

PROPERTY TAX FAQ'S

- **What are direct charges?**

Direct charges are flat amounts levied by various taxing entities on a per parcel basis. They are for services or benefits provided directly to a property and are non-ad valorem (not based on value). The Auditor-Controller performs the ministerial duty of placing these charges on the annual tax bills. Each year, in accordance with state law, the levying entity provides our office with a listing of the parcels and amounts to be charged, along with a resolution from their Board.

The calculation of the charges is the responsibility of the levying entity. Please contact them directly with any questions. The phone number for each one is shown on your tax bill.

- **What are the direct charges for?**

Direct charges are levied for a number of purposes. For questions regarding any of these charges, please contact the levying entity directly. The phone number for each is shown on your tax bill.

- **What is Mello Roos (CFD)?**

The Mello-Roos Act of 1982 provides a method for local governments to finance public facilities. This legislation allows taxing entities to designate specific areas as "Community Facilities Districts" (CFD) and, with the approval of two-thirds of the qualified voters, allows these entities to issue bonds and collect special taxes (in the form of direct charges) to finance such projects. The direct charge you pay is used to make the payments of principal and interest on the bonds.

If a Mello-Roos direct charge on the annual property tax bill becomes delinquent, the property may be subject to foreclosure by the levying taxing entity.

- **How long will the Mello Roos (CFD) charge be on my bill?**

This charge is used to make the payments of principal and interest on the bonds and will stay in effect until the bonds are paid off. Only the levying entities have the maturity information, so please contact them directly with any questions. The phone number for each is shown on your tax bill.

- **What is a 1915 Act Bond?**

Under the Municipal Improvement Act of 1913 and Improvement Bond Act of 1915, 1915 Act bonds can be issued by an assessment district to raise money needed to build improvements, such as streets, curbs, gutters and underground sewer and water infrastructure that generally enhance land value and give land utility. The properties that directly benefit from the improvements are then assessed an annual amount on the property tax bill. The direct charge you pay is used to make the payments of principal and interest on the bonds.

- **How long will the 1915 Act Bond charge be on my bill?**

This charge is used to make the payments of principal and interest on the bonds and will stay in effect until the bonds are paid off. Only the levying entities have the maturity information, so please contact them directly with any question. The phone number for each is shown on your tax bill.

PROPERTY TAX FAQ'S

- **What does a Tax Rate consist of?**

In California, Proposition 13 was passed in 1978. It limits the property tax rate to 1% of assessed value, plus any additional ad valorem (based on value) tax rate necessary to fund local voter-approved general obligation bonds and other indebtedness. Therefore, any tax rate you see on your tax bill in addition to the 1% represents a debt or debts approved by the voters.

Prior to Proposition 13, tax rates set to cover an entity's general obligation bonds and other indebtedness could be passed by a majority vote. Proposition 13 changed this by requiring a two-thirds vote. In the November 2000 election, voters approved Proposition 39 allowing the voting threshold for school general obligation bonds to be lowered to 55%, if the school board so chooses.

- **I thought a tax bill couldn't exceed 1% of the assessed value. Why does my bill exceed 1%?**

In California, Proposition 13 was passed in 1978. It limits the property tax rate to 1% of assessed value, plus any additional ad valorem (based on value) tax rate necessary to fund local voter-approved general obligation bonds and other indebtedness. Therefore, any tax rate you see on your tax bill in addition to the 1% represents a debt or debts approved by the voters. In addition, direct charges (non ad-valorem items) may be placed on the tax bill at the express written direction of various local taxing entities.

- **How is the general obligation bond rate calculated?**

The tax rates for voter approved debt are computed yearly. Several components are used to make this calculation. Generally, the two primary factors are the amount of money needed for the annual repayment to the bondholders and the assessed value in the district for the tax year. In addition, other components are used, such as the prior year balance and revenue from other sources.

- **If I'm over 65 or do not have any children, why do I still have to pay the voter-approved general obligation school bonds?**

Tax rates for local voter approved general obligation school bonds are levied on all properties within the school district boundaries pursuant to the California State Constitution.

- **My children don't go to the school listed on my tax bill. Why are these charges on my bill?**

The property tax/tax rate area structure provides information as to what school district (not individual school) your property is in. It does not determine the specific school that your children would attend. That information and the intra-district boundaries are maintained by the school system. Please contact the school district or the Imperial County Office of Education to confirm the appropriate school for your children.

