



## Legislation Details (With Text)

**File #:** 2022-0224  
**Type:** Consent Calendar Item      **Status:** Passed  
**File created:** 2/24/2022      **In control:** Auditor-Controller-Treasurer-Tax Collector  
**On agenda:** 4/5/2022      **Final action:** 4/5/2022  
**Title:** 2021-22 Property Tax Administration Charge  
**Sponsors:** Auditor-Controller-Treasurer-Tax Collector  
**Indexes:**  
**Attachments:** 1. Summary Report, 2. Resolution

Date	Ver.	Action By	Action	Result
4/5/2022	1	Board of Supervisors	Approved as recommended	Pass

**To:** Board of Supervisors  
**Department or Agency Name(s):** Auditor-Controller Treasurer-Tax Collector  
**Staff Name and Phone Number:** Lindsay VanMidde (707) 565-3279  
**Vote Requirement:** Majority  
**Supervisorial District(s):** Countywide

**Title:**  
2021-22 Property Tax Administration Charge

**Recommended Action:**  
Approve Resolution Authorizing Property Tax Administration Charge to local taxing agencies to reimburse the County for costs incurred to process property taxes for FY 2021-22.

**Executive Summary:**  
During Fiscal Year 1990-91, the State Legislature gave Counties the authority, under Senate Bill 2557, to collect property tax administration costs from local taxing jurisdictions as reimbursement for processing their property taxes. This authorization was codified in Section 97 of the Revenue and Taxation Code (now Section 95 of the Revenue and Taxation Code). The purpose of this action is for the Auditor-Controller-Treasurer-Tax Collector (ACTTC) to report the charges for property tax administration in FY 2021-22 to the Board of Supervisors, taxing jurisdictions and other interested parties.

FY 2021-22 property tax administration charges total \$12,893,923 which represents FY 2020-21 actual property tax administration costs less offsetting revenues. Charges for special districts, cities and redevelopment successor agencies total \$2,990,851, and will be collected by the ACTTC. School entities are exempt from property tax administration charges and, as a result, the remaining amount of \$9,903,072 will be borne by the County General Fund. Amounts collected from taxing jurisdictions are programmed in the FY 2021-22 Adopted budget as County General Fund revenue in the Non-Departmental budget unit.

**Discussion:**

In accordance with the Revenue and Taxation Code Section 95, taxing jurisdictions will be charged in FY 2021-22 for the FY 2020-21 actual net cost of property tax administration provided by the ACTTC, Assessor, and Assessment Appeals Board. Attachment 1 to the attached Resolution provides a summary of FY 2020-21 actual property tax administration costs by department, offsetting revenue and net cost included in the FY 2021-22 charges.

The net cost of property tax administration is apportioned to taxing jurisdictions proportionally based on each jurisdiction’s share of the countywide property tax allocation adjusted for redevelopment tax increment. In 1991-92, the State Legislature exempted school entities from property tax administration charges and, as a result, the ACTTC will not charge county school districts, community college districts, Educational Revenue Augmentation Fund, and county offices of education for their proportional share of costs.

FY 2021-22 property tax administration charges total \$12,893,923, which is an increase of \$2,489,372 or 23.93% from FY 2020-21, and equivalent to 1.2% of the countywide property tax allocation. The year-over-year increase is attributable to a \$1,707,993, or 12.2%, increase in eligible property tax administration costs and a \$781,379 or, 21.4%, decrease in offsetting revenue, which includes a prior year adjustment of \$414,650.

Attachment 2 to the attached Resolution shows the FY 2021-22 distribution of property tax administration costs to each taxing jurisdiction and includes a comparison to the FY 2020-21 distribution. Special districts, cities and redevelopment successor agencies will be charged a total amount of \$2,990,851 and the remaining amount of \$9,903,072 will be borne by the County General Fund. School amounts are included as information only and, if not exempt, school entities would pay \$7,437,853 and the County General Fund share would be reduced to \$2,465,219.

**Prior Board Actions:**

October 23, 1990: First established a charge for Property Tax Administration. Each year thereafter annual approval of Property Tax Administration Charges.

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 21-22 Adopted</b>	<b>FY22-23 Projected</b>	<b>FY 23-24 Projected</b>
Budgeted Expenses			
Additional Appropriation Requested			
<b>Total Expenditures</b>			
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			

<b>Total Sources</b>			
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**Narrative Explanation of Fiscal Impacts:**

The Auditor-Controller-Treasurer-Tax Collector, Assessor and Assessment Appeals Board incurred net costs of \$12.9 million for the administration of property taxes. Of these costs, \$3.0 million will be recovered through property tax administration charges.

This revenue is recorded in the General Fund under the Non-Prop 4 department ID and is collected from special districts, cities and redevelopment successor agencies. The remaining \$9.9 million in costs are a use of fund balance in the County General Fund; \$2.5 million represents the County’s share of tax administration, and \$7.4 million is attributable to schools.

<b>Staffing Impacts:</b>			
<b>Position Title (Payroll Classification)</b>	<b>Monthly Salary Range (A-I Step)</b>	<b>Additions (Number)</b>	<b>Deletions (Number)</b>

**Narrative Explanation of Staffing Impacts (If Required):**

n/a

**Attachments:**

Resolution Authorizing Property Tax Administrative Charge for 2021-2022

**Related Items “On File” with the Clerk of the Board:**

County Property Tax Administrative Costs (SB 2557) Guidelines from the California Property Tax Manual.