

ANNUAL REPORT

OFFICE OF THE ASSESSOR-RECORDER

Carmen Chu, Assessor-Recorder

2016

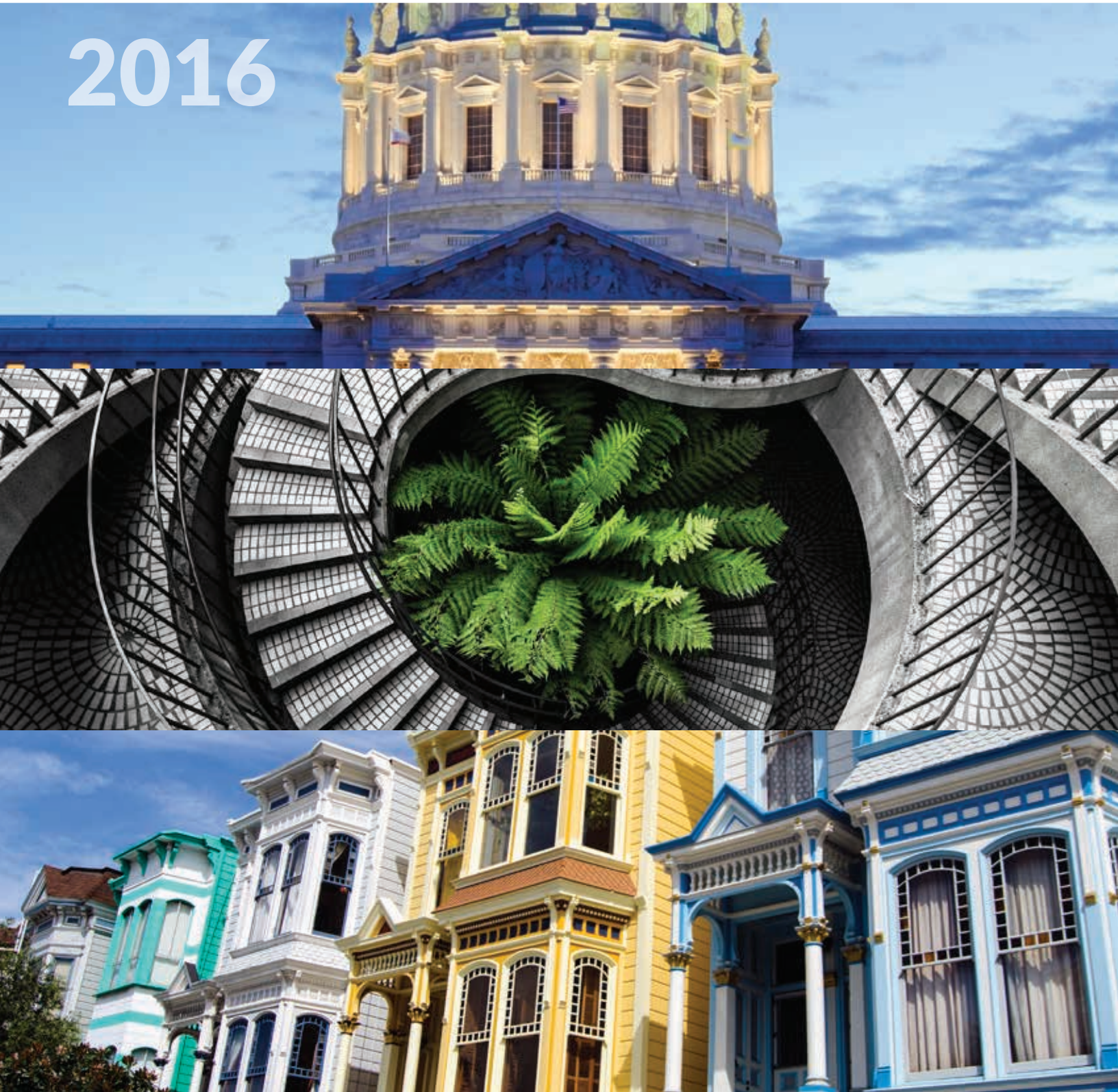






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MESSAGE FROM ASSESSOR-RECORDER



Trough this annual report, I am proud to highlight the hard work of the dedicated staff of the Assessor-Recorder. Over the last few years we have worked side-by-side to chart a direction of professional excellence for the office driven through a focus and investment in people, technology, and improved processes. Underlying this drive is a shared dedication to public service and an understanding of the unique role our office plays in supporting vital City services. As we explore and plan for the uncertainties of the future, including federal changes, there is no more important time to double-down on our San Francisco values and to ensure our City continues to build a strong financial foundation to carry forward.

In the last year, San Francisco experienced a strong real estate market and growth in new businesses. At fiscal year-end, our City's total assessed roll surpassed the \$200 billion mark for the first time, reaching \$212 billion! In fact, San Francisco's roll growth led the

Bay Area region and the State of California at a rate of 8.8% over the previous year. Continued new construction activity added roughly 1,543 new parcels within our 7x7 mile boundary. The impact is over \$2.5 billion in total annual property tax revenue to fund our local neighborhood services and public schools.

Investments in Modern Technology

This year we have taken significant steps forward modernizing our operations. We are thrilled to announce the successful launch of our new Assessor Information Management System (AIMS). The goal of this effort was to create a better, more convenient way of managing our close to 300,000 property files and documents and to safeguard our information. Through the collaborative and creative work of our staff, the result is a single consolidated searchable system for our Real Property and Change in Ownership teams that went live this past March.

We have also begun the hard work of addressing the aging technology infrastructure which houses our entire City's assessment history, a critical element of our state property tax law requirements. This year we secured funding to move forward a multi-year, multi-organization effort aimed at modernizing City-wide property tax systems. The results of a successful project will be a system that improves transparency for better customer service, reduces the risk of revenue loss, enables robust reporting and data to manage and to anticipate revenue impacts, prioritizes a safe and resilient technology platform for the future, and improves efficiency for staff so that we can spend more time on the work of valuation rather than on administrative work-arounds.

Driving Progress on Workload

We are making progress on the number of backlogged cases in our office. Not only are we tackling this effort through advocacy for additional staffing, but we are also regularly reviewing our practices to identify efficiencies. When taking over as Assessor-Recorder in 2013, my office ended the fiscal year with 7,421 outstanding appeals cases alone. Fast forward three years later, we end the year in a much better position at 1,727 outstanding appeals. That is a 76% decrease! In combination with a strong real estate market, a large part of the success was resourcing staff to work appeals cases and proactive work from our office leading to withdrawn appeals.

In change-in-ownership valuations, we have utilized regression analysis to more quickly enroll single family homes, and condominiums. Even though 4,330 new cases came online for our office, we were able to outpace the new cases by resolving 5,245, making a dent in the total outstanding change-in-ownership cases.

In the area of valuing new construction, our office implemented a more robust review of construction permits and activities to enroll additional value for partially completed construction projects. For completed projects, we more than doubled our reviews from 4,893 last year to 11,035 new construction cases this year! Despite the significant improvement in production, however, the market outpaced us by adding 13,549 new construction cases to our workload. Keeping up with new construction activity will continue to challenge our office as we expect additional projects to be finished this year and because new construction projects create additional parcel management and mapping work for our office. Overall, progress on our backlog represents a win-win for taxpayers and for the City. For taxpayers, it means greater certainty around tax impacts sooner and for the City it means reducing revenue at risk and meaningful dollars for important public services.

Upholding Fair Taxation

A foundational element of our work is upholding fair valuation processes. In the transfer tax area, we implemented an automatic audit program for high value transfers to ensure we hold all taxpayers accountable. Through this process, we recovered an additional \$5.5 million in underreported transfer taxes this year alone. On the business personal property side, we implemented a process to ensure short-term rentals also comply with State business reporting requirements currently expected of all businesses in the City. As our economic environment continues to develop and flex in new ways, San Francisco will continue to lead with a thoughtful application of the law.

Committed to Transparency and Customer Service

Finally, we believe in providing transparency and public information to our customers so they best understand our work. Building on a commitment to transparency and open data, our office made available for the first time, nine years of the City's complete property dataset online. The non-confidential data is provided in a format that is simple to download, easy to understand and free for the public. We have also recently revamped our public website to be more assessable and searchable regardless of whether our customers use a desktop computer or mobile device. The website features multiple language pages in Chinese, Spanish and Tagalog and features our ten new factsheets including, "Property Tax 101 for New Homeowners," "Property Tax Savings for Seniors," and "Value Change Due to New Construction."

Again, I thank my team for their hard work and we thank you for the opportunity to serve.

Sincerely,



Carmen Chu

Assessor-Recorder

City & County of San Francisco



Core Responsibilities

We are responsible for carrying out the property tax-related functions governed by the State Constitution and state and local laws.

Our core responsibilities include locating all taxable property in San Francisco, identifying ownership, establishing a taxable value, and applying all legal exemptions. Property broadly includes both real property (land and improvements) and personal property owned by businesses. We are also responsible for recording documents and maintaining those public records. Over 400 different types of documents are recorded annually, including documents like deeds of trust, reconveyances, liens, and public marriage licenses. We also collect any transfer tax due upon a change in property ownership.



SNAPSHOT OF WHAT WE DO

Property Taxes Are a Big Deal

This year the total assessment roll for San Francisco surpassed the \$200 billion mark for the first time landing at \$212 billion. That's a lot, especially for a seven mile by seven mile City! The \$212 billion is the basis used to estimate property tax revenue. With a tax rate of 1.1792% for next year, it means we expect roughly \$2.5 billion in property tax revenue to be collected to support important public services.

