

AMENDED IN ASSEMBLY JUNE 30, 2025

AMENDED IN SENATE APRIL 2, 2025

SENATE BILL

No. 663

Introduced by Senators Allen, McNerney, and Pérez
(Principal coauthors: Senators Caballero, Cervantes, Cortese,
Gonzalez, Grayson, Hurtado, Menjivar, Reyes, Richardson,
Smallwood-Cuevas, and Umberg)

February 20, 2025

An act to amend Sections ~~70.5 and 170~~ 70.5, 170, and 205.5 of, and to add and repeal Section 287 of, the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 663, as amended, Allen. Winter Fires of 2025: real property tax: exemptions and reassessment.

(1) The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975–76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. Existing law defines "newly constructed" and "new construction" to mean any addition to real property since the last lien date and any alteration of land or of any improvement since the last lien date that constitutes a major rehabilitation thereof or that converts the property to a different use. Existing law, where real property has been damaged or destroyed by misfortune or calamity, excludes from the definition of "newly constructed" and "new construction" any timely reconstruction of the

real property, or portion thereof, where the property after reconstruction is substantially equivalent to the property prior to damage or destruction. Existing law, pursuant to the authorization of the California Constitution, authorizes the transfer of the base year value of property that is substantially damaged or destroyed by a disaster, as declared by the Governor, to comparable replacement property within the same county that is acquired or newly constructed within 5 years after the disaster, as provided.

Existing law authorizes the owner of property substantially damaged or destroyed by a disaster, as declared by the Governor, to apply the base year value of that property to replacement property reconstructed on the same site of the damaged or destroyed property within 5 years after the disaster if the reconstructed property is comparable to the substantially damaged or destroyed property, determined as provided.

This bill would extend the 5-year time period described above by 3 years if the property was substantially damaged or destroyed by the ~~wildfires in the County of Los Angeles and the County of Ventura in January 2025, including, but not limited to, the 2025 Palisades Fire, the 2025 Eaton Fire, the 2025 Hughes Fire, and the 2025 Kenneth Fire,~~ *2025 Palisades Fire, Eaton Fire, Hurst Fire, Lidia Fire, Sunset Fire, or Woodley Fire, or the 2024 Mountain Fire or Franklin Fire*, on or after January 1, 2025, but before February 1, 2025. The bill would make these provisions applicable to the determination of base year values for the 2025–26 fiscal year and fiscal years thereafter. By imposing additional duties on local tax officials, the bill would create a state-mandated local program.

(2) The California Constitution authorizes the Legislature to authorize local governments to provide for the assessment or reassessment of taxable property physically damaged or destroyed after the lien date to which the assessment or reassessment relates. Existing property tax law authorizes the board of supervisors of a county, by ordinance, to provide that every assessee of any taxable property, or any person liable for the taxes thereon, whose property was damaged or destroyed without their fault, may apply for reassessment of that property, as provided. Existing property tax law requires, for property to be eligible for reassessment under these provisions, that the damage or destruction be caused by one of 3 specified occurrences, including a major misfortune or calamity in an area or region subsequently proclaimed by the Governor to be in a state of disaster if the property was damaged or destroyed by the misfortune or calamity that caused the Governor to proclaim the region

to be in a state of disaster. Existing property tax law generally requires that an application for reassessment be filed within the latter of the time specified in the county's ordinance or within 12 months of the misfortune or calamity and be executed under penalty of perjury.

This bill would also authorize a local government to provide for the assessment or reassessment of taxable property damaged by a major misfortune or calamity in an area or regions subsequently proclaimed to be in a state of emergency, as specified. The bill would *authorize the local government by ordinance to provide* ~~that the assessor shall have~~ the discretion to determine the appropriate date of damage for the purposes of reassessment.

This bill would, in the case of property damaged by the ~~wildfires in the County of Los Angeles and the County of Ventura in January 2025, including, but not limited to, the 2025 Palisades Fire, the 2025 Eaton Fire, the 2025 Hughes Fire, and the 2025 Kenneth Fire, 2025 Palisades Fire, Eaton Fire, Hurst Fire, Lidia Fire, Sunset Fire, or Woodley Fire, or the 2024 Mountain Fire or Franklin Fire,~~ extend the period to file for reassessment to the latter of the time specified in the county's ordinance or within 24 months of the fires. By expanding the crime of perjury, this bill would impose a state-mandated local program.

