

## TAXPAYER'S RESPONSIBILITY

Since any increase in assessed value will increase the amount of taxes you pay, it is very important to contact the Assessor's Office if you feel that the new assessment value differs from the market value of your property. We welcome the opportunity to review any information you may have relating to the value of your property. If you have any questions concerning the valuation, please call the Assessor's Office.

## TAXABLE PROPERTY INCLUDES BOTH *REAL* AND *PERSONAL* PROPERTY

**Real Property** consists of *land* and *improvements* permanently affixed to land. For example, homes, buildings, other structures, pools, fences, orchards, vineyards, and certain machinery or equipment affixed to land, including *taxable mobile homes*, (*those on a permanent foundation*) are all classified as improvements.

**Personal Property** consists of tangible property not classified as land or improvements. For example, office equipment and furnishings; commercial, industrial and agricultural machinery and equipment not affixed to land; business supplies; boats, aircraft and manufactured homes not attached to a permanent foundation are all classified as personal property.

## REAL PROPERTY APPRAISAL

Article XIII-A of the California Constitution (Proposition 13) requires the Assessor to reappraise real property at its full market value when either of the following occurs:

1. **A change in ownership.**
2. **New construction is completed (or partially completed on the lien date).**

When real property is reappraised due to the above, a new "base year" is established. This base year value must be adjusted annually by an inflationary factor, not to exceed 2% per year. In any year, your assessment, adjusted for inflation, is referred to as the "factored base year value."

## BUSINESS PERSONAL PROPERTY APPRAISAL

Unlike most real property, business personal property is reappraised annually. Assessments are based on reported acquisition costs, which are adjusted each year to reflect current value level. When statutorily required or otherwise requested, business owners must annually file a Business Property Statement with the Assessor, detailing costs and disposals of equipment in order for the Business Property Division to derive appropriate values. **Manufactured Homes**, although classified as *personal property*, are treated, for valuation purposes, in the same manner as *real property*, and therefore, are not reappraised annually.

## TERMS YOU SHOULD KNOW

**BASE YEAR:** The base year for property in California is 1975 or the most recent subsequent year in which property has transferred or been newly constructed. The Assessor determines the full cash value of property on its base year date. This base year value will be factored by an inflationary factor not to exceed 2% each year until the property is transferred, at which time a new base year is established. A new base year is also established on completion of new construction.

**TAXABLE VALUE:** The value upon which your taxes are calculated. Taxable value is the base year value of the property (established per Proposition 13) plus the annual inflation factor, or current market value, whichever is lower.

**FULL CASH VALUE:** Full Cash Value or Fair Market Value means the amount of cash or its equivalent which property would bring if exposed for sale in the open market under conditions of which neither buyer nor seller takes advantage of the other.

**ASSESSMENT ROLL:** The official list of all assessable property in the County as of the lien date.

**TAX BILLS:** The Assessor does not collect taxes, set tax rates, or prepare tax bills. Your tax bill is prepared and mailed by the Placer County Tax Collector. Questions relating to your bill, or payment of taxes, should be directed to that office at (530) 889-4120 or at <http://www.placer.ca.gov/Departments/Tax.aspx>.

**SPECIAL ASSESSMENTS:** The direct charges against property, which are included in the total amount of your taxes, are not determined by the Assessor. Sewer and school bonds are examples of special assessments. Contact the agency that levied the special assessment if you have any questions. Phone numbers are listed on the bill.

## IMPORTANT DATES FOR PROPERTY OWNERS

January 1 Lien date, the date taxable value is established and property taxes become a lien on the property

February 15 Final deadline for filing timely claims for Homeowners', Veterans', Disabled Veterans', Welfare, Museum, Cemetery, Church, and Religious exemptions

April 10 2<sup>nd</sup> installment of property taxes becomes delinquent if not paid by 5:00 p.m.

July 1 Start of the County's fiscal year

July 1 – 31 Unsecured tax bills mailed (boats, aircraft, business property)

August 31 Unsecured tax bills become delinquent in not paid by 5:00 p.m.

July 2 – September 15 Period during which the County Assessment Appeals Board accepts applications for appealing property values on the regular assessment roll

November 1 Deadline for the Tax Collector to mail secured tax bills

December 10 Final deadline for filing Homeowners', Veterans', and Disabled Veterans' exemption for partial exemption. Final deadline to terminate Homeowners', Veterans', and Disabled Veterans' exemptions without penalty

December 10 1<sup>st</sup> installment of property taxes becomes delinquent if not paid by 5:00 p.m.

