

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 10/01/04
Department Name: Clerk-Recorder-Assessor
Department No.: 062
Agenda Date: 10/19/04
Placement: Administrative
Estimate Time: 5 min
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Joe Holland, Clerk-Recorder-Assessor

STAFF CONTACT: Rick Holly, Chief Appraiser x2573

SUBJECT: Set Agenda to Consider proposed ordinance for Low-Value Property Tax Exemption

Recommendation(s):

That the Board of Supervisors:
Set a hearing to consider the introduction (first reading) of an ordinance to provide the County with the authority to exempt low-value Property from tax assessment. First reading on November 23, 2004 with second reading and adoption on December 7, 2004

Alignment with Board Strategic Plan:

Goal 1: An efficient government is able to anticipate and respond effectively to the needs of the community.

Executive Summary and Discussion:

The California Revenue and Taxation Code provides counties with the ability to exempt properties from taxation whose cost to assess and collect those taxes exceeds the tax dollars collected. Of the 58 California counties, 47 have a low value ordinance. This provision allows counties to be more efficient in their property tax processing and collections. This Ordinance will not only save the property tax system from additional costs associated with low-value assessments, but it will bring some tax relief to the property owners of these assessments.

OTHER AGENCY INVOLVEMENT/IMPACT

This Ordinance will reduce the processing of low value tax bills and lessen the impact on both the Auditor-Controller and the Treasurer-Tax-Collector. The required programming changes to implement this Ordinance are minor. County Counsel has approved as to form and legal effect.

Mandates and Service Levels:

None.

Fiscal and Facilities Impacts:

The purpose of this Ordinance is to improve the efficiency of the Property Tax System. Tax revenues generated from low-value property will be eliminated. Costs associated with the assessing and collecting of those revenues will be reduced to a greater extent.

The Low Value Ordinance will reduce the County's expenditure associated with establishing and collecting taxes on low value properties. The annual benefit for the Tax Collector, Auditor, and Assessor is estimated to be between \$150,000 and \$200,000 which will create capacity to focus on higher value and more important issues and property.

Special Instructions:

Clerk of the Board to publish the title of the ordinance in a newspaper of general circulation at least ten (10) days prior to the first hearing.

Concurrences:

County Counsel

Auditor-Controller

Treasurer-Tax Collector