(3) Existing property tax law provides, pursuant to the authorization of the California Constitution, a disabled veteran's property tax exemption for the principal place of residence of a veteran or a veteran's spouse, including an unmarried surviving spouse, if the veteran, because of an injury incurred in military service, is blind in both eyes, has lost the use of 2 or more limbs, or is totally disabled, as those terms are defined, or if the veteran has, as a result of a service-connected injury or disease, died while on active duty in military service. Existing law, for purposes of this exemption, deems property to be the principal place of residence of a veteran if the veteran is confined to a hospital or other care facility, as provided.

This bill would additionally deem property to be the principal place of residence of a veteran if a dwelling on the property was completely destroyed in a disaster for which the Governor proclaimed a state of emergency and specified conditions are met.

~~(3)~~

(4) Existing property tax law, in accordance with the California Constitution, provides for various exemptions for property used exclusively for a specified exempt purpose.

This bill, in the case of property impacted by the wildfires of January 2025, in the County of Los Angeles and the County of Ventura, as specified, 2025 Palisades Fire, Eaton Fire, Hurst Fire, Lidia Fire, Sunset Fire, or Woodley Fire, or the 2024 Mountain Fire or Franklin Fire, would deem property to be eligible for a use-based exemption, as specified, if the property received an exemption for the 2025 calendar year, and the property is no longer used for an exempt purpose due to damage from the fires. These provisions would apply until the property has been replaced, new construction has been completed on the property, or the property has returned to its prior use. The bill would make these provisions operative only for lien dates prior to January 1, 2033.

(4)

(5) This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Los Angeles and the County of Ventura.

(5)

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(6)

(7) Existing law requires the state to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding those provisions, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.

(7)

(8) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 70.5 of the Revenue and Taxation Code
2 is amended to read:

3 70.5. (a) Notwithstanding Section 70, and pursuant to Section
4 2 of Article XIII A of the Constitution, the base year value of
5 property that is substantially damaged or destroyed by a disaster,
6 as declared by the Governor, may be applied to replacement
7 property reconstructed on the site of the damaged or destroyed
8 property within five years after the disaster as a replacement for
9 the substantially damaged or destroyed property if that
10 reconstructed property is comparable to the substantially damaged
11 or destroyed property. A person who owns substantially damaged
12 or destroyed property that receives property tax relief under this
13 section shall not be eligible for property tax relief provided under
14 Section 69.

15 (b) (1) The replacement base year value of the reconstructed
16 property shall be determined in accordance with this section.

17 (2) The assessor shall use the following procedure in
18 determining the appropriate base year value of the reconstructed
19 property:

20 (A) If the full cash value of the reconstructed property does not
21 exceed 120 percent of the full cash value of the property
22 substantially damaged or destroyed, then the adjusted base year
23 value of the property substantially damaged or destroyed shall
24 apply to the reconstructed property as its base year value.

25 (B) If the full cash value of the reconstructed property exceeds
26 120 percent of the full cash value of the property substantially
27 damaged or destroyed, then the amount of the full cash value over
28 120 percent of the full cash value of the property substantially
29 damaged or destroyed shall be added to the adjusted base year
30 value of the original property substantially damaged or destroyed.
31 The sum of these amounts shall become the reconstructed
32 property's base year value.

33 (C) If the full cash value of the reconstructed property is less
34 than the adjusted base year value of the original property
35 substantially damaged or destroyed, then that lower value shall
36 become the reconstructed property's base year value.

37 (D) The full cash value of the property substantially damaged
38 or destroyed shall be the amount of its full cash value immediately

1 prior to its substantial damage or destruction, as determined by
2 the county assessor of the county in which the property is located.

3 (c) For purposes of this section:

4 (1) Property is substantially damaged or destroyed if the
5 improvements sustain physical damage amounting to more than
6 50 percent of the improvements' full cash value immediately prior
7 to the disaster.

8 (2) Reconstructed property shall be considered comparable to
9 the original property substantially damaged or destroyed if it is
10 similar in size, utility, and function to the property which it
11 replaces. For purposes of this paragraph:

12 (A) Property is similar in function if the reconstructed property
13 is subject to similar governmental restrictions, such as zoning.

