
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2019 - 2020 Regular Session

SB 364 (Stone) - Property taxation: senior and disabled veterans

Version: February 20, 2019

Urgency: No

Hearing Date: May 16, 2019

Policy Vote: GOV. & F. 7 - 0, V.A. 7 - 0

Mandate: Yes

Consultant: Robert Ingenito

Bill Summary: SB 364 would (1) eliminate the inflation adjustment for the principal place of residence of income-eligible veteran taxpayers over the age of 65, and (2) expand to a full exemption the current partial disabled veterans' property tax exemption.

******* ANALYSIS ADDENDUM – SUSPENSE FILE *******

**The following information is revised to reflect amendments
adopted by the committee on May 16, 2019**

Fiscal Impact: The Board of Equalization (BOE) estimates that the bill's two proposed changes to property tax law would result in annual revenue losses of \$22 million. Reductions in local property tax revenues, in turn, increase General Fund Proposition 98 spending by up to roughly 50 percent (the exact amount depends on the specific amount of the annual Proposition 98 guarantee, which in turns depends upon a variety of economic, demographic and budgetary factors). Additionally, the bill could result in unknown, but likely minor, costs to reimburse local governments related to changes in property tax administration. Costs to BOE would be minor and absorbable.

Committee Amendments: Remove the expansion of the current partial disabled veterans' property tax exemption.

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