For each \$1 collected, here is where it goes:



64¢
CITY SERVICES

INCLUDING:

- Public Safety: Police, Fire
- Recreation & Parks
- Libraries
- Community Health
- Human Welfare & Neighborhood Development
- Public Works (street cleaning)
- Family Support Services

35¢
SCHOOLS

INCLUDING:

- San Francisco Unified School District (SFUSD)
- San Francisco Community College District (SFCCD)
- Education Revenue Augmentation Fund (ERAF, supporting California public school system)

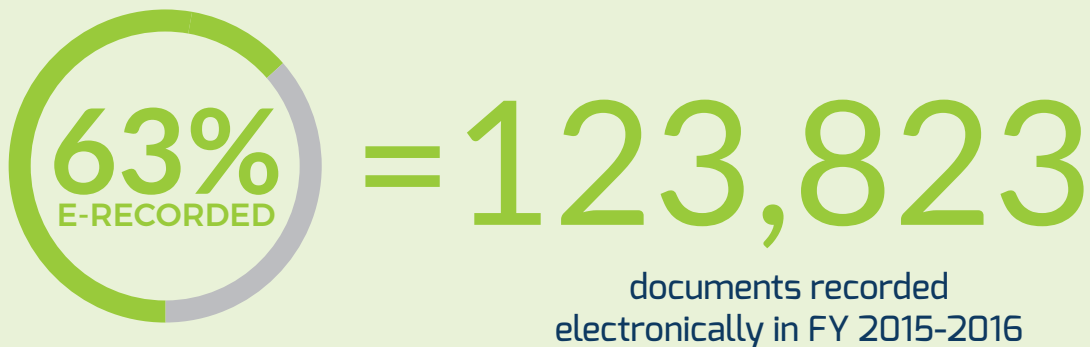
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OTHER

INCLUDING:

- Bay Area Rapid Transit District (BARTD)
- Bay Area Air Quality Management District (BAAQMD)

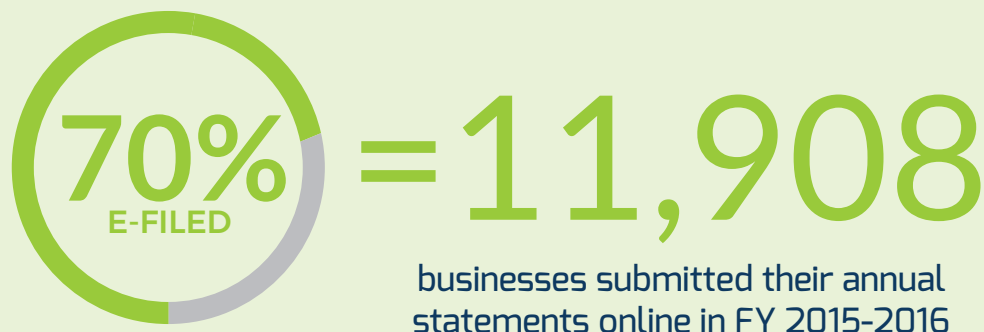
Complete Public Records Is Important for All of Us

This year we recorded 197,224 documents into the public record including items like public marriage licenses and property deeds. Part of our job is to make sure we maintain these records, some dating back to 1906! In a nutshell, the system of public records helps provide transparency for all of us. Imagine not having a trusted source to verify ownership before you make a big purchase like buying a home from a private party! That is why our office has invested resources into securing our records and into making it faster and easier to record documents. Since we launched online recording with our Department of Justice certified secure vendors, we have increased the volume of online recording to 63%! Even better, for documents submitted electronically before 2PM, our office guarantees same day recording!



Building in Convenience for Our Local Businesses

Aside from real estate, other property, like property used to run businesses are also taxable under State law. Annually, our businesses report these items to our office and they may include things like tables and chairs or equipment. To simplify the process, we rolled out online filing for businesses in San Francisco. Now businesses can see what they reported before and they can save time, postage and the aggravation of lost mail by filing directly online. This year, almost 70% of required 571-L filers submitted through the online portal!



We Want to Help You Understand Your Responsibilities and Your Rights

Our office is committed to expanding access to information for our residents and customers. We understand that property taxes don't make the best cocktail conversations but knowing your responsibilities and your rights has a big impact on your wallet. Whether it is through revamping our website to provide clear and timely information, or publishing data and news you can use, or ensuring that the language needs of our diverse City are met, we hope the more we share with you the more you know and the more you share with others! Check out some of our efforts below:



Launched a new user-friendly website for computers and mobile devices



Translated 25 forms to Chinese, Spanish & Filipino
Incorporated language pages on website



Participated in community housing and financial planning workshops



Visited merchants to share information



Developed community fact sheet series

Common topics covered are:

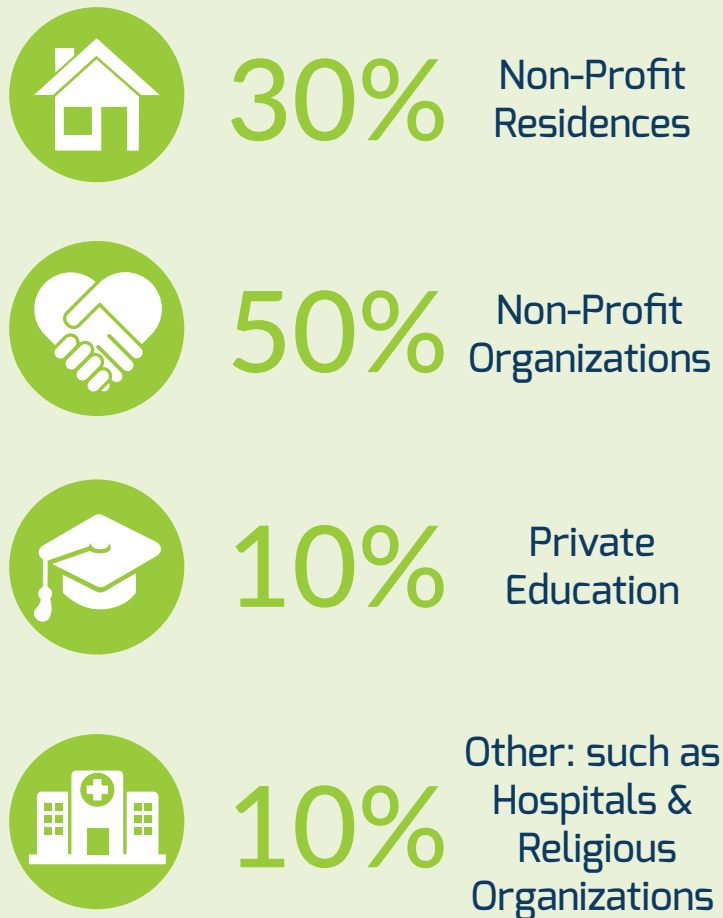
- Basics of Valuing Your Property
- Property Tax 101 For New Homeowners
- Property Tax for All Business Owners
- Things to Know During Property Transfer
- Thinking of Purchasing a TIC?
- Value Change Due to New Construction
- Property Tax Savings for Homeowners
- Property Tax Savings for Seniors
- Property Tax Savings: Transfers in Family
- Contest Your Property Value

We Support Non-Profits and Charitable Organizations

Last year we granted over \$7.4 billion in exemptions on assessed values to support non-profits, religious and church organizations, hospitals and schools. In fact, did you know that for every \$10 in value exemptions we granted, \$5 supported non-profit organizations, \$3 went toward non-profit residential uses, \$1 supported private educational organizations and the last \$1 helped with other charitable organizations, such as hospitals, churches and religious organizations?

\$7.4 BILLION TAX EXEMPTION

Granted in FY 2015-2016



Exemptions for Homeowners

Also, \$656 million in exemptions were granted to veterans and homeowners. 90,465 property owners received a \$7,000 reduction in the taxable value of their home because they lived in the home they owned. Roughly \$14.7 million was granted in veteran exemptions to benefit disabled veterans and their families.

Real Estate Is a Large Driver of Our Economy

Our office has a unique window into the real estate market in San Francisco. We are often the first to see buy-sell transactions as the official public record-keeper and we also confirm market values for new purchases for property taxes. Here are some interesting facts we are seeing that helps to paint a picture of real estate activity in our City.



Transactions were
above \$1 million

Top **1%** Sales
generated

\$166 Million

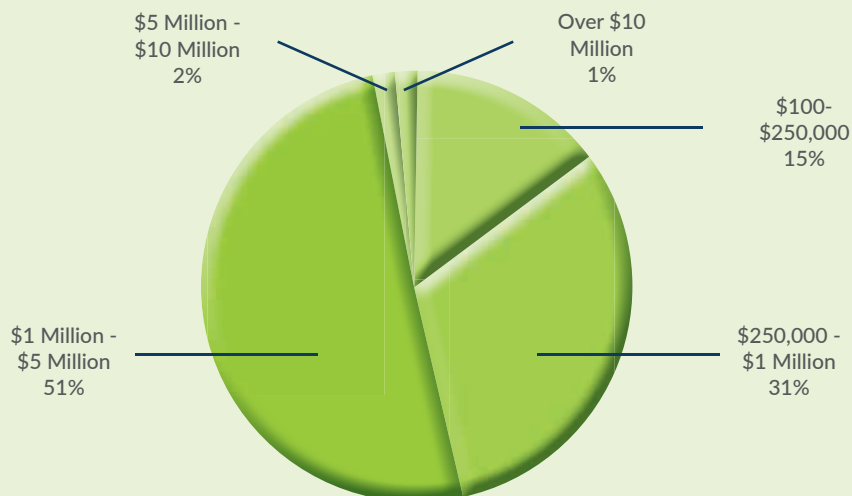
In Transfer Tax Revenue

Last year the City collected \$274 million in transfer taxes alone. Transfer tax is paid when there is a purchase or a “transfer” in ownership of property. In San Francisco, the more expensive the sales price is, the higher the tax rate that is applied.

Interesting, in the past year the top 1% of highest priced transactions (127 transactions) generated 60% of the total transfer tax revenue! In other words, if those 127 sales didn’t happen, our transfer tax revenue would have been cut by 60%!

Moreover, 54% of transactions were above the \$1 million mark, with the largest percentage, 51% in the \$1 million to \$5 million range.