14 (B) (i) Both the size and utility of property are interrelated and
15 associated with value. Property shall be considered similar in size
16 and utility only to the extent that the reconstructed property is, or
17 is intended to be, used in the same manner as the original property
18 substantially damaged or destroyed and its full cash value does
19 not exceed 120 percent of the full cash value of the original
20 property substantially damaged or destroyed.

21 (ii) A reconstructed property or any portion of reconstructed
22 property used or intended to be used for a purpose substantially
23 different than the use made of the original property substantially
24 damaged or destroyed shall to the extent of the dissimilar use be
25 considered not similar in utility.

26 (iii) A reconstructed property or any portion of reconstructed
27 property that satisfies the use requirement but has a full cash value
28 that exceeds 120 percent of the full cash value of the original
29 property substantially damaged or destroyed shall be considered,
30 to the extent of the excess, not similar in utility and size.

31 (C) To the extent that reconstructed property or any portion of
32 reconstructed property is not similar in function, size, and utility,
33 the property or portion of that property shall be considered to be
34 newly constructed.

35 (3) "Disaster" means a major misfortune or calamity in an area
36 subsequently proclaimed by the Governor to be in a state of disaster
37 as a result of that misfortune or calamity.

38 (d) Only the owner or owners of the property substantially
39 damaged or destroyed, whether one or more individuals,
40 partnerships, corporations, other legal entities, or a combination

thereof, shall be eligible to receive property tax relief under this section. Relief under this section shall be granted to an owner or owners of substantially damaged or destroyed property who have reconstructed that property.

(e) (1) Notwithstanding any law, the time period specified in subdivision (a) to apply the base year value of qualified property to replacement property reconstructed on the site of the damaged or destroyed property is extended by three years if the qualified property was substantially damaged or destroyed on or after November 1, 2018, but on or before November 30, 2018.

(2) This subdivision shall apply to the determination of base year values for the 2018–19 fiscal year and fiscal years thereafter.

(3) For purposes of this subdivision, “qualified property” means property that was substantially damaged or destroyed, as described in paragraph (1) of subdivision (c), by the 2018 Woolsey Fire disaster or by the 2018 Camp Fire disaster, as proclaimed by the Governor.

(f) (1) Notwithstanding any law, the time period specified in subdivision (a) to apply the base year value of qualified property to replacement property reconstructed on the site of the damaged or destroyed property is extended by three years if the qualified property was substantially damaged or destroyed on or after January 1, 2025, but before February 1, 2025.

(2) This subdivision shall apply to the determination of base year values for the 2025–26 fiscal year and fiscal years thereafter.

(3) For purposes of this subdivision, “qualified property” means property that was substantially damaged or destroyed, as described in paragraph (1) of subdivision (c), by the ~~wildfires in the County of Los Angeles and the County of Ventura in January 2025, including, but not limited to, the 2025 Palisades Fire, the 2025 Eaton Fire, the 2025 Hughes Fire, and the 2025 Kenneth Fire.~~ *2025 Palisades Fire, Eaton Fire, Hurst Fire, Lidia Fire, Sunset Fire, or Woodley Fire, or the 2024 Mountain Fire or Franklin Fire, for which the Governor proclaimed a state of emergency.*

(g) This section shall apply to real property damaged or destroyed by misfortune or calamity on or after January 1, 2017.

SEC. 2. Section 170 of the Revenue and Taxation Code is amended to read:

170. (a) Notwithstanding any other law, the board of supervisors, by ordinance, may provide that every assessee of any

1 taxable property, or any person liable for the taxes thereon, whose
2 property was damaged or destroyed without the assessee's or liable
3 person's fault, may apply for reassessment of that property as
4 provided in this section. The ordinance may also specify that the
5 assessor *shall have the discretion to determine the appropriate*
6 *date of damage and* may initiate the reassessment where the
7 assessor determines that within the preceding 12 months taxable
8 property located in the county was damaged or destroyed. ~~The~~
9 ~~assessor shall have the discretion to determine the appropriate date~~
10 ~~of damage for the purposes of reassessment.~~

11 To be eligible for reassessment the damage or destruction to the
12 property shall have been caused by any of the following:

13 (1) A major misfortune or calamity, in an area or region
14 subsequently proclaimed by the Governor to be in a state of
15 disaster, if that property was damaged or destroyed by the major
16 misfortune or calamity that caused the Governor to proclaim the
17 area or region to be in a state of emergency, pursuant to Section
18 8625 of the Government Code, or a state of disaster. As used in
19 this paragraph, "damage" includes a diminution in the value of
20 property as a result of restricted access to the property where that
21 restricted access was caused by the major misfortune or calamity.

