits that are available to taxpayers.

We will also review the various exclusions and develop a legislative proposal to allow homeowners to prospectively apply for exclusions from a reappraisal following a change in ownership or new construction. For the few affected, a fair solution appears appropriate and easily achievable with statutory changes.

- **Grandparent — Grandchild Exclusion:** Proposition 193 amended “Proposition 13” and provided that certain transfers between grandparents and their grandchildren, as defined by



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the Legislature, may be excluded from causing a change in ownership reappraisal. The grandparent–grandchild exclusion only applies if all the parents of the grandchild(ren) who qualify as children of the grandparent(s) are deceased as of the date of the change in ownership. Several years before, Proposition 58 had provided that certain transfers between parents and their children, as defined by the Legislature, may be excluded from causing a change in ownership reappraisal. For these exclusions the Legislature defined in R & T § 63.1 that, in certain circumstances, the term “children” includes adopted children, step-children, daughters-in-law, and sons-in-law.

The TRA Office and the Property Taxes Department have received calls from County Assessor’s offices describing cases where grandchildren were raised by grandparents and didn’t know their birth parents. Perhaps one parent had remarried and now both birth parents are deceased but a stepparent is still alive. The counties could not grant the grandparent-grandchild exclusion because of the statutory definition of “parent” and “child” in R & T § 63.1.

The broad definition of “children” works to the benefit of those claiming the parent-child exclusion, but it works against the claimants of the grandparent-grandchild exclusion. The legislative advocates of Proposition 193 intended that it permit property to be transferred from grandparents to their own grandchildren only in cases where both parents are deceased; they did not consider that the broad definition of “parents” includes more than the birth or adopted parents.

**RECOMMENDATION:** Develop a legislative proposal amending R & T § 63.1 to limit the definition of “parents” and “children” to the birth relationship for purposes of the grandparent-grandchild exclusion. Quoting the argument in favor of Proposition 193, “It will be an uncommon family to whom this new tax provision will apply.... But ... for those families to whom this new law will apply, this is indeed ...fair and compassionate....”

- **Exemption Denial Notification:** We have received complaints from taxpayers who say they had requested the transfer of a base year value or a homeowners’ exemption, but were never notified that the request had been denied. The claim may have been because the transfer was between parent and child, they were senior citizens transferring a base year value to a replacement property, or they were reconstructing property after a disaster. Since they did not receive a notice of denial, they assumed the exclusion or exemption had been granted. When they received the tax bill and discovered that they had not received the benefit, it may have been too late to do anything for that year or to get the full exemption or exclusion.

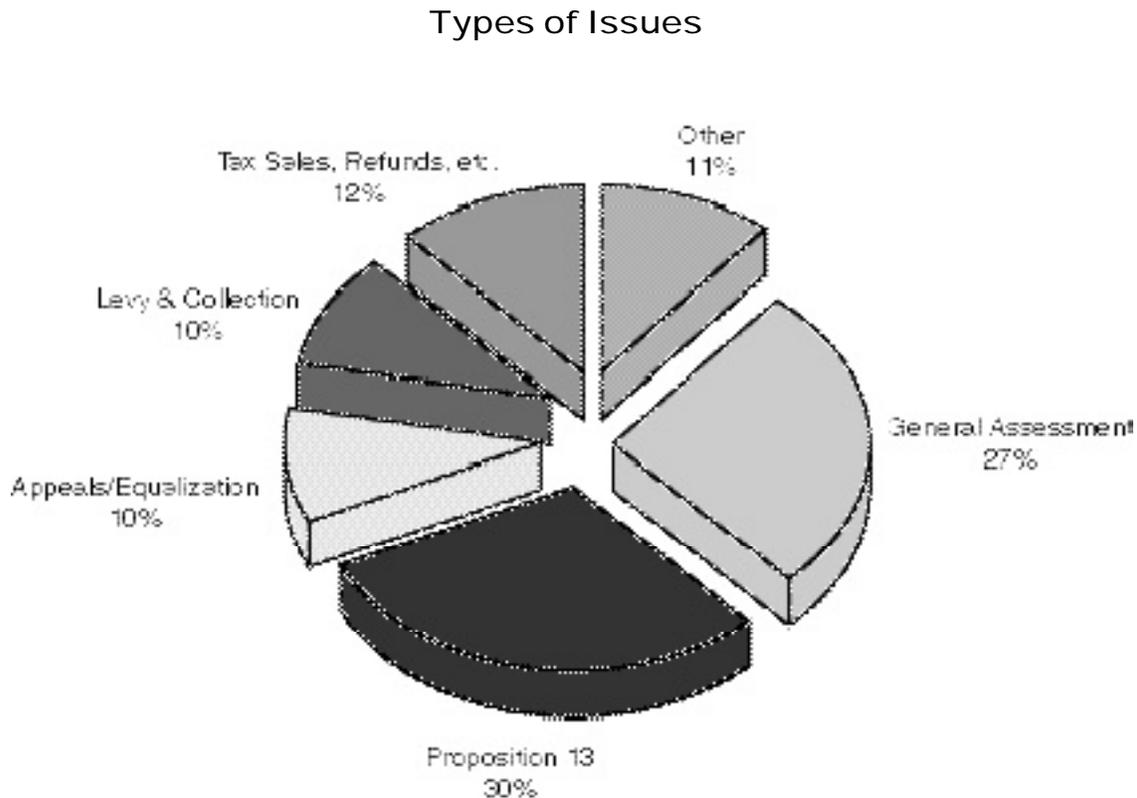
**RECOMMENDATION:** Develop a legislative proposal that would amend the R & T Code, requiring the Assessor to notify the taxpayer when a claim for a change in ownership or new construction exclusion or a property tax exemption has been denied.