**Kristen Spears**  
Placer County Assessor



## Customer Service Information

Dear Property Owner:

I believe it is important that you know what we do in the Assessor's Office and why we do it.

Property Tax Laws continue to change on a yearly basis. This brochure is part of our continuing effort to keep Placer County property owners aware of their rights and responsibilities.

Assessing property is an important responsibility and our office is always here to answer questions and inquiries from the people we serve.

Our doors are open Monday through Friday from 8:00 a.m. to 5:00 p.m. Come in and see us if you have any questions or require clarification of any points in this brochure.

A handwritten signature in black ink that reads "Kristen Spears".

Kristen Spears, Assessor

## Office of the Assessor

Larry Oddo Building, Finance – Administration  
2980 Richardson Drive, Auburn, CA 95603-2640  
(530) 889-4300 FAX (530) 889-4305  
[assessor@placer.ca.gov](mailto:assessor@placer.ca.gov)

## INTERNET WEBSITE

Additional information and forms are available on our website: [www.placer.ca.gov/assessor](http://www.placer.ca.gov/assessor)

## WHAT IS THE "LIEN DATE?"

The "lien date" is the date of valuation of property on the local assessment roll. It is the date when property taxes become a "lien" on property preceding the fiscal year (July 1 through June 30) for which those taxes are levied. **Since 1997 the lien date has been January 1.** This means property is valued and property taxes become a lien on *January 1 each year.* (Revenue and Taxation Codes 117 and 405)

## WHAT IS A CHANGE IN OWNERSHIP?

A change in ownership is a transfer of an ownership interest in property and the right to beneficial use thereof, from one party or a legal entity to another. (Property Tax Rules 462.001-462.500 and R & T Codes 60-69.5) Generally, a change in ownership will initiate a reappraisal of any property. However, certain exceptions may apply, as outlined below.

1. The transfer of property is between husband and wife (Interspousal) (Revenue & Taxation Code 63).
2. Transfer of the principal residence **between parents and children** and the transfer of up to \$1 million (market value) of all other real property between parents and children.\* (R & T Code 63.1)
3. Transfers of real property **from grandparents to grandchildren**, where the parents of such grandchildren are deceased as of the date of transfer.\* (R & T Code 63.1)
4. Certain transfers of property between legal entities or between individuals, dependent on the relationship between transferring entities or the manner in which title is vested.

*\*In order to obtain the parent-child or grandparent-grandchild exclusions, appropriate claim forms must be filed with the Assessor. Contact the Assessor's Office for further information.*

**NOTE: It is advisable to consult an attorney, a title company, or a deed preparing service before changing your present or future ownership of property.** The Assessor's Office cannot give legal advice; we can only explain which transfers shall be reappraised.

## WHAT IS NEW CONSTRUCTION?

Generally, any addition to existing land or improvements (such as a new structure, building addition, well, etc.) is considered new construction. New construction must be added to the existing assessment at its full cash value upon completion, or, if partially complete on the lien date, at its value based on the stage of completion. (R & T Code 70-74.7 & Property Tax Rule 463)

### New Construction **EXCLUDED** from Assessment:

1. **MAINTENANCE** - Normal repair and replacement to maintain property in good condition, such as replacement of roof covering, installation of new siding, or *minor* remodeling.
2. **DISABLED ACCESS** - Additions or alterations made to enhance or provide access for severely and permanently disabled persons. (R & T Code 74.3)
3. **CALAMITY** - Any timely repair or reconstruction of real property damaged or destroyed by calamity or misfortune (i.e., flood or fire), which is substantially equivalent to the property prior to such damage or destruction. (R & T Code 170)

## WHAT ARE SUPPLEMENTAL ASSESSMENTS?

Supplemental assessments are **one-time** assessments, which are distinct from regular annual assessments. A supplemental assessment is created each time property is revalued due to a change in ownership or new construction. It is the difference between the prior and the new assessed values. (R & T Code 75-75.72)

## WAYS TO REDUCE YOUR PROPERTY TAXES

### RECOGNITION OF MARKET VALUE DECLINE

**PROPOSITION 8: *The Assessor has an obligation to recognize declines in market value and to temporarily reduce assessments, when warranted.*** California Statute, (Proposition 8), provides that your assessment must be the **lesser** of its factored base year value, or its current market value as of the lien date. Once an assessment has been reduced under Proposition 8, it will be subject to **annual** review and adjustment, in accordance with the market value. Once the market value **exceeds** the factored base year value, the assessment will be restored to its factored base year value. If you feel the assessed value of your property exceeds the market value, you are encouraged to contact the Assessor's Office and request a review of your assessment. A Value Review form is available from July 2 – December 31 each year. It should be filled out and submitted to request a review for a reduction based on Proposition 8. The form can be obtained from the county website at [www.placer.ca.gov/Departments/Assessor.aspx](http://www.placer.ca.gov/Departments/Assessor.aspx).