22 (2) A misfortune or calamity.

23 (3) A misfortune or calamity that, with respect to a possessory
24 interest in land owned by the state or federal government, has
25 caused the permit or other right to enter upon the land to be
26 suspended or restricted. As used in this paragraph, "misfortune or
27 calamity" includes a drought condition such as existed in this state
28 in 1976 and 1977.

29 The application for reassessment may be filed within the time
30 specified in the ordinance or within 12 months of the misfortune
31 or calamity, whichever is later, by delivering to the assessor a
32 written application requesting reassessment showing the condition
33 and value, if any, of the property immediately after the damage or
34 destruction, and the dollar amount of the damage. The application
35 shall be executed under penalty of perjury, or if executed outside
36 the State of California, verified by affidavit.

37 An ordinance may be made applicable to a major misfortune or
38 calamity specified in paragraph (1) or to any misfortune or calamity
39 specified in paragraph (2), or to both, as the board of supervisors
40 determines. An ordinance shall not be made applicable to a

1 misfortune or calamity specified in paragraph (3), unless an
2 ordinance making paragraph (2) applicable is operative in the
3 county. The ordinance may specify a period of time within which
4 the ordinance shall be effective, and, if no period of time is
5 specified, it shall remain in effect until repealed.

6 (b) Upon receiving a proper application, the assessor shall
7 appraise the property and determine separately the full cash value
8 of land, improvements and personalty immediately before and
9 after the damage or destruction. If the sum of the full cash values
10 of the land, improvements and personalty before the damage or
11 destruction exceeds the sum of the values after the damage by ten
12 thousand dollars (\$10,000) or more, the assessor shall also
13 separately determine the percentage reductions in value of land,
14 improvements and personalty due to the damage or destruction.
15 The assessor shall reduce the values appearing on the assessment
16 roll by the percentages of damage or destruction computed pursuant
17 to this subdivision, and the taxes due on the property shall be
18 adjusted as provided in subdivision (e). However, the amount of
19 the reduction shall not exceed the actual loss.

20 (c) (1) As used in this subdivision, “board” means either the
21 county board of supervisors acting as the county board of
22 equalization, or an assessment appeals board established by the
23 county board of supervisors in accordance with Section 1620, as
24 applicable.

25 (2) The assessor shall notify the applicant in writing of the
26 amount of the proposed reassessment. The notice shall state that
27 the applicant may appeal the proposed reassessment to the board
28 within six months of the date of mailing the notice. If an appeal is
29 requested within the six-month period, the board shall hear and
30 decide the matter as if the proposed reassessment had been entered
31 on the roll as an assessment made outside the regular assessment
32 period. The decision of the board regarding the damaged value of
33 the property shall be final, provided that a decision of the board
34 regarding any reassessment made pursuant to this section shall
35 create no presumption as regards the value of the affected property
36 subsequent to the date of the damage.

37 (3) Those reassessed values resulting from reductions in full
38 cash value of amounts, as determined above, shall be forwarded
39 to the auditor by the assessor or the clerk of the board, as the case
40 may be. The auditor shall enter the reassessed values on the roll.

1 After being entered on the roll, those reassessed values shall not
2 be subject to review, except by a court of competent jurisdiction.

3 (d) (1) If no application is made and the assessor determines
4 that within the preceding 12 months a property has suffered damage
5 caused by misfortune or calamity that may qualify the property
6 owner for relief under an ordinance adopted under this section,
7 the assessor shall provide the last known owner of the property
8 with an application for reassessment. The property owner shall
9 file the completed application within 12 months after the
10 occurrence of that damage. Upon receipt of a properly completed,
11 timely filed application, the property shall be reassessed in the
12 same manner as required in subdivision (b).

13 (2) This subdivision does not apply where the assessor initiated
14 reassessment as provided in subdivision (a) or (l).

