

SUPPLEMENTAL ASSESSMENTS

Supplemental assessments reflect any increase or decrease in assessed value due to a change in ownership or completed new construction. These values become effective as of the first day of the month following the change in ownership date, or the new construction completion date. Supplemental assessments result in tax bills that are "in addition to" (supplemental to) the annual property tax bill that is sent to property owners in October.

SUPPLEMENTAL EVENTS

Changes in ownership or new construction activities that trigger supplemental assessments are referred to as "**supplemental events**".



Change in ownership is:

The sale or transfer of a property. Certain forms of property transfer are not subject to reassessment. These exceptions include:

- Inter-spousal transfers
- The addition of joint tenants
- The transfer, sale or inheritance of certain properties between parents and their children or grandchildren when an application for exclusion is filed with the assessor
- Transfers between registered domestic partners



New construction is:

- Any improvement to real property, such as adding a room, pool or garage
- Any alteration which restores a building or other improvement to the "substantial equivalent of new" (such as completely renovating a building)
- An alteration that changes the way a property is used (e.g. a residence is converted to a retail

store, or a garage is converted to living area)

Only the newly constructed portion may be reassessed.



REASSESSMENT

A **reassessment** results in a supplemental event. When a property is reassessed, the Assessor determines the fair market value of the portion that is newly constructed or that changed ownership, based on the event date. Once the new assessed value of the property has been determined, the Assessor will send a Notice of Supplemental Assessment that will show the new assessed value, as well as the net supplemental assessment amount.

A reassessment may be

- An assessed value **increase** resulting in a supplemental bill(s)
- An assessed value **decrease** might result in a supplemental refund
- Retaining the **same** assessed value (no change)

SUPPLEMENTAL TAX BILLS

Depending on the date of the supplemental event, either one or two **supplemental tax bills** will be produced:

- Supplemental events that occur between January 1 and May 31 will generate two supplemental bills.
- Supplemental events that occur between June 1 and December 31 will generate one supplemental bill.

Taxpayers may also receive more than one supplemental tax bill if more than one supplemental event has occurred in a fiscal year. If this occurs, the bills are prorated between each owner for the period of time the property was owned.

Example:

New value at date of purchase or completion of new construction: **\$320,000**

Prior assessed value on current main tax roll: **- \$200,000**

The Net Supplemental Assessment increase will be: **\$120,000**

If the net supplemental difference is a positive amount, a bill will be generated if the bill amount is over \$10.

If the net supplemental difference is a negative amount, a refund will be generated if the amount of refund is over \$10 and the annual tax bill has been paid in full.

COMPUTATION OF SUPPLEMENTAL TAXES

The formula for calculating a supplemental tax amount is shown below:

(Amount of Net Supplemental Assessment) x (Tax Rate) x (Monthly Factor)

The **Amount of Net Supplemental Assessment** is the new assessed value, minus the prior assessed value, minus any exemptions allowed.

The **Tax Rate** is 1% plus recapture factor for any voter-approved bonded indebtedness. Most tax rates in

Sacramento County are between 1% and 1.20%.

The **Monthly Factor** represents the number of whole months remaining in the fiscal year after the month of the supplemental event. The chart below shows these factors.

Month	(Factor)
January	(.42)
February	(.33)
March	(.25)
April	(.17)
May	(.08)
June	(1.00)
July	(.92)
August	(.83)
September	(.75)
October	(.67)
November	(.58)
December	(.50)

PAYMENTS

The full amount of each tax bill installment must be paid to the **Tax Collector's Office**. Partial payments are not accepted. Payment due dates are printed on the tax bills, and penalties are added if payments are not made by these deadlines.

If the property taxes are paid through an impound account (i.e. with mortgage payments), it is important to note that mortgage servicing agencies DO NOT receive the supplemental tax bill. Supplemental bills are sent directly to the property owner. Only annual tax bills mailed in October are sent to

lenders. The supplemental tax bill is in addition to the annual bill—both bills must be paid.

Filing for a review or appeal (see below) does not relieve the taxpayer's obligation to pay the taxes on the subject property, on or before the bill due date.

INFORMAL ASSESSOR REVIEW

Prior to filing an appeal, if a taxpayer disagrees with a supplemental assessment, it is recommended to file a no-cost **informal review** with the Assessor as soon as possible upon receiving the "Notice of Supplemental Assessment". If the taxpayer can provide timely and convincing evidence that the assessment was incorrect, the assessment may be corrected without a formal appeal hearing.

APPEALS

Supplemental assessment **appeals** must be filed with the Appeals Board (not the Assessor) within sixty (60) days of the mailing date shown on the supplemental bill or the refund check. A non-refundable processing fee is due at filing.

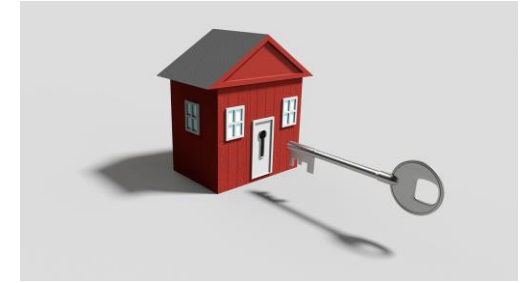
Our Mission

We provide equitable, timely, and accurate property tax assessments and information.

Our Values

- Professionalism
- Integrity
- Efficiency

Understanding Supplemental Assessments



ASSESSMENT INFORMATION



Christina Wynn, Assessor

3636 AMERICAN RIVER DR, SUITE 200
SACRAMENTO, CA 95864-5952

Office Hours
8 a.m. to 5 p.m.
Monday to Friday
(Excluding Holidays)

Telephone
(916) 875-0700
8 a.m. to 4 p.m.

Assistance for the hearing impaired is available by calling 711 for California Relay Service

e-mail: assessor@saccounty.gov