If, after review and discussion, your assessment is not resolved to your satisfaction, you have the **right of appeal** to the County Assessment Appeals Board. In order to appeal an assessment, you must file an Application for Changed Assessment with the Clerk of the Board, between July 2 and September 15. For Supplemental Assessments you must file within 60 days of the date of Notice of Supplemental Assessment.

Applications are available from the Clerk of the Assessment Appeals Board at 175 Fulweiler Ave., Auburn, CA 95603, by phone at (530) 889-4020 or at <http://www.placer.ca.gov/bos/Clerk/.aspx>.

**HOMEOWNERS' EXEMPTION:** A property owner may claim a Homeowners' exemption on a residence they own and occupy as their primary residence at 12:01 a.m. on January 1; or qualifies within 30 days of change in ownership or new construction for which a Supplemental Assessment is levied. The exemption reduces your assessed value by \$7,000 and reduces the tax bill by approximately \$70 if filed timely. It is the homeowner's responsibility to apply for the exemption. To receive the full exemption, you must file with the Assessor's Office on or before February 15, or within 30 days of a Notice of Supplemental Assessment. A late filing is accepted from February 16 to December 10 for 80% of the exemption. The exemption continues each year as long as the property is owned and occupied as the primary residence. It is the homeowner's responsibility to terminate the exemption when no longer eligible.

**VETERANS' EXEMPTION:** A \$4,000 assessment exemption is available for qualified veterans who served with the U.S. armed forces during a period of war, and have a discharge or release from active duty under honorable conditions. A claimant, who is single, may not own more than \$5,000 in **total** assets. A claimant, who is married, may not own more than \$10,000 in **total** assets. This exemption must be filed annually.

## BUILDERS' EXCLUSION

Completed new construction may be excluded from supplemental assessment under certain circumstances. The property must be intended for sale and the builder must file the necessary form with the Assessor's Office prior to, or within 30 days of, the start of construction. If the exclusion is approved, an appraisal is not made until the next lien date or until the property is sold, leased, or occupied. For more information, or to obtain an application, please call the Assessor's Office.

**TOTALLY DISABLED VETERANS' EXEMPTION:** If you are a veteran who is rated 100% disabled, blind, or a paraplegic due to a service connected disability while in the armed forces (or if you are the unmarried widow of such a veteran), you may be eligible for an exemption of up to \$100,000 or \$150,000 (adjusted annually for inflation since January 1, 2006) of the assessed value of your home.

The filing period for Veterans' and Disabled Veterans' Exemptions is on or before February 15 for full exemption. A partial exemption may be available for a claim filed after February 15. An annual filing is needed for the higher exemption amount which is based on the claimant's annual income. The lower exemption amount generally only requires a one time filing. The filing period for supplemental assessment due to change in ownership, is within 30 days from the date of the Supplemental Notice for full exemption amount.

**NOTE:** *A property owner may NOT have more than one exemption, such as the Homeowners', Veterans', or a Disabled Veterans' exemption on the same property. Applications and additional information may be obtained at the Assessor's Office.*

**PERSONS 55 OR OLDER** (or persons who are severely and permanently disabled), who sell their primary residence, and within two years, buy or build a replacement dwelling of equal or lesser value in the same county may transfer their factored base year value from the original home to the new home.

**MISFORTUNE OR CALAMITY:** If your property is damaged or destroyed under circumstances beyond your control, such as by fire or flood, and the loss in value exceeds \$10,000, you may be entitled to a reduction in your assessment and subsequent property tax obligation.

**NOTE:** *Contact the Assessor for appropriate forms, filing requirements and additional information regarding any of the above.*

## TAXPAYERS' BILL OF RIGHTS

The State Board of Equalization Property Taxpayers' Advocate is responsible for reviewing and distributing property tax information and for the prompt resolution of taxpayer inquiries, complaints, and problems. The Taxpayers' Rights Advocate Office may be reached by phoning (888) 324-2798 or at <http://www.boe.ca.gov>.

## ASSESSOR'S RESPONSIBILITY

The Assessor is elected to a 4-year term. As an elected department head, the Assessor is required by the State Constitution to locate and assess all taxable property in the County.