

Office of the San Francisco Assessor-Recorder

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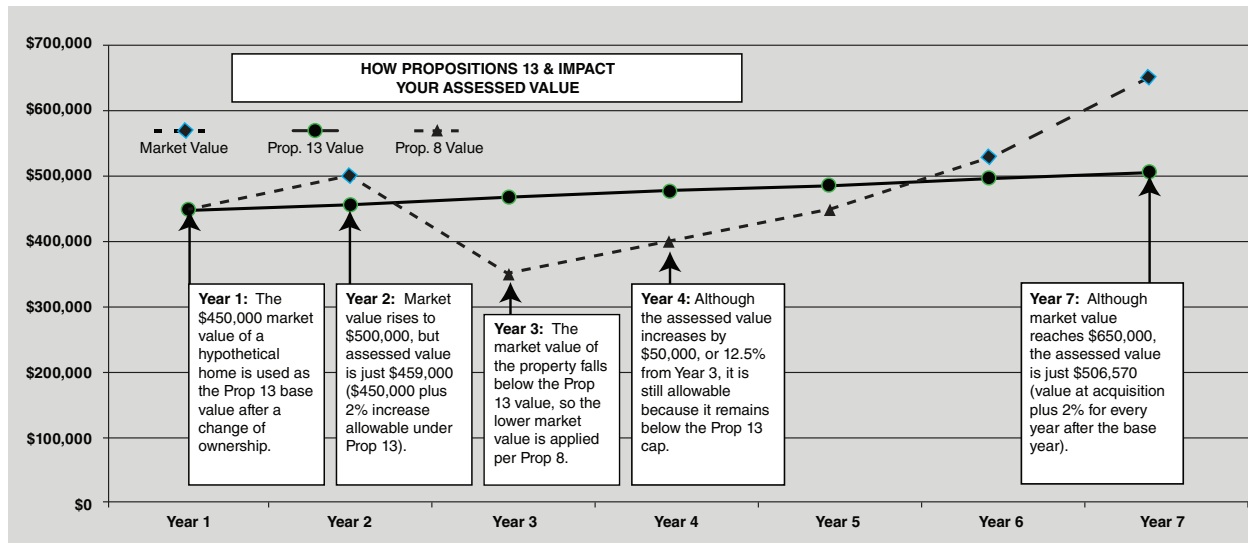
How Do We Value Your Property?

The valuation of your property is governed by the State Constitution, the State Revenue and Tax Code, and rules spelled out by the State Board of Equalization. Two significant propositions that impact your assessed value include:

Proposition 13 (1978) – Sets a base year assessment that can't be increased by more than 2% or the inflation rate of the California Consumer Price Index, whichever is less. The Proposition 13 value acts like a cap (the highest your property can be assessed). If the property changes ownership, a new base year value is set. Note that if there is new construction, there may be an increased assessment.

Proposition 8 (1978) – Provides a one-year reduction in assessed value when property suffers a decline in value. A decline in value occurs when the current market value of the property is less than the current Proposition 13 value as of January 1.

EXAMPLE: The graph below illustrates how Propositions 13 and 8 impact your assessed value. Here we assume a property is purchased in Year One with a market value of \$450,000. In Year Two, the market value rises to \$500,000, but the assessed value is increased no more than 2% to \$459,000 because of the Proposition 13 cap. In Year Three, the property received a Proposition 8 reduction and was assessed at \$350,000 because the market value was less than the Proposition 13 value. In Year Four, the property's assessed value increased to \$400,000 (an increase of 12.5% or \$50,000) because even with the increase it was less than the Proposition 13 value.



IMPORTANT DATES

January 1

Lien date for next fiscal year

February 15

Deadline to file all exemption claims

March 31

Deadline to file an Informal Review

April 10

Deadline to pay second installment of prior year tax bill

July 1

Local assessment roll is delivered to Controller

July 1 - 15

Notice of Assessed Value Mailed

July 2

First day to file an assessment appeal application with the Assessment Appeals Board (AAB)

August 31

Regular roll unsecured taxes due

September 15

Deadline to file assessment appeal with AAB

December 10

Deadline to pay first installment of prior year tax bill.