## Taxpayer Contacts with TRA's Office

This year, several hundred taxpayers, their representatives, and county and state officials contacted the TRA Office. Where there were technical questions involving application of laws or rules, we often referred the contact to appropriate technical staff at the county level or to the Board's Property Taxes Department or Legal Division. The TRA Office also assisted 134 property taxpayers and representatives last year on Taxpayers' Rights issues. All contacts with taxpayers and their representatives are important and contribute to a better understanding and improvement of the property taxation system. These contacts offer us the opportunity to review a specific situation, which may be indicative of a more global statewide issue requiring changes in the law, rules, policies, or procedures.

The following chart provides a breakdown of last year's contacts.

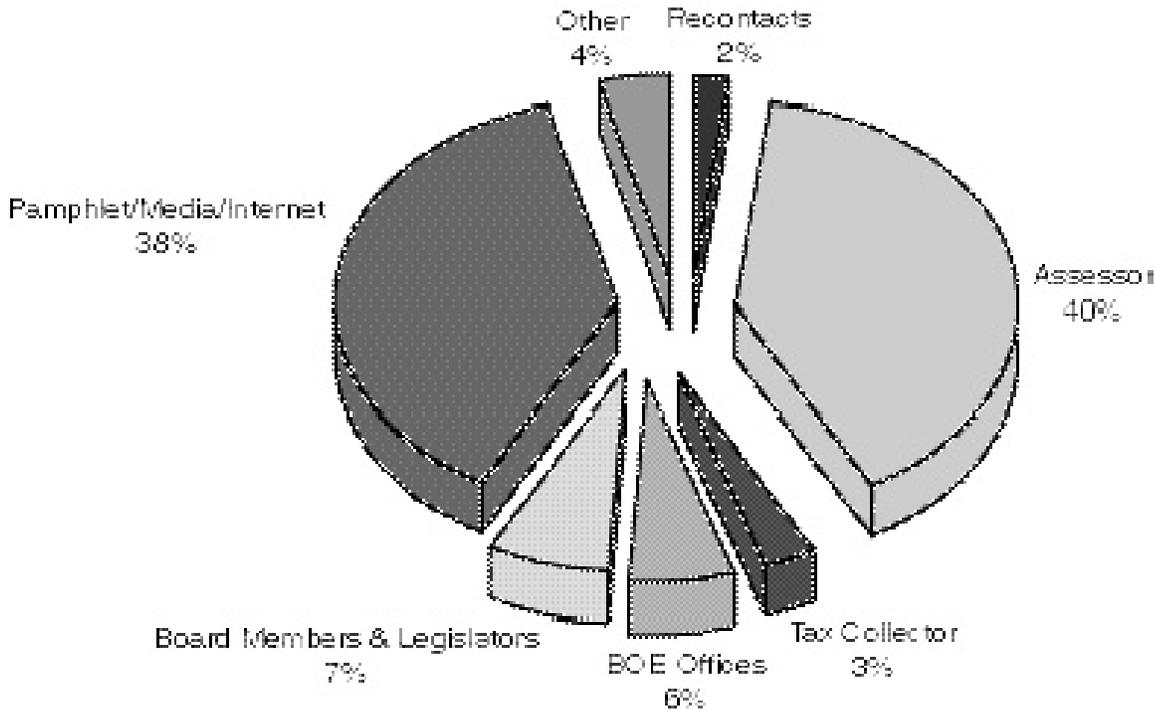


Local county assessment offices (Assessors, Clerks for assessment appeals boards and local boards of equalization, and Tax Collectors) referred many of these contacts to the TRA Office. These local officials recognize the role of the Taxpayers' Rights Advocate's Office in "... the promotion of enhanced understanding regarding the property tax system...."



The following chart gives an indication of these referrals:

Sources of Contacts



We find that sometimes the Assessor, Tax Collector, or Auditor-Controller's offices will refer taxpayers to the TRA Office so taxpayers and/or their representative are provided an unbiased independent review of their situation. A few taxpayers call concerned about the fairness of treatment they received from the assessment office(s). The officials in charge of these offices are concerned with taxpayer service and the potential lack of professional treatment, and are very anxious to correct perceived inadequacies. When the TRA Office receives referrals or when a contact calls directly, the TRA Office will either provide affirmation of the local policy or procedure, offer the local official feedback regarding possible improvements in their operations, or offer suggestions for the correction or resolution of errors and other problems.