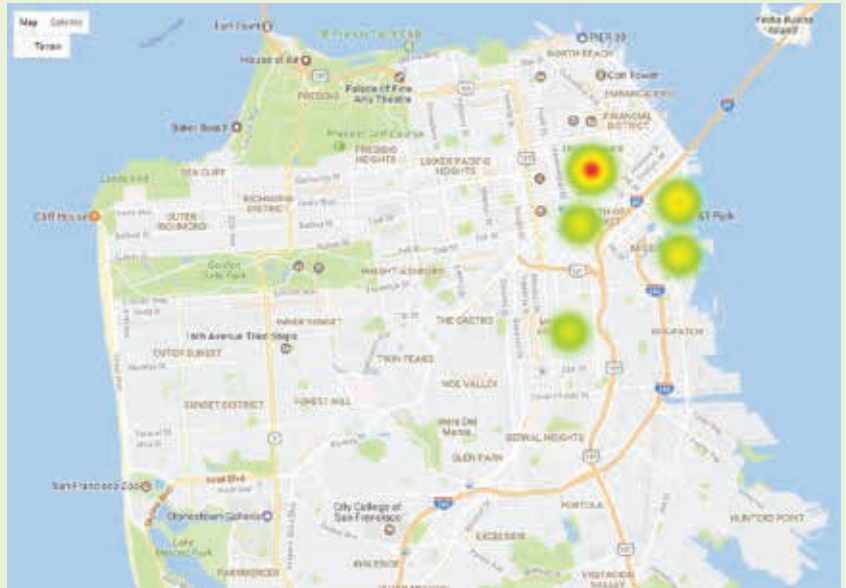
Percentage of Sales By Price Range



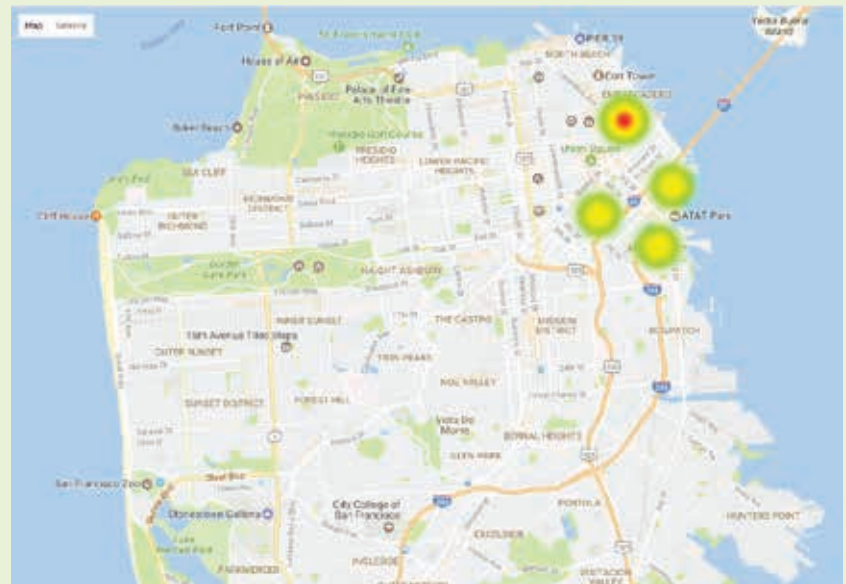
Real Estate Heat Map

The hottest areas where sales happened? Downtown and South Beach!

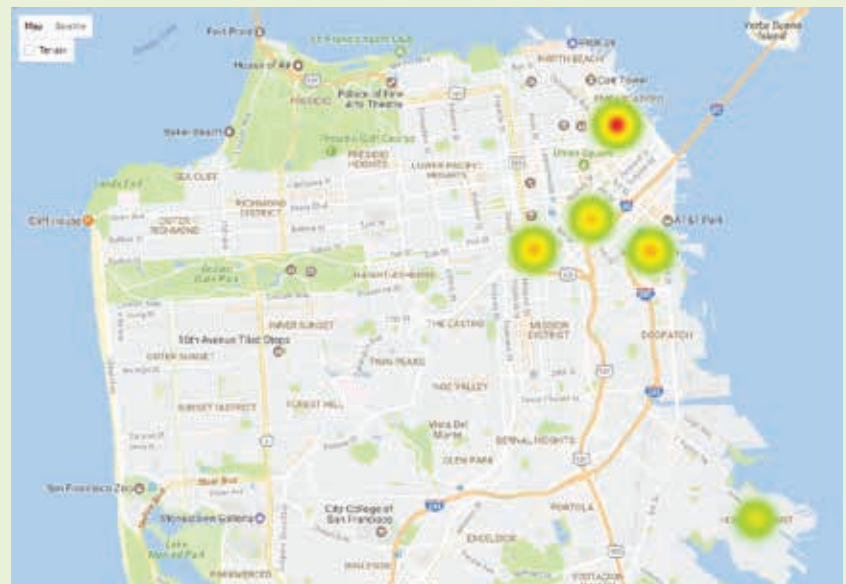
Between Downtown, South Beach, Mission Bay, South of Market and Inner Mission, 3,250 transactions occurred.



The impact on revenue is significant because changes lead to a resetting of value to the market. In the northeastern part of the City, a combined total of \$5 billion in additional taxable value was added to the books.

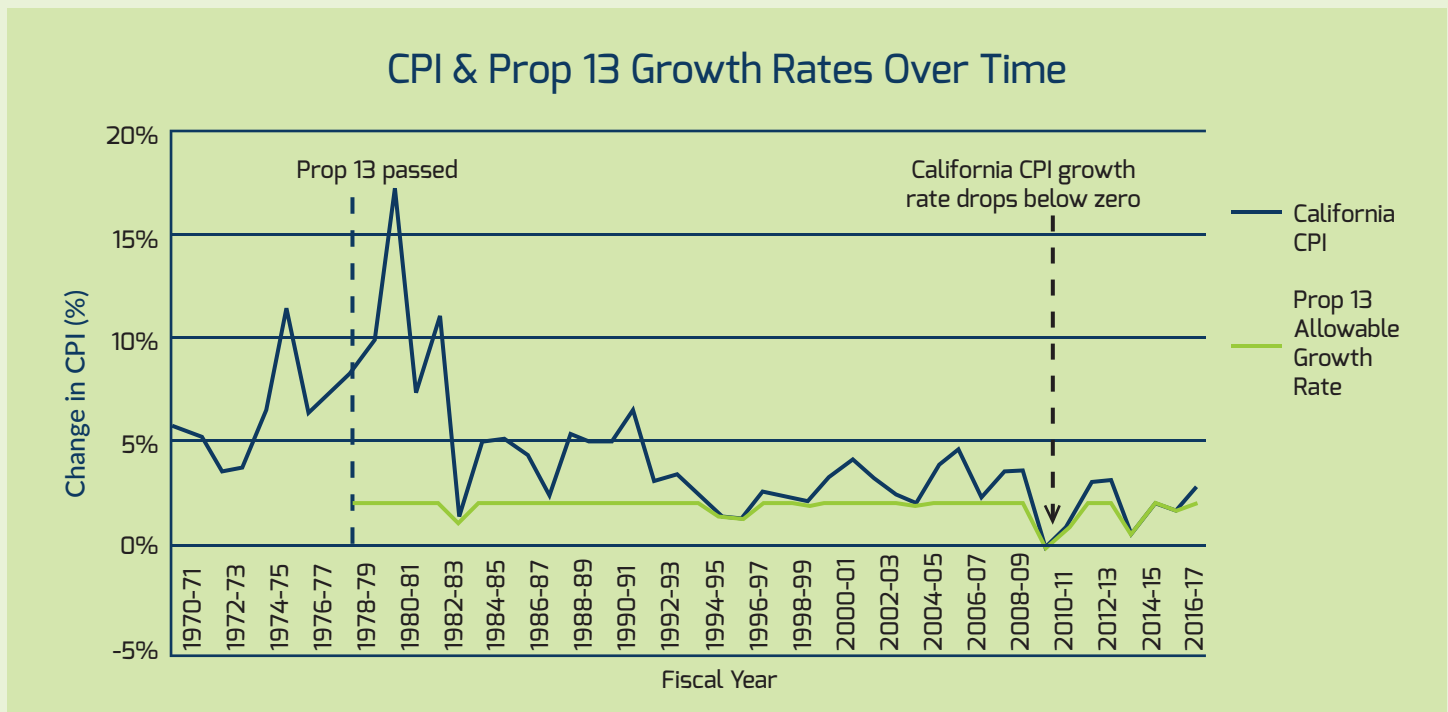


Pardon the parcels. Construction across the City added many more parcels to our count. For example, when a 100-unit condominium project is finished, we now have 100 parcels where once only one parcel stood. Last year, 1,543 net new parcels were added in San Francisco for a total of 208,496 parcels. The map shows the areas where parcel count grew the most, a sign of construction activity.



How the Prop 13 Cap Fares Against the Consumer Price Index

Under California's Proposition 13 law a property's taxable value cannot grow by more than 2% or the California Consumer Price Index (CPI), whichever is lower. So how does the 2% cap track against the actual California CPI? Since 1978, when Proposition 13 passed, the California CPI was higher than the cap about 75% of the time. During the same time period, the California CPI was negative only once in 2010-2011 requiring all counties in California to lower assessed values compared to the year before.



Source: State Board of Equalization, California Department of Finance

OPERATIONS - BY THE NUMBERS

Real Property and Transactions Divisions

Our office's Real Property and Transactions divisions focus on valuing real property for assessment purposes. This includes determining whether changes should result in reassessment and if so, then reassessing property values when there has been a change in ownership or new construction activity, and valuing possessory interest. The Real Property division also reviews assessment appeals cases. Real property consists of land and improvements and is organized by parcels. By June 30, 2016, there were 208,496 real property parcels in San Francisco ranging from condominium units and single-family homes, to large commercial high-rises.

Between the years 2008 - 2011, the nation's economic recession and its impacts to the real estate market had a particularly significant effect on the work of our office. During this time, there was an increase of more than four-fold in assessment appeals filed. Starting in 2014, the number of filed appeals began returning to pre-recession levels with 1,607 appeals submitted this year. Meanwhile, the resurgence in the real estate market which drives new construction activity and changes in ownership, has contributed greatly to an overall increase in our workload. In summary, as of June 30, 2016, there were 1,727 outstanding assessment appeals, 2,736 change-in-ownership and 13,932 new construction cases pending review.

Driving Down Open Appeals

The assessment appeals process is managed by the Assessment Appeals Board (AAB), an independent Board appointed by the San Francisco Board of Supervisors. The AAB is responsible for scheduling and hearing all filed assessment appeals. Our office's role in the appeals process is to review scheduled cases and provide a recommendation on value.

The City, through the AAB, received a decrease in the number of filed appeals in Fiscal Year 2015-16 compared to the year before. In fact, as the table below illustrates, as of June 30, 2016, there was a 40% decrease in the number of appeals filed compared to Fiscal Year 2014-15. Combined with dedicated resources to more quickly resolve pending appeals, we ended Fiscal Year 2015-16 with 1,727 pending appeals, representing a decrease of 58%!

History of Assessment Appeals Filed and Closed

FISCAL YEAR*	FILED	CLOSED	OPEN
2005-06	1,090	1,523	1,191
2006-07	1,365	1,611	990
2007-08	988	1,365	623
2008-09	2,476	2,050	1,052
2009-10	6,620	2,526	5,103
2010-11	5,649	4,270	7,068
2011-12	6,399	5,563	7,729
2012-13	5,500	5,993	7,421
2013-14	5,051	6,092	6,279
2014-15	2,694	4,995	4,126
2015-16	1,607	4,022	1,727

* As of June 30th of each year

Investing Resources to Tackle New Construction and Change-in-Ownership Cases

Over the last few years, we have been successful in advocating for additional resources to hire and to implement efficiencies in our office. In November of 2014, our office was awarded a state grant called the State-County Assessors' Partnership Agreement Program. Coupled with local matching funds, this grant allowed us to hire additional staff members to focus on new construction reviews, including the implementation of a more robust in-progress lien date process.