15 (e) The tax rate fixed for property on the roll on which the
16 property so reassessed appeared at the time of the misfortune or
17 calamity, shall be applied to the amount of the reassessment as
18 determined in accordance with this section and the assessee shall
19 be liable for: (1) a prorated portion of the taxes that would have
20 been due on the property for the current fiscal year had the
21 misfortune or calamity not occurred, to be determined on the basis
22 of the number of months in the current fiscal year prior to the
23 misfortune or calamity; plus, (2) a proration of the tax due on the
24 property as reassessed in its damaged or destroyed condition, to
25 be determined on the basis of the number of months in the fiscal
26 year after the damage or destruction, including the month in which
27 the damage was incurred. For purposes of applying the preceding
28 calculation in prorating supplemental taxes, the term "fiscal year"
29 means that portion of the tax year used to determine the adjusted
30 amount of taxes due pursuant to subdivision (b) of Section 75.41.
31 If the damage or destruction occurred after January 1 and before
32 the beginning of the next fiscal year, the reassessment shall be
33 utilized to determine the tax liability for the next fiscal year.
34 However, if the property is fully restored during the next fiscal
35 year, taxes due for that year shall be prorated based on the number
36 of months in the year before and after the completion of restoration.
37 (f) Any tax paid in excess of the total tax due shall be refunded
38 to the taxpayer pursuant to Chapter 5 (commencing with Section
39 5096) of Part 9, as an erroneously collected tax or by order of the

1 board of supervisors without the necessity of a claim being filed
2 pursuant to Chapter 5.

3 (g) The assessed value of the property in its damaged condition,
4 as determined pursuant to subdivision (b) compounded annually
5 by the inflation factor specified in subdivision (a) of Section 51,
6 shall be the taxable value of the property until it is restored,
7 repaired, reconstructed or other provisions of the law require the
8 establishment of a new base year value.

9 If partial reconstruction, restoration, or repair has occurred on
10 any subsequent lien date, the taxable value shall be increased by
11 an amount determined by multiplying the difference between its
12 factored base year value immediately before the calamity and its
13 assessed value in its damaged condition by the percentage of the
14 repair, reconstruction, or restoration completed on that lien date.

15 (h) (1) When the property is fully repaired, restored, or
16 reconstructed, the assessor shall make an additional assessment or
17 assessments in accordance with subparagraph (A) or (B) upon
18 completion of the repair, restoration, or reconstruction:

19 (A) If the completion of the repair, restoration, or reconstruction
20 occurs on or after January 1, but on or before May 31, then there
21 shall be two additional assessments. The first additional assessment
22 shall be the difference between the new taxable value as of the
23 date of completion and the taxable value on the current roll. The
24 second additional assessment shall be the difference between the
25 new taxable value as of the date of completion and the taxable
26 value to be enrolled on the roll being prepared.

27 (B) If the completion of the repair, restoration, or reconstruction
28 occurs on or after June 1, but before the succeeding January 1,
29 then the additional assessment shall be the difference between the
30 new taxable value as of the date of completion and the taxable
31 value on the current roll.

32 (2) On the lien date following completion of the repair,
33 restoration, or reconstruction, the assessor shall enroll the new
34 taxable value of the property as of that lien date.

35 (3) For purposes of this subdivision, “new taxable value” shall
36 mean the lesser of the property’s (A) full cash value, or (B) factored
37 base year value or its factored base year value as adjusted pursuant
38 to subdivision (c) of Section 70.

(i) The assessor may apply Chapter 3.5 (commencing with Section 75) of Part 0.5 in implementing this section, to the extent that chapter is consistent with this section.

(j) This section applies to all counties, whether operating under a charter or under the general laws of this state.

(k) Any ordinance in effect pursuant to former Section 155.1, 155.13, or 155.14 shall remain in effect according to its terms as if that ordinance was adopted pursuant to this section, subject to the limitations of subdivision (b).

(l) When the assessor does not have the general authority pursuant to subdivision (a) to initiate reassessments, if no application is made and the assessor determines that within the preceding 12 months a property has suffered damage caused by misfortune or calamity, that may qualify the property owner for relief under an ordinance adopted under this section, the assessor, with the approval of the board of supervisors, may reassess the particular property for which approval was granted as provided in subdivision (b) and notify the last known owner of the property of the reassessment.

(m) Notwithstanding subdivision (a), in the case of property damaged by the wildfires of January 2025, in the County of Los Angeles and the County of Ventura, including, but not be limited to, the 2025 Palisades Fire, the 2025 Eaton Fire, the 2025 Hughes Fire, and the 2025 Kenneth Fire, 2025 Palisades Fire, Eaton Fire, Hurst Fire, Lidia Fire, Sunset Fire, or Woodley Fire, or the 2024 Mountain Fire or Franklin Fire, for which the Governor proclaimed a state of emergency, the application for reassessment may be filed within the time specified in the ordinance or within 24 months of the misfortune or calamity, whichever is later.