We also receive calls from people who have learned about the TRA Office from the media, a library, or another state agency. They may be concerned about the fairness of the treatment they've received from an assessment office. In addition to working with the person, we contact the office involved and when possible help the taxpayer resolve the problem.



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# Appendices

## **A — Differences between Business and Property Taxpayers' Bills of Rights**

A major difference between the Business Taxpayers' Bill of Rights and the Property Taxpayers' Bill of Rights is in the resolution of taxpayer complaints. The Board of Equalization is the agency responsible for assessing and collecting business taxes. The Executive Director has administrative control over the functions, staff and their actions. The Advocate reports directly to the Executive Director and is separate from the business and property taxes line programs.

When taxpayers' complaints about the Board of Equalization business taxes programs are received in the Advocate's Office, the Advocate and TRA Office staff have direct access to all the documents and staff involved in the taxpayers' issues. The Advocate and staff are liaisons between the taxpayers and the Board program staff to solve the problems. In the area of levies, for example, the Advocate has the ability to stay collection and to order the release of levy and the refund of up to \$1,500 upon finding that the levy threatens the health or welfare of the taxpayer or his or her spouse and dependents or family. If the Advocate disagrees with other actions of the staff and is unable to resolve the situation satisfactorily, the issue is elevated to the Executive Director for resolution. The Executive Director then has the authority to overturn the actions of the staff.

However, in responding to property taxpayers' complaints, the Advocate typically has no direct access to the taxpayers' documents. Each of the 58 counties maintains their own records. The Advocate and staff work with County Assessors, Tax Collectors, and Auditor-Controllers (most of whom are elected officials), plus Clerks to the County Boards of Supervisors. The Morgan Property Taxpayers' Bill of Rights provides the Advocate with broad oversight, but there is no authority to mandate or overturn local actions. So far, however, the Advocate has been successful in soliciting cooperation and possible change with these local county officials.