These state and local investments have had a significant impact on our ability to keep pace and to enroll value. Compared to the year before, our office utilized these resources to more than double our lien date in-progress new construction reviews, adding an additional \$2.6 billion in assessed value to the assessment roll. Unfortunately, the City's high volume of new construction activity has outpaced our resources to review new construction cases in the same year. In Fiscal Year 2015-2016, we received 13,549 in additional new construction cases alone! As of June 30, 2016, a total of 13,932 new construction cases remained outstanding. Of the outstanding cases, a majority, 54% (or 7,549) were commercial construction permits and roughly 46% (or 6,383) were residential construction permits. The state grant commitment expires in Fiscal Year 2016-17.

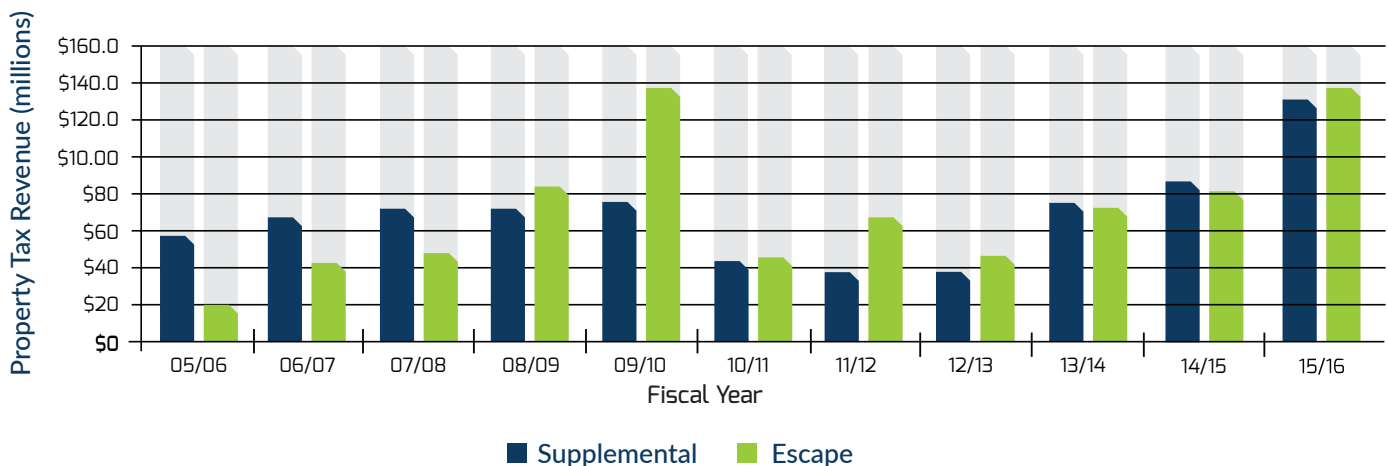
For change-in-ownership cases, we started the year with 3,651 outstanding cases to reassess. Our Transactions division reviewed the incoming cases and determined that an additional 4,330 cases should be added to the workload for reassessment this year. Real Property reviewed and enrolled 5,245 cases and we ended the year with 2,736 pending cases. Of these cases, 978 are residential properties and 1,758 are commercial properties.

Impact on Supplemental & Escapes Revenue

When our office works a new construction or change-in-ownership case, a supplemental and or escape assessment is generated. A supplemental assessment, said simply, is a “catch-up assessment” that tells our property owners what the old assessment was and what its current assessment should be as of the date the property changed hands or as of the date that new construction was completed. An escape assessment is essentially the same but is a technical term for the difference noticed after a delayed period. As cases are worked, and as supplemental and/or escape assessments are generated, a corresponding bill is issued through a separate office called the Office of the Treasurer & Tax Collector. Revenue collected from those bills make up the supplemental and escape tax revenues for San Francisco in any given year.

The bar graph below illustrates the trend in actual supplemental and escape revenues generated over the last decade. In Fiscal Year 2015-16, actual supplemental and escape assessment revenue totaled \$251 million.

Supplemental & Escape Property Tax Revenue



Providing Temporary Tax Relief

Under state law established by Proposition 8 (Revenue and Taxation Code Section 51(a)(2)), property owners can receive a temporary reduction to their assessed value if the current fair market value of their property is lower than the property's Proposition 13 capped assessed value. This can happen if property owners purchased properties at a peak in the market and when a subsequent real estate downturn caused property values to fall below their Proposition 13 capped assessed value. In Fiscal Year 2015-16, we proactively reviewed 2,044 properties and granted 351 temporary property tax reductions.

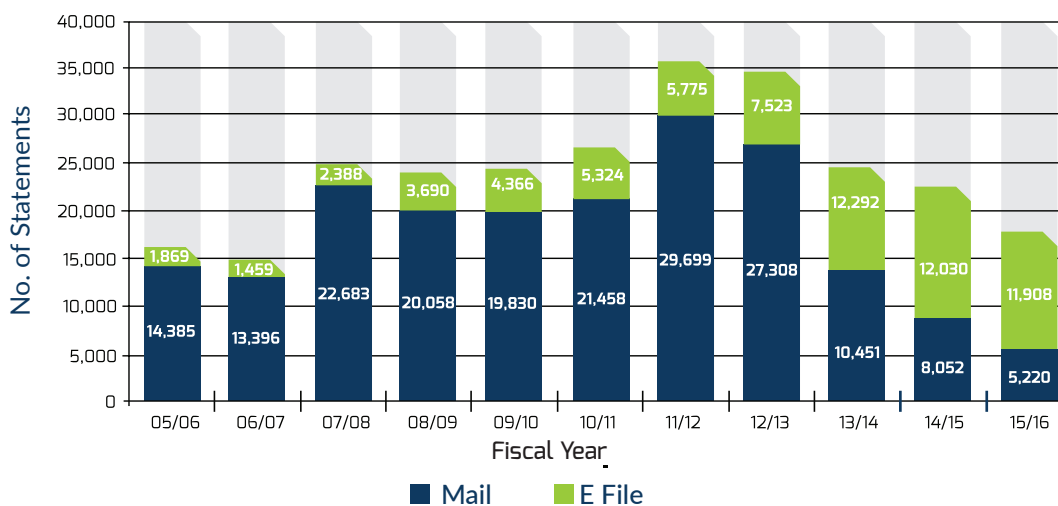
Business Personal Property Division

The Business Personal Property Division (BPP) is responsible for assessing all unsecured property owned, leased, claimed, possessed, managed, and controlled by businesses located in San Francisco and is responsible for conducting business audits mandated by the state. Business personal property includes items like machinery, equipment, fixtures, and leasehold improvement held or used in connection with a trade or business. Every year businesses must provide information to our office, if requested, so that our records on business personal property is up-to-date. Annual reporting may be required because many businesses acquire new or dispose of existing personal property during the course of the year.

Improving Convenience for Businesses

This year we continued to promote and expand electronic online filing (e-Filing) for our annual property reports. Approximately 70% of these statements were filed electronically this year, compared with 60% last year and 54% in Fiscal Year 2013-14. Efforts to improve our taxpayer experience, including creating convenient and secure filing, also continues to our internal efforts to drive efficiencies for our office. When taxpayers e-file we save time previously spent on data entry, we see fewer entry errors and avoid lost documentation.

Number of Form 571-L Business Property Statements



Leading the Way in Fair Taxation for Short-Term Rentals

San Francisco led the state in bringing short-term rentals hosted on online platforms into compliance with the law. Part way into 2015, San Francisco, began regulating short-term rentals and required hosts to register as businesses and provide information. Consistent with all businesses in San Francisco, our office worked to educate hosts on their filing responsibilities with our office. This year, approximately 2,000 short-term rentals were assessed for the business personal property they owned in connection with their rentals. Over 90% had an assessed value below \$10,000.

Exemptions

Last year we granted nearly \$8.3 billion in exemptions on assessed values to support non-profits, religious and church organizations, hospitals and schools and others, as well as homeowners and veterans. In fact, \$656 million in exemptions were granted to veterans and homeowners. 90,486 property owners received a \$7,000 reduction in the taxable value of their home because they lived in the home they owned. Roughly \$14.7 million was granted in veteran exemptions to benefit disabled veterans and their families.

Fiscal Year 2015-16	Number	Value	% Total
Cemetery	2	\$2,900,352	0.04%
Churches	127	\$74,338,298	0.90%
Homeowners*	90486	\$640,801,898	7.77%
Hospitals	23	\$453,635,977	5.50%
Low Income/ Lessor	40	\$146,237,191	1.77%
Private Colleges	194	\$759,735,630	9.21%
Religious	315	\$278,871,925	3.38%
School	1	\$427,516	0.01%
Veteran's	141	\$14,741,506	0.18%
Welfare	1395	\$5,879,826,855	71.26%
Total	92724	\$8,251,517,148	100.00%

*Reimbursed by the State of California



ASSESSMENT ROLL

Leading California in Assessment Roll Growth

All the work of our divisions impacts the total assessed value for the City. Annually before June 30th, we submit a complete list or “roll” of assessment values to the Controller which in turn becomes the basis for levying property taxes. This roll reflects assessment values as of a point in time. In California, all 58 counties’ rolls reflect the cumulative value as of January 1st, the “lien date”, of every year. Once the Controller receives the roll, certifies it, and applies a tax rate ratified by the Board of Supervisors, the Office of the Treasurer & Tax Collector issues and collects the bill. Property owners receive a property tax bill in October and can either pay the bill all at once or make payments in two installments due in December and April without penalty.

This year San Francisco’s assessment roll increased by approximately 8.8% to a total assessed value of \$212 billion including exemptions. This rate of increase leads the state in growth and the value of \$212 billion is the first time San Francisco’s total assessment roll has exceeded the \$200 billion mark.

