



Assessor – Recorder – County Clerk 3501 Civic Center Drive, Suite 208 San Rafael, CA 94903 415 473 7215 T / 415 473 6542 F marincounty.org/arcc

# Major Impacts on the Assessment Roll

### EXAMPLES

- Sales and Transfers
- New Construction
- Appeals
- Exemptions
- Real Estate Market Conditions
- Proposition 13 Annual Inflation Factor
- Government Acquisition of Property
- Williamson Act (Agricultural preserves, Open Space Easements)









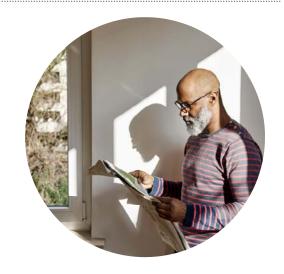
# SUPPLEMENTAL ASSESSMENT

TIMING & VALUE

## OFFICE BUILDING SOLD

You read in the paper that an Office Building in your district has recently sold for \$10,000,000.

How might this affect your revenue, and when?







## **WORKFLOW**

- The deed is recorded in the Recorder's Office, imaged, and sent into a work que for the Assessor's Office typically the next day.
- The deed is reviewed and processed in the Assessor's system and put onto an Appraiser's work list, typically in about a week.
- Depending on several factors and priorities, this sale may be worked anytime between 7/1/2021 and 6/1/2022.



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## PROPERTY HISTORY

Purchase Date: 10/15/1990Purchase Price: 5,000,000Enrolled Value: 5,000,000

2019 Assessed Value: 8,084,1502020 Assessed Value: 8,245,8002021 Assessed Value: 8,331,200







## SALE DATA

• Purchase Date: 5/1/2021

• Purchase Price: 10,000,000

• Enrolled Value: 10,000,000







## **APPRAISAL**

- On 11/30/2021 we have all the information we need to assess the sale.
- The Appraiser completes their analysis of the sale and processes the valuation.
- Supplemental Notices will be mailed the next day on 12/1/2021, showing the change in assessment for the tax years affected.







## **NOTICES**

12/1/2021 = supplemental notices are mailed for the changes to the affected tax years.

## 2020 Supplemental Notice

New Value	10,000,000
Less Prior Value (2020)	8,245,800
Supplemental Value Added	1,754,200

### 2021 Supplemental Notice

New Value	10,000,000
Less Prior Value (2020)	8,331,200
Supplemental Value Added	1,668,800



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## **ENROLLMENT**

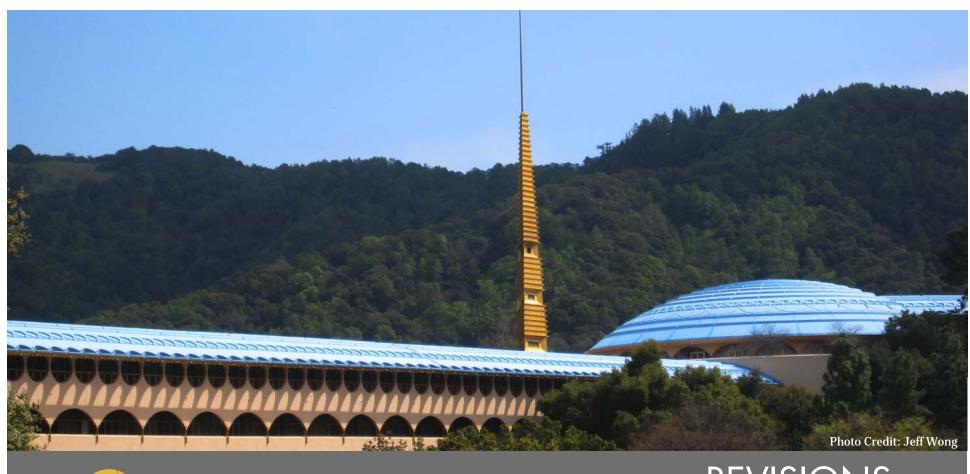
• 30 days after the Assessment notice is mailed (12/31/2021), the Assessor's enrollment of the sale is sent to the Tax Collector for billing.



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REVISIONS

## **REVISIONS**

### EXAMPLES

- New Information
- Unreported Change in Ownership
- Appeals
- Undiscovered New Construction

### Statute of Limitations apply









# ASSESSMENT APPEALS

TIMING & VALUE

## ASSESSMENT APPEAL

EXAMPLE

### "I PAID TOO MUCH!"

- House is purchased 8/1/2017 for \$7,000,000.
- 10/31/2017 Assessor enrolls value \$7,000,000.
- 11/1/2017 Supplemental Assessment Notice mailed.
- 12/1/2017 Supplemental Bill is mailed.
- 1/20/2018 Property Owner files Assessment Appeal saying they overpaid, and the property was only worth 5,000,000.



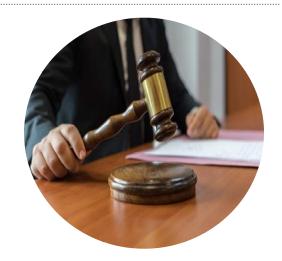




## ASSESSMENT APPEAL

#### EXAMPLE

- The Assessment Appeals Board schedules the hearing for 11/15/2019.
- The Board rules in the applicant's favor and changes the 8/1/2017 Assessed value to \$5,000,000.
- 1/15/2020 Assessor makes Assessment changes after receiving official Board decision in writing.







## ASSESSMENT APPEAL

#### EXAMPLE

### What is the impact of the Board's decision?

- 8/1/2017 Supplemental assessment reduced 2,000,000 (7,000,000 – 5,000,000)
- 2018 Taxable value reduced 2,000,000 (7,000,000 5,000,000)
- 2019 Taxable value reduced 2,040,000 (7,140,000 5,100,000)



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# NEW CONSTRUCTION

TIMING & VALUE

## NEW APARTMENT COMPLEX

#### EXAMPLE

- 180 Unit apartment building is approved.
- 2014 Construction begins.
- Assessor keeps track of the progress throughout construction.
- Assessor adds value each year during construction.
- 9/1/2017 Construction is complete.







## NEW APARTMENT COMPLEX

### EXAMPLE

- Total Construction Value determined to be 100,000,000 when complete.
- A portion of the total value is added as Construction in Progress as of each lien date.

Roll Year	Event Date	% Complete	Construction Value to Roll	Value Change from Prior Year
2015 Secured	1/1/2015	10%	10,000,000	10,000,000 Increase
2016 Secured	1/1/2016	45%	45,000,000	35,000,000 Increase
2017 Secured	1/1/2017	85%	85,000,000	40,000,000 Increase
2017 Supplemental	9/1/2017	100%	100,000,000	15,000,000 Increase









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