## B — Table of Contacts Received by Type and by Office

County	Assessor	Appeals Board	Tax Collector	Auditor-Controller	Other	TOTAL
Alameda	2				1	3
Amador	1					1
Butte	1					1
Calaveras					1	1
Contra Costa	2	1				3
Del Norte	1				1	2
Glenn	1					1
Humboldt	1	1	1			3
Kern			1		1	2
Kings	1		1			2
Lassen	1					1
Los Angeles	6	3	2		1	12
Madera	2					2
Mendocino	2					2
Modoc					1	1
Mono	2					2
Napa	3					3
Nevada	1					1
Orange	1					1
Placer	4				1	5
Plumas					1	1
Riverside	1				2	3
Sacramento	3					3
San Benito	1					1
San Bernardino	2				5	7
San Diego	1					1
San Francisco	5			1	1	7
San Joaquin	1					1
San Luis Obispo		1			1	2
San Mateo	1					1
Santa Barbara			1			1
Santa Clara	3		1		1	5
Santa Cruz	1		3			4
Shasta			1			1
Solano	2					2
Sonoma	1					1
Stanislaus	1	1	1			3
Sutter			1			1
Tulare	1					1
Ventura	1				2	3
Yolo	1					1
Yuba	2					2
Statewide <sup>1</sup>	6	2	2		2	12
FTB / SCO <sup>2</sup>					2	2
BOE <sup>3</sup>					6	6
Bill of Rights <sup>4</sup>					13	13
<b>TOTALS:</b>	<b>66</b>	<b>9</b>	<b>15</b>	<b>1</b>	<b>43</b>	<b>134</b>

<sup>1</sup>Contact raised issue or question that went beyond one particular county.

<sup>2</sup>Property tax assistance/postponement question.

<sup>3</sup>BOE questions include timber taxes and welfare exemptions.

<sup>4</sup>Questions about the Morgan Property Taxpayers' Bill of Rights.



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## **C — The Morgan Property Taxpayers' Bill of Rights [R & T Code Sections]**

5900. This part shall be known and may be cited as “The Morgan Property Taxpayers’ Bill of Rights.”

5901. The Legislature finds and declares as follows:

- (a) Taxes are a sensitive point of contact between citizens and their government, and disputes and disagreements often arise as a result of misunderstandings or miscommunications.
- (b) The dissemination of information to taxpayers regarding property taxes and the promotion of enhanced understanding regarding the property tax system will improve the relationship between taxpayers and the government.
- (c) The proper assessment and collection of property taxes is essential to local government and the health and welfare of the citizens of this state.
- (d) It is the intent of the Legislature to promote the proper assessment and collection of property taxes throughout this state by advancing, to the extent feasible, uniform practices of property tax appraisal and assessment.

5902. This part shall be administered by the board.

5903. “Advocate” as used in this part means the “Property Taxpayers’ Advocate” designated pursuant to Section 5904.

5904.

- (a) The board shall designate a “Property Taxpayers’ Advocate.” The advocate shall be responsible for reviewing the adequacy of procedures for both of the following:
  - (1) The distribution of information regarding property tax assessment matters between and among the board, assessors, and taxpayers.
  - (2) The prompt resolution of board, assessor, and taxpayer inquiries, and taxpayer complaints and problems.
- (b) The advocate shall be designated by, and report directly to, the executive officer of the board. The advocate shall at least annually report to the executive officer on the adequacy of existing procedures, or the need for additional or revised procedures, to accomplish the objectives of this part.
- (c) Nothing in this part shall be construed to require the board to reassign property tax program responsibilities within its existing organizational structure.

5905. In addition to any other duties imposed by this part, the advocate shall periodically review and report on the adequacy of existing procedures, or the need for additional or revised procedures, with respect to the following:

- (a) The development and implementation of educational and informational programs on property tax assessment matters for the benefit of the board and its staff, assessors and their staffs, local boards of equalization and assessment appeals boards, and taxpayers.



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- (b) The development and availability of property tax informational pamphlets and other written materials that explain, in simple and nontechnical language, all of the following matters:
- (1) Taxation of real and personal property in California.
  - (2) Property tax exemptions.
  - (3) Supplemental assessments.
  - (4) Escape assessments.
  - (5) Assessment procedures.
  - (6) Taxpayer obligations, responsibilities, and rights.
  - (7) Obligations, responsibilities, and rights of property tax authorities, including, but not limited to, the board and assessors.
  - (8) Property tax appeal procedures.

5906.