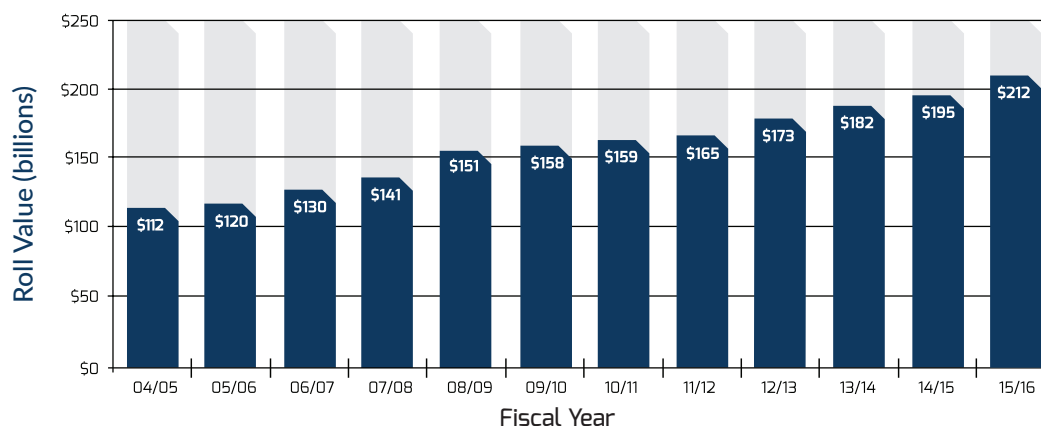
Certified Roll for Fiscal Year 2014-15 and Fiscal Year 2015-16

Description	FY 2014-15	FY 2015-16	Difference	% Change
Secured Local Roll	\$187,103,353,472	\$202,200,387,523	\$15,097,034,051	8.07%
SBE’s Roll	\$2,943,230,959	\$3,103,243,257	\$160,012,298	5.44%
Unsecured Roll	\$12,438,638,927	\$14,579,005,910	\$2,140,366,983	17.21%
Gross Local Roll	\$202,485,223,358	\$219,882,636,690	\$17,397,413,332	8.59%
Less: Non-Reimbursable Exemptions	(\$7,446,616,284)	(\$7,709,310,584)	-\$262,694,300	3.53%
Basis of Levy	\$195,038,607,074	\$212,173,326,106	\$17,134,719,032	8.79%

Source: Office of the Controller, City & County of San Francisco

Note: SBE refers to the State Board of Equalization. Certain properties are identified and valued through the State Board of Equalization and not through the City and County of San Francisco’s Office of the Assessor-Recorder.

Total Assessment Roll



Source: San Francisco Office of the Controller

Assessment Roll by Property Type

Based on the certified roll for Fiscal Year 2015-16, there were 208,496 unique parcels in San Francisco compared to 206,953 in Fiscal Year 2014-15. Approximately 70% of those parcels were single family residential (SFR) properties, including condominium units. SFR parcels comprise 48% of the roll value for secured real property. An additional 18% of the parcels are multi-family residential (MFR) buildings. Combined, this means that approximately 88% of San Francisco's parcels are residential properties. However, as the table below shows, while commercial parcels may account for only 8% of the parcel count, their share of the City's overall real property taxable assessment value is 26%.

PROPERTY TYPE	PARCEL COUNT				ROLL VALUE			
	6/30/2015	6/30/2016	% OF TOTAL	CHARGE	6/30/2015	6/30/2016	% OF TOTAL	CHARGE
Secured Local Roll	145,282	146,472	70%	0.82%	\$90,074,573,574	\$96,735,799,194	48%	7.40%
Multi-Family Residential	36,336	37,314	18%	2.69%	\$36,799,265,754	\$44,148,879,888	22%	19.97%
Commercial	16,200	15,889	8%	-1.92%	\$50,310,080,064	\$52,288,521,140	26%	3.93%
Industrial	2,380	2,334	1%	-1.93%	\$3,339,555,420	\$3,416,181,999	2%	2.29%
Other/Miscellaneous	6,755	6,487	3%	-3.97%	\$4,497,157,430	\$3,360,921,979	2%	-25.27%
Total Secured Real Property	206,953	208,496	100%	0.75%	\$185,020,632,242	\$199,950,304,200	100%	8.07%

Top Ten Neighborhoods in Roll Growth

Increases to San Francisco's assessment roll is driven by changes in ownership of existing properties, reassessments due to new construction or temporary tax relief. The areas with the largest growth in assessed value continue to be areas in which there is significant development or changes. The top ten neighborhoods in assessment roll growth by both total value and percentage increase are shown below.

NEIGHBORHOOD DESCRIPTION	PARCEL COUNT				TOTAL ASSESSED VALUE (LAND & IMPROVEMENTS)			
	6/30/2015	6/30/2016	DIFFERENCE	% CHANGE	6/30/2015	6/30/2016	DIFFERENCE	% CHANGE
Financial District South	2,952	3,334	382	12.94%	\$12,002,440,914	\$13,506,317,006	\$1,503,876,092	12.53%
Financial District North	1,459	1,459	0	0.00%	\$13,279,533,187	\$14,335,352,965	\$1,055,819,778	7.95%
South of Market	4,818	5,058	240	4.98%	\$8,283,967,083	\$9,140,204,608	\$856,237,525	10.34%
South Beach	3,663	3,738	75	2.05%	\$7,764,754,175	\$8,648,017,256	\$883,263,081	11.38%
Mission Bay	4,152	4,421	269	6.48%	\$6,952,231,650	\$7,733,339,689	\$781,108,039	11.24%
Inner Mission	7,474	7,736	262	3.51%	\$5,405,776,327	\$6,152,491,025	\$746,714,698	13.81%
Union Square District	3,173	3,173	0	0.00%	\$5,931,361,490	\$6,516,357,292	\$584,995,802	9.86%
Pacific Heights	5,127	5,142	15	0.29%	\$9,094,588,273	\$9,656,231,705	\$561,643,432	6.18%
Van Ness/Civic Center	4,132	4,130	-2	-0.05%	\$3,413,556,535	\$3,960,664,417	\$547,107,882	16.03%
Potrero Hill	5,039	5,145	106	2.10%	\$4,019,907,027	\$4,511,077,336	\$491,170,309	12.22%
Totals	41,989	43,336	1347	3.21%	\$76,148,116,661	\$84,160,053,299	\$8,011,936,638	10.52%

Largest Taxpayers

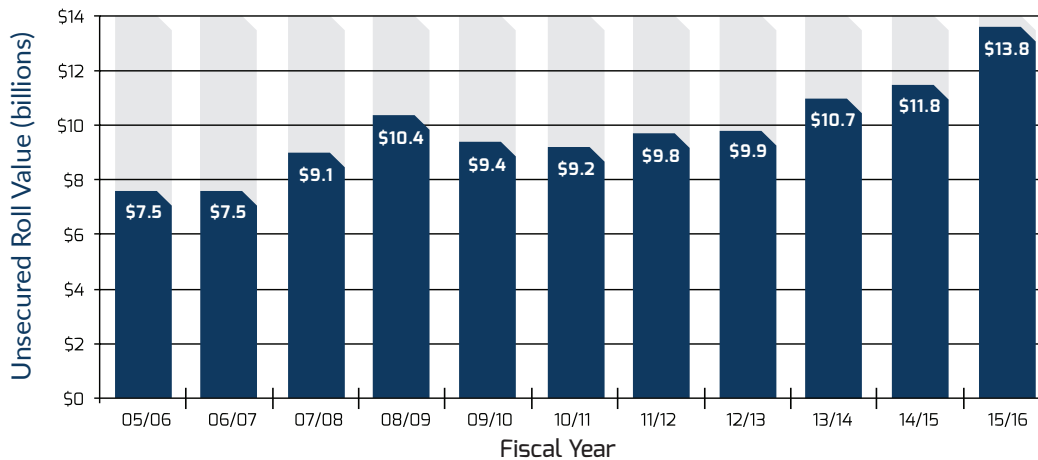
San Francisco’s real property roll is varied and includes a multitude of building types and uses. The table below identifies the properties with the largest assessed values and highest tax levy on the certified roll for Fiscal Year 2015-16.

ASSESSEE NAME	PROPERTY ADDRESS	TYPE	LAND	IMPROVEMENTS	TOTAL ASSESSED VALUE
ELM PROPERTY VENTURE LLC	101 California St	Commercial	\$551,325,091	\$444,180,780	\$995,505,871
HWA 555 OWNERS LLC	555 California St	Commercial	\$289,089,262	\$689,782,853	\$978,872,115
PPF PARAMOUNT ONE MARKET PLAZA OWNER LP	1 Market St	Commercial	\$234,438,360	\$567,471,683	\$801,910,043
UNION INVESTMENT REAL ESTATE GMBH	555 Mission St	Commercial	\$104,226,030	\$369,528,658	\$473,754,688
EMPORIUM MALL LLC	845 Market St	Commercial	\$113,106,185	\$334,883,251	\$447,989,436
SPF CHINA BASIN HOLDINGS LLC	185 Berry St	Commercial	\$121,962,482	\$318,312,222	\$440,274,704
SHC EMBARCADERO LLC	4 The Embarcadero	Commercial	\$150,973,114	\$262,216,466	\$413,189,580
WELLS REIT II- 333 MARKET ST LLC	333 Market St	Commercial	\$123,345,985	\$287,807,300	\$411,153,285
POST-MONTGOMERY ASSOCIATES	165 Sutter St	Commercial	\$56,316,493	\$346,532,637	\$402,849,130
PPF OFF ONE MARITIME PLAZA LP	300 Clay St	Commercial	\$122,005,332	\$260,161,096	\$382,166,428

Unsecured Roll Continues to Grow

Unsecured property assessments can be described as assessed value that is not secured by the actual real property (land and improvements). It includes berths and vessels, leased equipment, possessory interest, and business personal property owned by business owners who are tenants. One large category in this bucket is business personal property. Business personal property is property owned, leased, claimed, possessed, managed and controlled by a business, including machinery, equipment, fixtures, and improvements that is used for its business activity. A second large category of unsecured assessments is possessory interest. Possessory interest is levied when a private activity has a beneficial use of publicly owned lands. For example, a business that rents a storefront on San Francisco port property must pay a possessory interest for using the public land. Below is a graph showing the growth in total unsecured assessments over the last ten years, with the most recent fiscal year reaching \$13.8 billion.

Certified Unsecured Roll



Source: San Francisco Office of the Controller

Assessment Value by Neighborhood

For a complete look, the table below lists the parcel count and total assessed value (AV) by neighborhood. Total assessed value in the Financial District continues to lead the total assessed roll value, followed by Pacific Heights, South of Market, and the South Beach and Mission Bay neighborhoods.