- **When will my roll correction be processed?**

Before the Auditor's Office can process a roll correction, we need to receive the revised assessed value information from either the Assessor's Office or the Assessment Appeals Board. Once we have received accurate data from the appropriate office, we are usually able to process the change within two weeks. If the change results in a refund, it will be at least an additional week before the refund check is created.

PROPERTY TAX FAQ'S

- **When can I expect my refund?**

If you are expecting a refund as the result of a tax roll correction or Assessment Appeals Board determination, please see the answer above under "When will my roll correction be processed?" If you are expecting a refund due to an overpayment or duplicate payment of property taxes, please contact the Imperial County Tax Collector's Office.

- **What property is my refund check for?**

The assessment number of your property appears in the description column of your refund check stub. If the number shown is for a supplemental assessment (number begins with a 99 or 98), refer to the assessment notice you previously received from the Assessor's Office. It should show the property's associated parcel number and location.

- **What is a supplemental tax? / Why did I receive two supplemental assessments?**

A supplemental assessment is created each time property is revaluated by the Assessor due to a change in ownership or completion of new construction. The date either of these occurs is called the "date of event".

Supplemental taxes are calculated for the portion of the fiscal year for which the change in value applies. A factor based on the date of event is set by state law and this factor is applied to the tax rate calculation. The Auditor issues refunds when supplemental assessments result in a decreased value.

The value of a supplemental assessment is the difference between the prior and the new assessed values. The taxes are prorated based on the date of event on which the change of ownership occurred or the new construction was completed to the end of the fiscal year on June 30th. Depending on the date of event, either one or two supplemental assessments may be generated. If the event date was between January 1st and June 30th, there are two supplemental assessments because two different tax years are affected. The following show examples of how two assessments might occur. Please remember that taxable property is assessed by the Assessor each year as of the January 1st lien date to generate tax revenue for the fiscal year that begins on the upcoming July 1st.

- ✓ If property was purchased in February 2014, then one assessment is for the value difference for the remainder of the 2013/14 fiscal year. The other assessment is for the value difference for the 2014/15 fiscal year since the event occurred after the 1/1/14 lien date for the 2014/15 secured roll. This value difference will not be picked up on the annual secured roll until the 1/1/15 lien date, which is for the 2015/16 tax roll.
- ✓ Multiple "Supplement Events" occurred (such as a change in ownership followed by completion of new construction OR multiple completions of new construction) within a fairly short time span. A separate assessment will be calculated for each Supplemental Event.

PROPERTY TAX FAQ'S

For additional information on the assessing of supplemental values, contact the Imperial County Assessor's Office. For additional information on paying supplemental taxes, contact the Imperial County Tax Collector's Office.

- **How are my taxes calculated?**

Property taxes for the various tax rolls are calculated as follows:

- ✓ Secured Taxes = (Net Assessed Value X Tax Rate) + Direct Charges + School Bonds
- ✓ Unsecured Taxes = (Net Assessed Value X Prior Year Tax Rate) + Direct Charges + School Bonds
- ✓ Supplemental Taxes = Net Assessed Value Difference X Tax Rate X Proration Period for each appropriate tax year until the difference is included on the annual secured roll

- **What is the Teeter Plan?**

The basic concept of the Teeter Plan is that the County apportions to taxing agencies 100% of their secured levy (adjusted for roll changes and property tax refunds issued to property owners), with the County owning the delinquent receivables. Imperial County "Teeters" all secured ad valorem taxes. 55% of the current secured roll is apportioned in December, 40% in April and 5% in June.

If you have questions about any of the following, please contact the Tax Collector's Office at 760 482-4301

- Property tax payments
- Penalties for delinquent payments
- Tax redemption and installment plans
- How much do I owe?
- How can payments be made?
- Who do I talk to regarding a lien?
- I lost or did not receive my tax bill

If you have questions about any of the following, please contact the Assessor's Office at 760 482-4244

- Assessed Values
- Supplemental valuation due to ownership changes and/or new construction
- Property value exemptions: Homeowner's, Veteran's, etc.
- Who can I contact to have my property value re-evaluated?
- Why did my value increase when my neighbors' decreased?
- Why have I received a notice of change in assessed valuation?
- Why have I received a notice of supplemental assessment?
- Who do I contact to change my name and/or address?