- (a) The advocate shall undertake, to the extent not duplicative of existing programs, periodic review of property tax statements and other property tax forms prescribed by the board to determine both of the following:
  - (1) Whether the forms and their instructions promote or discourage taxpayer compliance.
  - (2) Whether the forms or questions therein are necessary and germane to the assessment function.
- (b) The advocate shall undertake the review of taxpayer complaints and identify areas of recurrent conflict between taxpayers and assessment officers. This review shall include, but not be limited to, all of the following:
  - (1) The adequacy and timeliness of board and assessor responses to taxpayers' written complaints and requests for information.
  - (2) The adequacy and timeliness of corrections of the assessment roll, cancellations of taxes, or issuances of refunds after taxpayers have provided legitimate and adequate information demonstrating the propriety of the corrections, cancellations, or refunds, including, but not limited to, the filing of documents required by law to claim these corrections, cancellations, or refunds.
  - (3) The timeliness, fairness, and accessibility of hearings and decisions by the board, county boards of equalization, or assessment appeals boards where taxpayers have filed timely applications for assessment appeal.
  - (4) The application of penalties and interest to property tax assessments or property tax bills where the penalty or interest is a direct result of the assessor's failure to request specified information or a particular method of reporting information, or where the penalty or interest is a direct result of the taxpayer's good faith reliance on written advice provided by the assessor or the board.



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- (c) Nothing in this section shall be construed to modify any other provision of law or the California Code of Regulations regarding requirements or limitations with respect to the correction of the assessment roll, the cancellation of taxes, the issuance of refunds, or the imposition of penalties or interest.
  - (d) The board shall annually conduct a public hearing, soliciting the input of assessors, other local agency representatives, and taxpayers, to address the advocate's annual report pursuant to Section 5904, and to identify means to correct any problems identified in that report.

5907. No state or local officer or employees responsible for the appraisal or assessment of property shall be evaluated based solely upon the dollar value of assessments enrolled or property taxes collected. However, nothing in this section shall be construed to prevent an official or employee from being evaluated based upon the propriety and application of the methodology used in arriving at a value determination.

5908. Upon request of a county assessor or assessors, the advocate, in conjunction with any other programs of the board, shall assist assessors in their efforts to provide education and instruction to their staffs and local taxpayers for purposes of promoting taxpayer understanding and compliance with the property tax laws, and, to the extent feasible, statewide uniformity in the application of property tax laws.

5909.

- (a) County assessors may respond to a taxpayer's written request for a written ruling as to property tax consequences of an actual or planned particular transaction, or as to the property taxes liability of a specified property. For purposes of statewide uniformity, county assessors may consult with board staff prior to issuing a ruling under this subdivision. Any ruling issued under this subdivision shall notify the taxpayer that the ruling represents the county's current interpretation of applicable law and does not bind the county, except as provided in subdivision (b).
- (b) Where a taxpayer's failure to timely report information or pay amounts of tax directly results from the taxpayer's reasonable reliance on the county assessor's written ruling under subdivision (a), the taxpayer shall be relieved of any penalties, or interest assessed or accrued, with respect to property taxes not timely paid as a direct result of the taxpayer's reasonable reliance. A taxpayer's failure to timely report property values or to make a timely payment of property taxes shall be considered to directly result from the taxpayer's reasonable reliance on a written ruling from the assessor under subdivision (a) only if all of the following conditions are met:
  - (1) The taxpayer has requested in writing that the assessor advise as to the property tax consequences of a particular transaction or as to the property taxes with respect to a particular property, and fully described all relevant facts and circumstances pertaining to that transaction or property.
  - (2) The assessor has responded in writing and specifically stated the property tax consequences of the transaction or the property taxes with respect to the property.



5910. The advocate shall, on or before January 1, 1994, make specific recommendations to the board with respect to standardizing interest rates applicable to escape assessments and refunds of property taxes, and statutes of limitations, so as to place property taxpayers on an equal basis with taxing authorities.

5911. It is the intent of the Legislature in enacting this part to ensure that:

- (a) Taxpayers are provided fair and understandable explanations of their rights and duties with respect to property taxation, prompt resolution of legitimate questions and appeals regarding their property taxes, and prompt corrections when errors have occurred in property tax assessments.
- (b) The board designate a taxpayer's advocate position independent of, but not duplicative of, the board's existing property tax programs, to be specifically responsible for reviewing property tax matters from the viewpoint of the taxpayer, and to review and report on, and to recommend to the board's executive officer any necessary changes with respect to, property tax matters as described in this part.