NEIGHBORHOOD	PARCELS FY 2015-16	TOTAL AV (Land and Improvements) FY 2015-16
Central Richmond	5,271	3,390,088,983
Inner Richmond	3,540	2,542,173,218
Jordan Park/Laurel Hghts.	940	1,031,066,518
Richmond Lake	1,968	1,849,275,884
Outer Richmond	4,429	2,541,809,907
Sea Cliff	523	1,099,284,184
Lone Mountain	1,464	1,244,499,929
Golden Gate Heights	1,366	801,160,936
Outer Parkside	4,608	1,972,810,952
Outer Sunset	4,416	1,995,214,783
Parkside	5,727	2,720,144,620
Central Sunset	5,961	3,096,824,019
Inner Sunset	4,163	2,605,087,448
Inner Parkside	1,442	832,767,274
Lakeshore	1,168	848,770,313
Merced Heights	1,009	381,886,259
Pine Lake	413	244,604,735
Stonestown	489	1,548,355,768
Lakeside	590	386,870,485
Merced Manor	346	246,901,510
Ingleside Heights	1,920	756,118,753
Ingleside	1,966	751,045,241
Ocean View	1,632	625,736,682
Balboa Terrace	296	247,430,522
Diamond Heights	1,669	952,087,186
Forest Hill	735	685,528,315
Forest Knolls	528	424,631,298
Ingleside Terrace	746	491,956,993
Midtown Terrace	1,014	509,142,896
St. Francis Wood	552	697,575,196
Miraloma Park	2,129	1,195,579,874
Forest Hill Extension	687	448,432,346
Sherwood Forest	347	252,373,734
Monterey Heights	315	300,604,870
Mount Davidson Manor	755	451,310,408
Westwood Highlands	542	347,428,434
Westwood Park	645	340,793,448
Sunnyside	2,153	1,087,565,767
West Portal	1,066	753,602,916
Glen Park	2,644	1,738,035,082
Haight Ashbury	2,441	2,022,201,873
Noe Valley	5,974	5,241,215,034
Twin Peaks	977	756,124,962
Parnassus Heights	1,634	1,574,788,503

NEIGHBORHOOD	PARCELS FY 2014-15	TOTAL AV (Land and Improvements) FY 2015-16
Buena Vista	759	775,755,583
Corona Heights	1,174	933,849,066
Clarendon Heights	607	609,214,324
Duboce Triangle	791	798,562,256
Eureka Valley	4,100	3,881,959,047
Mission Dolores	2,072	1,720,493,674
Anza Vista	545	577,599,838
Hayes Valley	2,375	2,300,741,693
Lower Pacific Heights	2,825	2,796,410,194
Western Addition	1,331	1,152,633,389
Alamo Square	659	655,440,941
North Panhandle	2,089	1,859,036,939
Marina	2,793	3,555,074,107
Pacific Heights	5,142	9,656,231,705
Presidio Heights	1,183	2,904,015,066
Cow Hollow	2,501	3,291,101,612
Downtown Tenderloin	4,445	4,226,878,490
Financial District North	1,459	14,335,352,965
Nob Hill	2,889	3,430,005,176
North Beach	922	808,842,015
Russian Hill	5,624	4,890,030,531
Van Ness/Civic Center	4,130	3,960,664,417
Telegraph Hill	1,646	1,755,950,774
North Waterfront	791	1,940,469,905
Union Square District	3,173	6,516,357,292
Bernal Heights	2,706	1,578,085,265
Financial District South	3,334	13,506,317,006
Inner Mission	7,736	6,152,491,025
Mission Bay	4,421	7,733,339,689
Potrero Hill	5,145	4,511,077,336
South of Market	5,058	9,140,204,608
Bernal Heights South	4,398	2,098,722,912
South Beach	3,738	8,648,017,256
Bayview	4,620	2,430,902,499
Crocker Amazon	2,903	1,155,753,305
Excelsior	5,628	2,146,132,067
Outer Mission	2,848	1,043,548,794
Visitation Valley	3,874	1,303,447,285
Portola	3,890	1,577,812,903
Silver Terrace	2,309	762,634,769
Mission Terrace	2,610	1,108,192,853
Hunters Point	2,422	1,165,445,283
Bayview Heights	1,631	524,600,288

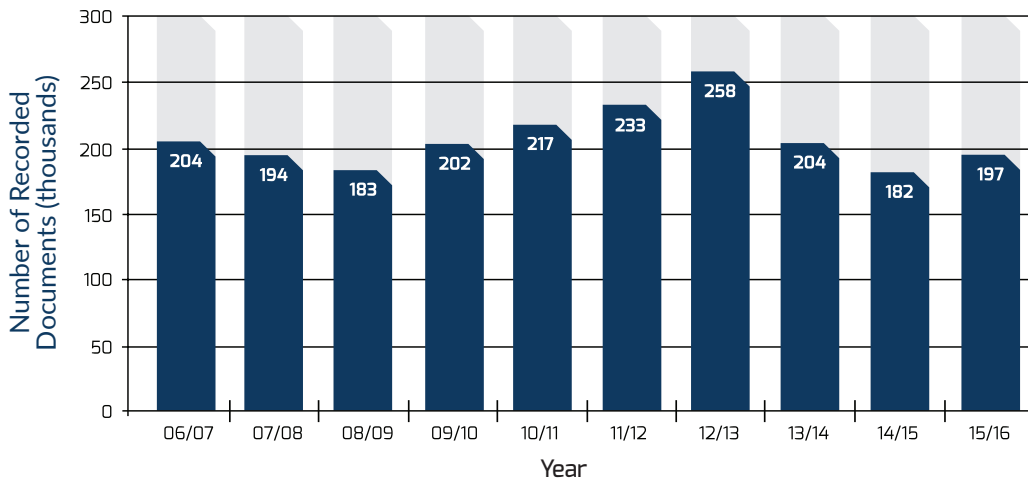
SAFEKEEPING PUBLIC RECORDS

Safekeeping Public Records

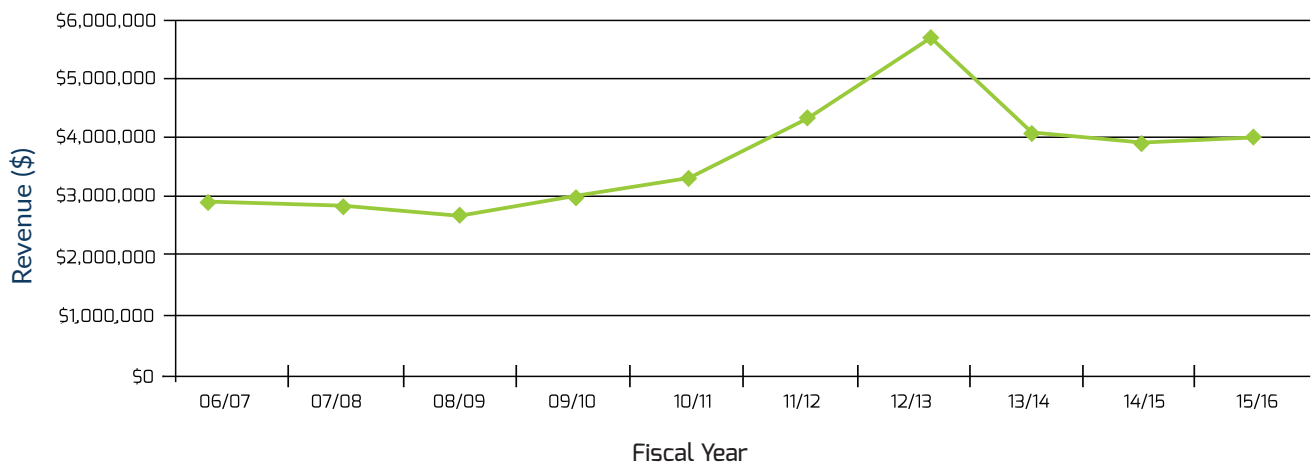
An essential component of our work is maintaining the public record on important documents like public marriage licenses and property ownership through deeds. This year we recorded over 197,000 documents resulting in fee revenue of approximately \$4 million. The number of recorded documents increased by 8% compared to the prior year but still significantly lower than the peak in Fiscal Year 2012-13, when the home mortgage refinancing market was more active.

Of note, this year our office began recording new documents associated with estate planning. Effective January 1, 2016, California began allowing real property to be transferred upon a person’s death through the recording of a “Revocable Transfer on Death Deed”. Although the law creates this as a pilot, the deed allows individuals to pass on property while avoiding probate, often a costly and time-consuming process. For the six months this law was in effect this year, 73 Revocable Transfer on Death Deeds were recorded in San Francisco.

Documents Recorded Annually



Revenue Generated Through Recording Fees



Public Marriage Licenses

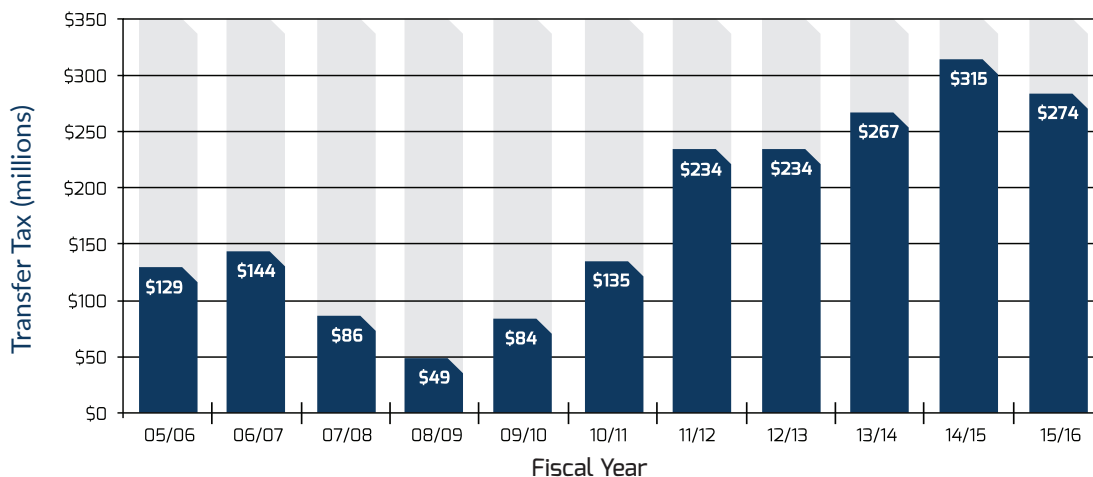
We also record and maintain public marriage licenses issued by the City. San Francisco is a national leader in recognizing same-sex-marriages. In June 2013 our office was proud to be the only county in the State of California to remain open through the weekend when the Supreme Court declined to decide a case from California, effectively allowing same-sex marriages to resume. Close to 500 couples were married that weekend alone. This year we recorded 11,079 marriage licenses, a 5% increase compared to the prior fiscal year's total of 10,540.



Transfer Tax

We collect transfer tax whenever a purchase or sale of real property occurs. Our local tax regulations require our office to apply different transfer tax rates based on the sales price for properties. Over time, transfer tax revenue has fluctuated as low as \$49 million to a high of \$315 million. Total transfer tax revenue depends on whether there is an active market for property sales, the tax rate and the sales price. In Fiscal Year 2015-16, there were 9,573 transactions that generated a total of \$273.7 million in transfer tax, which is the second highest annual transfer tax collection in San Francisco's recent history.