SEC. 3. Section 205.5 of the Revenue and Taxation Code is amended to read:

205.5. (a) Property that constitutes the principal place of residence of a veteran, that is owned by the veteran, the veteran's spouse, or the veteran and the veteran's spouse jointly, is exempted from taxation on that part of the full value of the residence that does not exceed one hundred thousand dollars (\$100,000), as adjusted for the relevant assessment year as provided in subdivision (i), if the veteran is blind in both eyes, has lost the use of two or more limbs, or if the veteran is totally disabled as a result of injury or disease incurred in military service. The one hundred thousand

~~dollar~~ *one-hundred-thousand-dollar* (\$100,000) exemption shall be one hundred fifty thousand dollars (\$150,000), as adjusted for the relevant assessment year as provided in subdivision (i), in the case of an eligible veteran whose household income does not exceed the amount of forty thousand dollars (\$40,000), as adjusted for the relevant assessment year as provided in subdivision (h).

(b) (1) For purposes of this section, “veteran” means either of the following:

(A) A person who is serving in or has served in and has been discharged under other than dishonorable conditions from service in the United States Army, Navy, Air Force, Marine Corps, Space Force, or Coast Guard, and served either in time of war or in time of peace in a campaign or expedition for which a medal has been issued by Congress, or in time of peace and because of a service-connected disability was released from active duty, and who has been determined by the United States Department of Veterans Affairs to be eligible for federal veterans’ health and medical benefits.

(B) Any person who would qualify as a veteran pursuant to subparagraph (A) except that they have, as a result of a service-connected injury or disease, died while on active duty in military service. The United States Department of Veterans Affairs shall determine whether an injury or disease is service connected.

(2) For purposes of this section, property is deemed to be the principal place of residence of a veteran, disabled as described in subdivision (a), ~~who is~~ *if either of the following apply:*

(A) *The veteran is* confined to a hospital or other care facility, if that property would be that veteran’s principal place of residence were it not for their confinement to a hospital or other care facility, provided that the residence is not rented or leased to a third party. For purposes of this ~~paragraph~~, *subparagraph*, a family member who resides at the residence is not a third party.

(B) *A dwelling on the property was completely destroyed in a disaster for which the Governor proclaimed a state of emergency and all of the following apply:*

(i) *The property qualified was the veteran’s principal place of residence prior to the commencement date of the disaster.*

(ii) *The property has not changed ownership since the commencement date of the disaster.*

1 (iii) *The veteran intends to reconstruct a dwelling on the*
2 *property and occupy the dwelling as their principal place of*
3 *residence when it is possible to do so.*

4 (iv) *In the case of an eligible veteran receiving an increased*
5 *exemption amount based on household income, as described in*
6 *subdivision (a), the veteran continues to comply with any*
7 *applicable annual filing requirement.*

8 (c) (1) Property that is owned by, and that constitutes the
9 principal place of residence of, the unmarried surviving spouse of
10 a deceased veteran is exempt from taxation on that part of the full
11 value of the residence that does not exceed one hundred thousand
12 dollars (\$100,000), as adjusted for the relevant assessment year as
13 provided in subdivision (i), in the case of a veteran who was blind
14 in both eyes, had lost the use of two or more limbs, or was totally
15 disabled provided that either of the following conditions is met:

16 (A) The deceased veteran during their lifetime qualified for the
17 exemption pursuant to subdivision (a), or would have qualified
18 for the exemption under the laws effective on January 1, 1977,
19 except that the veteran died prior to January 1, 1977.

20 (B) The veteran died from a disease that was service connected
21 as determined by the United States Department of Veterans Affairs.