How To Calculate Your Property Tax?

Formula: The amount due on the property tax bill is calculated as follows.

$(\text{Net Assessed Value}) \times (\text{Tax Rate}) + (\text{Special Assessments/Fees/Liens}) = \text{Total Property Tax Amount}$

Example: Below is a sample calculation where the net assessed value is \$650,000, the tax rate is 1.188%, and there are no special assessments. $(\$650,000 \times 0.01188) + \$0.00 = \$7,722.00$

Net Assessed Value: The assessed value of a property, minus any exemptions applied.

Tax Rate: The annual tax rate is recommended by the Controller, and adopted & approved by the Board of Supervisors and the Mayor. The tax rate varies from year to year. For 2013-2014, the tax rate was 1.1880%.

Special Assessments/Fees/Liens: Additional fees or outstanding city debts may be added to your property tax bill by other government entities. These fees vary by taxpayer and will be itemized on the bill. For reference, please review last year's tax bill.

Disclaimer: The above calculations are only examples. All tax bills are finalized by the Treasurer & Tax Collector.

Frequently Asked Questions (FAQs) Notification Of 2014-2015 Assessed Value

1. What is the role of the Assessor-Recorder?

The role of the Assessor-Recorder is to value property in a fair and equitable manner according to California's revenue and taxation laws. The Office works to locate all taxable property in the County and identify ownership, as well as determines if real estate parcels are required to be reassessed upon a change of ownership or new construction. While serving as the official record keeper of public records, such as real property documents and marriage licenses, the Office maintains an index and issues copies of all recorded documents to members of the public.

2. I received a Notification of 2014-2015 Assessed Value in the mail. What is this letter and do I need to take any action?

This is an informational letter to notify you of your 2014-2015 assessed property value. The assessed value minus exemptions is the basis for your 2014-2015 property tax bill. The 2014-15 tax bill covers the fiscal year starting July 1, 2014 and ending June 30, 2015, with payments due December 10, 2014 and April 10, 2015.

You do not need to take any action unless you believe the market value of your property as of January 1, 2014, was less than the assessed value. If this is the case, an assessment appeal application must be filed with the Assessment Appeals Board (www.sfbos.org) before September 15, 2014.

3. The Factored Base Year Value (or Proposition 13 value) shown on my letter does not appear to take into consideration my recent purchase price or the added value of my new construction.

Please pay your property tax bill as issued by the Office of the Treasurer & Tax Collector. When your sale or new construction is processed, our office will issue a supplemental assessment notice to make up the difference between the Factored Base Year value (or Proposition 13 value) and your purchase price or the market value of your new construction.

4. I've sold the property indicated on the notification. Why did I receive the letter?

If you no longer own the property indicated on the attached Notification of Assessed Value as of June 30, 2014, then please disregard this notice. If you sold the property after June 30, 2014, you may be responsible for a portion of the tax bill when you owned the property.

5. What is the Homeowners' Exemption? Does that reduce my tax bill?

If you own and occupy your property as your primary residence, you may be eligible for a Homeowners' Exemption. You are allowed only one Homeowners' Exemption in the State of California. The Homeowners' Exemption is \$7,000, which will be deducted from the assessed value of your property. If you are eligible and do not see an exemption amount listed in the exemption box on your Notification of Assessed Value letter, please download and return to our office a Homeowners' Exemption Claim form from our website at www.sfassessor.org.

As an example, using a 1.188% tax rate, if the assessed value of a property is \$700,000, the property taxes on the property without a Homeowners' Exemption will be approximately \$8,316 ($\$700,000 \times 0.01188$). The Homeowners' Exemption reduces the assessed value of the property to \$693,000 and as a result, saves approximately \$84.00 on annual property taxes.

$[\$8,316] - [(\$700,000 - \$7,000) \times 0.01188] = \84.00