Transfer Tax Revenue





STAFF

I would like to express my appreciation
to our staff for their dedication,
hard work and service to the people
of San Francisco.

Carmen Chu, Assessor-Recorder

Assessor-Recorder Staff

Mo'Min Abdun-Noor ~ Nicole Agbayani ~ Maria Ahumada-Perez ~ Caroline Arguelles ~ Sally Aung ~
Roberto Ayala-Duran ~ Marion Banks ~ Alfred Barber III ~ Miriam Belmeur ~ Joaquin Benavides Sr ~ James Bias ~
Bryan Bibby ~ Kimberly Blackfield ~ Jeffrey Burt ~ Gerald Buss ~ Darrelyn Butler ~ Dana Cano ~ Natividad Caramat ~
Teresa Castaneda ~ Christopher Castle ~ Wai Ching Chan ~ Victoria Chan ~ Larry Chan ~ Leung Chan ~ Kit Chau ~
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Ronald Sto-Domingo ~ Lena Surjadi ~ Pauline Tam ~ Dennis Tan ~ Susana Tan ~ Jason Tan ~
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Matthew Thomas ~ Fanny Truong ~ Margaret Tseng ~ Felomina Uban ~ Manuel Uy ~ Vanessa Vasquez ~
Concepcion Vindell ~ Gigi Whitley ~ Frank Wong ~ Brandon Wong ~ Yong Ji Wong ~ Cecilia Wong ~
Gregory Wong ~ Julie Wu ~ Teresita Xander ~ Xue Xia ~ Beth Ybarra ~ Evelyn Yee ~ Stephen Yen

FREQUENTLY ASKED QUESTIONS (FAQ)

What is the role of the Assessor-Recorder?

ASSESSOR

The role of the Assessor-Recorder is to value property in a fair and equitable manner according to California's Revenue and Taxation Laws. Our team works hard to locate all taxable property in the County and identify ownership. We then establish a taxable value for all property subject to property taxation and list this value on the assessment roll. All tangible property is taxable unless constitutionally exempt. Our office also determines if real estate parcels are required to be reassessed upon a change of ownership or the completion of new construction.

RECORDER

The Recorder serves as the custodian of public records and as such records all real property documents for the county, and registers marriage licenses and other public documents. The Recorder maintains an index and issues copies of all recorded documents to members of the public who request them. The Recorder staff reviews, analyzes, and interprets large volumes of documents and determines whether they are recordable and in compliance with state codes and local ordinances. The Recorder is responsible for interpreting and applying the requirements of the County Documentary Transfer Tax Ordinance with regard to any lands, tenements, or other realty sold within the county. The Recorder also has the responsibility to collect and allocate the necessary recording fees pertaining to the Real Estate Prosecution Trust Fund and Monument Preservation Fund.

How are property tax rates calculated?

Property tax is an ad valorem tax based on a percentage of the property's value placed on real and business personal property. There are three different types of property: real, personal, and utility. Real property refers to the ownership of land and any improvements to the land. Personal property is any property except real estate, including boats, airplanes and all business property. Business personal property is all property owned or leased by a business except licensed vehicles, business inventory, intangible assets or application software. Utility property is property owned by utilities, such as railroads. Our office has jurisdiction over the assessment of real and business personal property.

What is Proposition 13?

Passed by California voters in 1978, Proposition 13 set a property's base year value at its 1975-76 assessed value and limits increases to the assessed value of real property by no more than 2 percent per year or the Consumer Price Index (CPI), whichever is lower. Proposition 13 also established a maximum property tax rate of one percent (1%) of the assessed value, plus any voter approved bonded indebtedness, service fees, improvements bonds and special assessments. Proposition 13 tightly regulates property tax and budget policy and was enacted in order to keep property taxes stable and predictable relative to variances in the housing market. Since the passage of Proposition 13, average assessed values have remained considerably lower than average sales prices in counties across the state.

When is real estate reappraised?

Real property is reassessed under two conditions: 1) when there is an assessable change in ownership and 2) upon completion of new construction or a change in use. This reassessment establishes a new base year value.

Change In Ownership

When a sale or transfer occurs, the Assessor-Recorder's Office receives a copy of the deed and determines if a reappraisal is required under State law. If a reappraisal is required, an appraisal is made to determine current market value of the property. The owner is then notified of the new assessment and the owner has the right to appeal the assessed value. The transfer of property between spouses or registered domestic partners does not require a reappraisal for property tax purposes. This includes transfers resulting from divorce or death of a spouse or domestic partner. In addition, a refinancing will not cause a reappraisal. There are other exclusions for senior citizens, the disabled, and those involving parent/child transfers which are discussed later.

New Construction

When the homeowner/taxpayer applies for a building construction permit with the Department of Building Inspection, the Assessor's Office receives the permit. If the construction is new (such as a room addition), a reappraisal is required. If the construction is for replacement, repair, or maintenance, a reappraisal is not required. In appraising new construction, the market value of the addition is determined and added to the value of the existing property. The existing property, however, is not reappraised. As with a change-in-ownership, the owner is notified of the new assessment and can appeal the assessed value.

What is a supplemental assessment?

State law requires the Assessor-Recorder to reappraise property immediately upon change-in-ownership, completion of new construction or change in use. The Assessor-Recorder's Office must issue a supplemental assessment that reflects the difference between the prior assessed value and the new assessment. This value is then prorated based on the number of months remaining in the Fiscal Year ending June 30. This supplemental bill is in addition to the regular tax bill. To appeal a supplemental assessment, an application must be filed with the Clerk of the Board within 60 days from the mailing of notice of the supplemental assessment tax bill.

How do I appeal my assessed value?

Under State law, if the market value of your property (recent comparable sales) as of January 1 falls below the assessed or taxable value as shown on your tax bill, the Assessor-Recorder's Office is required to lower the assessment. This type of temporary property tax relief generally applies to recently purchased property. Assessment appeals may be filed from July 2 to September 15. Please make sure to file your application with the Assessment Appeals Board before the deadline.

Informal review of assessment

If you have reason to believe that the market value of your property as of January 1 in a given year is less than the amount shown on your notice of assessed value and you have factual evidence to support a lowered assessment, you can request an informal review by a staff appraiser by contacting us before March 31 by calling 311 or emailing assessor@sfgov.org. Requesting an informal review does not preclude you from filing a formal appeal with the Assessment Appeals Board.

Assessment Appeals Board

If you disagree with the assessed value or our informal review, you may file a formal “Application for Changed Assessment” with the Assessment Appeals Board, an independently appointed review board. Application information can be obtained from the Clerk of the Assessment Appeals Board, City Hall – Room 405, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, phone (415) 554-6778 or web at www.sfgov.org/aab. Assessment appeals must be filed with the Clerk between July 2 and September 15.

How can I apply for reducing my taxes as a homeowner?

If you own a home and occupy it as your principal place of residence on January 1, you may apply for a Homeowner’s Exemption of \$7,000 from your assessed value. An exemption is an allowance of a deduction from the taxable assessed value of the property as prescribed by law. New property owners will automatically receive an exemption application in the mail. Homeowner’s exemptions may also apply to a supplemental assessment if the property was not previously receiving a Homeowner’s Exemption. There is no charge for filing for the Homeowner’s Exemption.

Will my property be reassessed if I give it to my children?

The transfer of real property between parents and children can be excluded from reappraisal for property tax purposes. The principal place of residence and up to a maximum of \$1,000,000 in assessed value of any additional property may be transferred without an assessment increase. An application must be filed with the Assessor-Recorder’s Office to determine eligibility for this exclusion.

How can I apply for reducing my taxes as a veteran?

Certain exemptions are available for veterans. A Veterans Homeowner’s Exemption is available for the home of a disabled veteran or a disabled veteran’s spouse, if the veteran, because of an injury incurred in military service, is blind in both eyes, has lost the use of two or more limbs, or is totally disabled. If qualified, veterans are provided exemptions up to \$190,000 of taxable value. An unmarried surviving spouse may also be eligible if the service member died as the result of a service-connected injury or disease while on active duty in the military.

Are there exclusions available for seniors or disabled persons?

Disabled property owners or senior citizens over 55 years of age can buy a replacement residence of equal or lesser market value than what they sell their existing home for and transfer their current tax base year value to the new home. The replacement property must be purchased within two years of the sale of the original property. The purpose of this is to provide tax relief for disabled persons and seniors by preventing a property tax increase if they sell their existing home and buy another one.

What if my home is damaged from a fire or an earthquake?

If a major calamity such as a fire, earthquake or flooding damages your property, you may be eligible for property tax relief. In such cases, the Assessor-Recorder’s Office will reappraise the property to reflect its damaged condition. In addition, when you rebuild it in a like or similar manner, the property will retain its previous assessment for tax purposes. To qualify for property tax relief, you must file a calamity claim form with the Assessor-Recorder’s Office within one-year days from the date the property was damaged or destroyed and the loss must exceed \$10,000.

What is Business Personal Property?

Business Personal Property is any tangible property owned, claimed, used, possessed, managed or controlled in the conduct of a trade or business. This includes all machinery, fixtures, office furniture and equipment. In general, business personal property is all property owned or leased by a business except licensed vehicles, business inventory, intangible assets or application software.

I received a Business Personal Property Statement (Form 571-L, 571-R), what is it?

The Office of the Assessor-Recorder's records indicate that you were doing business at this location on the lien date, January 1. The lien date is the day that the taxes became a lien on the property and/or its owners, even though the valuation and tax bills have not yet been computed and mailed. The tax lien date is January 1 of each year (Revenue and Taxation Code, Section 2192). All machinery, equipment, fixtures, construction in progress and leasehold improvement held or used in connection with a trade or business are taxable as business property. The property statement is a means for you to declare all your taxable business property located within the City and County on the lien date, January 1, and is used to assist the Assessor-Recorder in determining the value of taxable property for assessment purposes.

When is Business Personal Property appraised?

Unlike real property, business personal property is appraised annually. The owners of all businesses must file a property statement each year with the Assessor-Recorder's Office detailing the cost of all their supplies, equipment, and fixtures at each location. This is required unless the Assessor-Recorder's Office has already established the taxable value of the business and sent out a Notification of Value Card. Business inventory is exempt for taxation.

How is the assessed value determined with Business Personal Property?

Assessment begins with the cost of the asset, including sales tax, freight, and installation. A depreciation factor is applied to the asset cost and this becomes the assessed value. The depreciation schedule is based on the expected economic life of the asset, and is different from the depreciation schedule used by tax accountants.

Why are you taxing my business assets, under what authority?