22 ~~The one hundred thousand dollar~~ *one-hundred-thousand-dollar*
23 *(\$100,000) exemption shall be one hundred fifty thousand dollars*
24 *(\$150,000), as adjusted for the relevant assessment year as provided*
25 *in subdivision (i), in the case of an eligible unmarried surviving*
26 *spouse whose household income does not exceed the amount of*
27 *forty thousand dollars (\$40,000), as adjusted for the relevant*
28 *assessment year as provided in subdivision (h).*

29 (2) Commencing with the 1994–95 fiscal year, property that is
30 owned by, and that constitutes the principal place of residence of,
31 the unmarried surviving spouse of a veteran as described in
32 subparagraph (B) of paragraph (1) of subdivision (b) is exempt
33 from taxation on that part of the full value of the residence that
34 does not exceed one hundred thousand dollars (\$100,000), as
35 adjusted for the relevant assessment year as provided in subdivision
36 (h). The one hundred thousand dollar (\$100,000) exemption shall
37 be one hundred fifty thousand dollars (\$150,000), as adjusted for
38 the relevant assessment year as provided in subdivision (i), in the
39 case of an eligible unmarried surviving spouse whose household
40 income does not exceed the amount of forty thousand dollars

1 (\$40,000), as adjusted for the relevant assessment year as provided
2 in subdivision (h).

3 (3) Beginning with the 2012–13 fiscal year and for each fiscal
4 year thereafter, property is deemed to be the principal place of
5 residence of the unmarried surviving spouse of a deceased veteran,
6 who is confined to a hospital or other care facility, if that property
7 would be the unmarried surviving spouse’s principal place of
8 residence were it not for their confinement to a hospital or other
9 care facility, provided that the residence is not rented or leased to
10 a third party. For purposes of this paragraph, a family member
11 who resides at the residence is not a third party.

12 (d) As used in this section, “property that is owned by a veteran”
13 or “property that is owned by the veteran’s unmarried surviving
14 spouse” includes all of the following:

15 (1) Property owned by the veteran with the veteran’s spouse as
16 a joint tenancy, tenancy in common, or as community property.

17 (2) Property owned by the veteran or the veteran’s spouse as
18 separate property.

19 (3) Property owned with one or more other persons to the extent
20 of the interest owned by the veteran, the veteran’s spouse, or both
21 the veteran and the veteran’s spouse.

22 (4) Property owned by the veteran’s unmarried surviving spouse
23 with one or more other persons to the extent of the interest owned
24 by the veteran’s unmarried surviving spouse.

25 (5) So much of the property of a corporation as constitutes the
26 principal place of residence of a veteran or a veteran’s unmarried
27 surviving spouse when the veteran, or the veteran’s spouse, or the
28 veteran’s unmarried surviving spouse is a shareholder of the
29 corporation and the rights of shareholding entitle one to the
30 possession of property, legal title to which is owned by the
31 corporation. The exemption provided by this paragraph shall be
32 shown on the local roll and shall reduce the full value of the
33 corporate property. Notwithstanding any law or articles of
34 incorporation or bylaws of a corporation described in this
35 paragraph, any reduction of property taxes paid by the corporation
36 shall reflect an equal reduction in any charges by the corporation
37 to the person who, by reason of qualifying for the exemption, made
38 possible the reduction for the corporation.

39 (e) For purposes of this section, being blind in both eyes means
40 having a visual acuity of 5/200 or less, or concentric contraction

1 of the visual field to 5 degrees or less; losing the use of a limb
2 means that the limb has been amputated or its use has been lost
3 by reason of ankylosis, progressive muscular dystrophies, or
4 paralysis; and being totally disabled means that the United States
5 Department of Veterans Affairs or the military service from which
6 the veteran was discharged has rated the disability at 100 percent
7 or has rated the disability compensation at 100 percent by reason
8 of being unable to secure or follow a substantially gainful
9 occupation.

10 (f) (1) The county assessor shall accept an electronically
11 generated letter of service-connected disability in lieu of an original
12 letter of service-connected disability, at the discretion of the
13 claimant, for purposes of verifying eligibility for an exemption
14 pursuant to this section.

15 (2) For purposes of this subdivision, “letter of service-connected
16 disability” means a letter from the United States Department of
17 Veterans Affairs that provides a benefit summary of the claimant’s
18 service-connected disability for purposes of claiming disabled
19 veterans’ exemptions.

20 (g) An exemption granted to a claimant pursuant to this section
21 shall be in lieu of the veteran’s exemption provided by subdivisions
22 (o), (p), (q), and (r) of Section 3 of Article XIII of the California
23 Constitution and any other real property tax exemption to which
24 the claimant may be entitled. Other real property tax exemptions
25 shall not be granted to any other person with respect to the same
26 residence for which an exemption has been granted pursuant to
27 this section. However, if two or more veterans qualified pursuant
28 to this section coown a property in which they reside, each is
29 entitled to the exemption to the extent of their interest.

