Questions and Answers

Q. What is a supplemental assessment?

A. Senate Bill 813 became law effective July 1, 1983. This measure requires the enrollment of value changes due to change in ownership and completion of new construction as of the date of these occurrences rather than the following, January 1, which has been the case. This is being accomplished by levying “supplemental assessments” which are in addition to the regular property tax bill, which is mailed, in early November.

This supplemental assessment has been determined in accordance with California Constitutional Article XIIIA, requiring that real property be assessed at its full cash value in the event of a change in ownership or when newly completion of new construction, only the value of the portion newly constructed is reflected in the supplemental assessment

Q. What property is subject to supplemental assessment?

A. All manufactured homes purchased new after July 1, 1980, and all real property with the following exclusions:

1. Enforceably restricted property such as:

   a. Land Conservation Act properties to include any improvements under the contract (i.e. trees and vines, etc.)
   b. Historical Contract properties.
   c. Property restricted to timberland use.

2. Property subject to valuation as a golf course.

3. Municipally owned property outside the boundaries of the municipality.

4. State assessed property.

Q. What triggers a supplemental assessment?

A. A reappraisable change in the ownership interests of a property or the completion of new construction on the property are the only actions that can produce a supplemental assessment, and each occurrence produces its own supplemental assessment.

Q. Does demolition trigger a negative supplemental assessment and a refund?

A. Yes, if the demolition qualifies as new construction in some manner.

Q. My property is subject to a Land Conservation Act Contract and I have received a Notice of Supplemental Assessment. How come?

A. Generally, there would be no supplemental assessment for this type of property. However, any real property on the parcel that is not subject to the contract (i.e., owner’s residence and home site, mineral rights, non-living improvements not germane to the provisions of the contract) would be subject to a supplemental assessment.

Q. Would leveling or fill and compaction of land be subject to supplemental assessment?

A. Yes, if it qualifies as new construction rather than maintenance or repair.

Q. How is the amount of the supplemental assessment determined?

A. It is the difference between the new base year value (of the property interest that has transferred or the new construction that has been completed) on the date of the event and the taxable value of that interest enrolled for the fiscal year during which the event occurred plus any prior supplemental assessments. If the supplemental assessment is a negative amount, the auditor shall make a refund of a portion of taxes paid on assessments made on the current roll or the roll being prepared or both.

Q. How are the taxes due on supplemental assessments calculated?

A. Supplemental assessment – supplemental exemption x current tax rate x proration factor = supplemental bill (see table on reverse side of this brochure).

Q. How do I appeal a supplemental assessment?

A. If you do not agree with the new base year value you should first discuss the matter with the Assessor, or a member of his staff, within 30 days of the date of the notice. If the Assessor agrees that a change in value is proper, the value may be adjusted prior to the closing of this segment of the supplemental roll.

<u>Applications for adjustments not agreed upon with the Assessor must be filed, in writing on the prescribed forms.</u> The forms are available from the Clerk of the Solano County Board of Supervisors. The forms must be filed with the Clerk of the Board of Supervisors, 675 Texas Street, 6th Floor, Fairfield, California 94533, (707) 784-6100 <u>within 60 days of the date of the notice.</u>

Q. Who is responsible for supplemental taxes when more than one change in ownership has occurred?

A. Once a secured supplemental tax bill has been issued for an assessment that bill is a lien on the property and is the responsibility of the property owner. If a subsequent change in ownership occurs <u>before</u> a bill has been issued for an assessment, that assessment will be prorated by the Tax Collector, based on the number of days each owner owned the property during the fiscal year. The prior owners portion will be billed to that person on the Unsecured Roll, and will not be a lien against the property, while the current owners portion will be billed on the Secured Roll and will be a lien against the property.

HOW SUPPLEMENTAL TAX BILLS ARE CALCULATED

The assessment years, which are subject to a supplemental assessment, are determined by the date of change of ownership or completion of construction. The amount of the taxes are prorated based upon the number of months remaining in the fiscal year (July 1 – June 30) counted from the first day of the month following the month in which the change occurred. Following is a chart showing the fiscal years affected, the number of months remaining in the fiscal year and the proration factor:

Date of Change of Ownership Or Completion of Construction in Between	Number of Months Remaining In Fiscal Year 2005-2006	Tax Proration Factor	Number of Months Remaining In Fiscal Year 2006-2007	Tax Proration Factor
July 1 – July 31, 2005	11	92%	0	0
Aug 1 – Aug 31, 2005	10	83%	0	0
Sept 1 – Sept 30, 2005	9	75%	0	0
Oct 1 – Oct 31, 2005	8	67%	0	0
Nov 1 – Nov 30, 2005	7	58%	0	0
Dec 1 – Dec 31, 2005	6	50%	0	0
Jan 1 – Jan 31, 2006	5	42%	0	0
Feb 1 – Feb 29, 2006	4	33%	0	0
Mar 1 – Mar 31, 2006	3	25%	12	100%
Apr 1 – Apr 30, 2006	2	17%	12	100%
May 1 – May 31, 2006	1	8%	12	100%
Jun 1 – Jun 30, 2006	0	0	12	100%

EXAMPLE: IF the tax rate applicable to the property were 1.25% and IF the date of the change were March 15, 2006 and IF the "NET TAXABLE VALUE"* WERE $10,000, the supplemental tax bills would be calculated as follows:

Supplemental to the 2005-2006 taxes and Supplemental to the 2006-2007 taxes
$10,000 x .0125 x .25 + $31.25 $10,000 x .0125 x 1.00 = $125.00 Total= $156.25

IMPORTANT: The above example is only an illustration. The exact amount of your tax obligation will be calculated by the Auditor based upon the tax rates applicable to the area in which your property is located.

* Supplementary Assessment less Supplementary Exemption = Net Taxable Value.

The Homeowners Guide to Supplemental Assessment

County of Solano

Office of the Assessor/Recorder

Questions

And

Answers

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