The State Constitution says that all property is subject to property tax unless otherwise exempt. Most people are familiar with the property taxes on their home. The assets of a business are also subject to assessment and taxation. Section 201 of the Revenue and Taxation Code of California states: "All property in this State, not exempt under the laws of the United States or of this State, is subject to taxation under this code".

I have a business in San Francisco but did not receive a Business Property Statement, what should I do?

You must contact the Assessor-Recorder's Office to enroll your business and have a 571-L Statement/Form sent to you. You may reach our Business Personal Property Division by calling 3-1-1. The 571-L form will have your permanent account number, owner's name, mailing address, and business location. You must complete the form, then sign and return the statement to the Assessor-Recorder's Office.

Who must file a Business Personal Property Statement?

Per Revenue and Taxation Code, Section 441, you must file a statement if the Assessor-Recorder's Office has sent you a property statement OR if you have taxable personal property with a total cost of \$100,000 or more located within the City and County as of January 1 of each year. You must file even if no statement is sent to you. Failure to complete and return the property statement will result in the Assessor-Recorder estimating the value of your business property and adding a 10% penalty to the assessment (R&T Code, Sections 441, 463 and 501). You may reach our Business Personal Property Division by calling 311.

What is the last date to file the Business Personal Property Statement without a penalty?

The due date for filing the Business Property Statement is April 1st. A 30-day extension until May 1st may be granted for reasonable cause. The request for extension must be made in writing, preferably on company letterhead, and addressed to Carmen Chu, Assessor-Recorder, Business Division, 1155 Market St., 5th Floor, San Francisco, CA 94103. Please indicate the account number, if any, the location of the business and your title. Any property statement filed or postmarked after May 7th will have a 10% penalty added to the assessment.

How much will my taxes be?

Using a tax rate of 1.2% will give a conservative estimate of what the actual tax liability will be. Proposition 13 established a tax rate of 1% of the value of assessable property. San Francisco tax rate is determined by the Board of Supervisors, based on property assessed value and bond measures passed by San Francisco voters. For example, if the business depreciated assessed value is \$25,000 the property taxes on the business assets will be approximately \$285.

What if I do not agree with the value on my tax bill, can I dispute it?

The value can be corrected if a clerical or administrative error was made. If that's the case, first contact the Business Personal Property Division of the Assessor-Recorder's Office to speak to an auditor to understand how to go about correcting the error, by calling (415) 554-5531 during normal business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m. PST. However, if the disagreement is a matter of valuation, then you must file an "Application for Changed Assessment" with the Assessment Appeals Board no later than September 15th for the regular tax bill. Their telephone number is (415) 554-6778. Pay the bill first to avoid late payment penalties (if it cannot be cleared by August 31st). A refund will be issued if the Appeals Board rules in your favor.

Is there any property that is exempt or that I do not have to report on my Business Property Statement?

The following are some common exempt items that should not be reported: Business Inventory (Revenue and Taxation Code 129), Application Software (Property Tax Rule 152), Licensed Motor Vehicles (R&T Code 10751), First \$50,000 of employee-owned Hand Tools (R&T Code 241).

Can I visit your office and do my own public records search?

Yes. We always encourage the public to conduct searches by accessing our computer systems and general index on microfiche and microfilm. We also have staff on duty to assist you or answer any questions.

Does your office have map records?

The office carries three types of maps: block, parcel and condominium. For block maps, please provide the block number. For parcel and/or condominium maps always provide the book and page. Block maps are printed on 8 ½" by 11" for a \$3.00 fee per map. Parcel and/or condominium maps are printed on 18" by 24" for \$5.00 the first page and \$3.00 each additional page per map.

GLOSSARY

Ad Valorem Property Tax - Taxes imposed on the basis of the property's value.

Assessed Value - The taxable value of a property against which the tax rate is applied.

Assessment Appeals Board - A three member panel appointed by the Board of Supervisors, operating under State law, to review and adjust assessments upon request of a taxpayer or his or her agent. (See "assessment appeal").

Assessment Roll - The official list of all property within the County assessed by the Assessor-Recorder.

Assessment Roll Year - The year following the annual lien date and the regular assessment of property, beginning on July 1.

Audit Escape - The discovery of escape property resulting from an audit of the books and records of a profession, trade or business, for which an assessment is levied outside of the normal assessment period for the lien date in question.

Base Year (Value) - The 1975-76 regular roll value serves as the original base value. Thereafter, changes to the assessment on real property value, or a portion thereof, caused by new construction or changes in ownership create the base year value used in establishing the full cash value of such real property.

Business Personal Property - Business personal property is assessable, and includes computers, supplies, office furniture and equipment, tooling, machinery and equipment. Most business inventory is exempt. (See personal property).

Change in Ownership - When a transfer of ownership in Real Property occurs, the Assessor-Recorder determines if a reappraisal is required under State law. If required, the reappraised value becomes the new base value of the property transferred, and a supplemental assessment is enrolled.

CPI - Consumer Price Index as determined annually by the California Bureau of Labor Statistics.

Exemption - Allowance of a deduction from the taxable assessed value of the property as prescribed by law.

Homeowner's Exemption - People who own and occupy a dwelling on the lien date as their principal place of residence are eligible to receive an exemption of up to \$7,000 of the dwelling's taxable value. The tax dollars reduced by the (HOX) homeowner's exemption are reimbursed to the County by the State of California.

Exemptions - Charitable, hospital, religious or scientific organizations, colleges, cemeteries, museums, and disabled veterans (for 100%, service-connected disabled veterans) are eligible for exemption.

Factored Base Year Value - A property's base value is adjusted each year by the change in the California Consumer Price Index (CPI), not to exceed 2%. The factored base value is the upper limit of taxable value each year.

Fiscal Year (FY) - The period beginning July 1 and ending June 30.

Fixture - An improvement to real property whose purpose directly applies to or augments the process or function of a trade, industry or profession.

Full Cash Value (FCV) - The amount of cash or its equivalent value which property would bring if exposed for sale in the open market and as further defined in Revenue and Taxation Code 110.1.

Lien - The amount owed and created by the assessment of the property, or the amount levied against property by a taxing agency or revenue district.

Lien Date - The time when taxes for any fiscal year become a lien on property; and the time as of which property is valued for tax purposes. The lien date for California property is 12:01 a.m. on January 1 (effective January 1, 1997) preceding the fiscal year for which the taxes are collected. The lien date for prior years was March 1.

New Base Year (Value) - The full cash value of property on the date it changes ownership or when new construction is completed.

New Construction - The construction of new buildings, additions to existing buildings, or alterations which convert the property to another use or extends the economic life of the property, is reassessed, establishing a new base year value for only that portion of the property.

Parcel - Real property assessment unit. Land that is segregated into units by boundary lines for assessment purposes.

Personal Property - Any property except real estate, including airplanes, boats, and business property such as computers, supplies, furniture, machinery and equipment. (Most business inventory, household furnishings, personal effects, and pets are exempt from taxation.)

Possessory Interest (PI) - The possession or the right to possession of real estate whose fee title is held by a tax exempt public agency. An example of a PI includes the exclusive right to use public property at an airport such as a car rental company's service counter. The vendors are subject to property taxes. Regardless of the type of document evidencing the right to possession, a taxable PI exists whenever a private party has the exclusive right to a beneficial use of tax exempt publicly owned real property.

Proposition 8 - Passed by California voters in November 1978, Proposition 8 requires for the temporary reduction in the assessed value when there is a decline in market value below the property's factored base year value.

Proposition 13 - Passed by California voters in June, 1978, Proposition 13 is a Constitutional amendment that limits the taxation of property and creates a procedure for establishing the current taxable value of locally assessed real property, referencing a base year full cash value.

Real Property - Land and improvements to the land, which permits the possession of, claim to, ownership of, or right to possess.

Roll - A listing of all assessed property within the county. It identifies property, the owner, and the assessed value of the property.

Secured Roll - Property on which the property taxes are a lien against the real estate.

Special Assessments - Direct charges or flat fees against property which are included in the total tax bill but are not based upon the Assessor-Recorder's valuation of the property. Examples are a sewer charge or a school parcel tax.

State Board of Equalization (SBE) - The State Board of Equalization (BOE) consists of four members elected by California voters by district, and the State Controller whose duties in the field of taxation are defined by the State Constitution and the Legislature. The BOE regulates county assessment practices and administers a variety of state and local business tax programs.

Supplemental Assessment - When property is assessed due to a change in ownership or completed new construction, a supplemental assessment is issued. This is separate and in addition to the annual regular assessment. It is based on the net difference between the previous assessed value and the new assessment.

Supplemental Roll - The roll, prepared or amended, contains properties in which a change in ownership or completed new construction occurred.

Tax Rates - The maximum ad valorem (on the value) basic property tax rate is 1% of the net taxable value of the property. The total tax rate may be higher for various properties because of voter-approved general obligation bonds that are secured by property taxes for the annual payment of principle and interest.

Tax Roll - The official list of property subject to property tax, together with the amount of assessed value and the amount of taxes due, as applied and extended by the Auditor/Controller.

Unsecured Roll - Property on which the property taxes are not a lien against the real estate (real property) where they are situated, including personal property or improvements located on leased land.



KEY DATES

JANUARY 1	The date taxes for the next fiscal year become a lien on property.
FEBRUARY 15	Deadline to file all exemption claims.
MARCH 31	Last day to file Informal Review.
APRIL 1	Due date for filing statements for business personal property and marine vessels.
APRIL 10	Last day to pay second installment of secured property taxes without penalty.
MAY 7	Last day to file a business personal property statement without incurring a 10% penalty.
JULY 1	Local assessment roll is surrendered to the Controller. The local assessment roll is the official list of all taxable property within the County.
MID-JULY	Annual mailing of assessment notices to all San Francisco real property owners stating the taxable value of the property.
JULY 2	First day to file assessment appeal application with the Assessment Appeals Board.
AUGUST 31	Regular roll unsecured taxes due.
SEPTEMBER 15	Last day to file an assessment appeal application for reduced assessment with the Assessment Appeals Board, unless extended to November 30.
DECEMBER 10	Last day to pay first installment of secured property taxes without penalty.



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Phone: 3-1-1 (within San Francisco's 415 area code)
415-701-231 (outside of San Francisco)
Website: www.sfassessor.org

The Assessor-Recorder's office is open Monday thru Friday 8:00 A. M. to 5:00 P.M., excluding legal holidays. Document recording is available 8:00 A.M. to 4:00 P.M. We have a public service desk that is staffed during business hours where you can inquire about property, tax rates and recorded documents.

If you have a question about your tax bill, please contact the Office of the Treasurer & Tax Collector at www.sftreasurer.org