30 (h) Commencing on January 1, 2002, and for each assessment
31 year thereafter, the household income limit shall be compounded
32 annually by an inflation factor that is the annual percentage change,
33 measured from February to February of the two previous
34 assessment years, rounded to the nearest one-thousandth of 1
35 percent, in the California Consumer Price Index for all items, as
36 determined by the California Department of Industrial Relations.

37 (i) Commencing on January 1, 2006, and for each assessment
38 year thereafter, the exemption amounts set forth in subdivisions
39 (a) and (c) shall be compounded annually by an inflation factor
40 that is the annual percentage change, measured from February to

1 February of the two previous assessment years, rounded to the
2 nearest one-thousandth of 1 percent, in the California Consumer
3 Price Index for all items, as determined by the California
4 Department of Industrial Relations.

5 (j) The amendments made to this section by Chapter 871 of the
6 Statutes of 2016 shall apply for property tax lien dates for the
7 2017–18 fiscal year and for each fiscal year thereafter.

8 (k) The county assessor may provide written or electronic
9 determination of preliminary eligibility for an exemption under
10 this section.

11 ~~SEC. 3.~~

12 *SEC. 4.* Section 287 is added to the Revenue and Taxation
13 Code, to read:

14 287. (a) For property impacted by the ~~wildfires of January~~
15 ~~2025, in the County of Los Angeles and the County of Ventura,~~
16 ~~including, but not limited to, the 2025 Palisades Fire, the 2025~~
17 ~~Eaton Fire, the 2025 Hughes Fire, and the 2025 Kenneth Fire, 2025~~
18 ~~Palisades Fire, Eaton Fire, Hurst Fire, Lidia Fire, Sunset Fire,~~
19 ~~or Woodley Fire, or the 2024 Mountain Fire or Franklin Fire, for~~
20 ~~which the Governor proclaimed a state of emergency,~~ if the
21 property received an exemption under this chapter for the 2025
22 calendar year, and the property is no longer being utilized
23 exclusively for the exempt purposes due to damage to the property
24 from the fires, the property shall be deemed to be used exclusively
25 for the exempt purposes in compliance with this chapter until the
26 property has been replaced, new construction has been completed
27 on the property, or the property has returned to its prior use.

28 (b) (1) This subdivision shall remain operative only for lien
29 dates on or before January 1, 2033.

30 (2) This section shall be repealed as of December 31, 2033.

31 ~~SEC. 4.~~

32 *SEC. 5.* The Legislature finds and declares that a special statute
33 is necessary and that a general statute cannot be made applicable
34 within the meaning of Section 16 of Article IV of the California
35 Constitution because of the devastating wildfires and displacement
36 of residents in the County of Los Angeles and the County of
37 Ventura.

38 ~~SEC. 5.~~

39 *SEC. 6.* No reimbursement is required by this act pursuant to
40 Section 6 of Article XIII B of the California Constitution for certain

1 costs that may be incurred by a local agency or school district
2 because, in that regard, this act creates a new crime or infraction,
3 eliminates a crime or infraction, or changes the penalty for a crime
4 or infraction, within the meaning of Section 17556 of the
5 Government Code, or changes the definition of a crime within the
6 meaning of Section 6 of Article XIII B of the California
7 Constitution.

8 However, if the Commission on State Mandates determines that
9 this act contains other costs mandated by the state, reimbursement
10 to local agencies and school districts for those costs shall be made
11 pursuant to Part 7 (commencing with Section 17500) of Division
12 4 of Title 2 of the Government Code.

13 ~~SEC. 6.~~

14 *SEC. 7.* Notwithstanding Section 2229 of the Revenue and
15 Taxation Code, no appropriation is made by this act and the state
16 shall not reimburse any local agency for any property tax revenues
17 lost by it pursuant to this act.

18 ~~SEC. 7.~~

19 *SEC. 8.* This act is an urgency statute necessary for the
20 immediate preservation of the public peace, health, or safety within
21 the meaning of Article IV of the California Constitution and shall
22 go into immediate effect. The facts constituting the necessity are:

23 To provide immediate economic relief to victims of the January
24 2025 recent wildfires in the County of Los Angeles and the County
25 of Ventura, it is necessary that this act take effect immediately.