



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 2/10/2015
Agenda Placement: 9E
Set Time: 10:00 AM PUBLIC HEARING
Estimated Report Time: 10 Minutes

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Tracy Schulze - Auditor-Controller
Auditor - Controller
REPORT BY: Christy Redford, PROPERTY TAX SPECIALIST - 707 253-4577
SUBJECT: Amendment to Property Tax Administration Fee Ordinance - 1st Reading of Code Revision

RECOMMENDATION

First reading and intention to adopt an ordinance amending Chapter 3.44 of the Napa County Code (Property Tax Administrative Fee) to remove obsolete procedures and modify procedures for the imposition and appeal of fees.
ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

EXECUTIVE SUMMARY

Section 95.3 of the Revenue and Taxation Code ("R&T") changed requirements for assessing and collecting property tax administration fees, superseding R&T 95.2 pursuant to which Chapter 3.44 was first adopted. It is recommended that the Board amend Chapter 3.44 to reflect these changes. A second reading and final adoption of the ordinance will be brought to the Board of Supervisors at its next regularly scheduled meeting.

PROCEDURAL REQUIREMENTS

1. Open Public Hearing.
2. Staff reports.
3. Public comments.
4. Close Public Hearing.
5. Clerk reads the Ordinance Title.
6. Motion, second, discussion and vote to waive the balance of the reading of the ordinance.
7. Motion, second, discussion and vote on intention to adopt the ordinance.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Recognizing the burden placed on the counties regarding property taxes, in 1990-91 the California Legislature passed Revenue and Taxation Code 95.2 to authorize counties to be reimbursed for actual costs incurred for the assessing, collecting, and allocating of property taxes through a Property Tax Administration Fee. The County adopted Chapter 3.44 of the County Code to implement the requirements for the fee. Section 95.2 was subsequently superseded and replaced by Section 95.3 which specifically addresses the allowable costs and the allocation of costs to the taxing entities.

Annually, the Auditor-Controller issues a report regarding the actual costs incurred by the County during the previous fiscal year for assessing, collecting and allocating property taxes, including the applicable overhead costs as permitted by Federal 2 CFR Part 225 (OMB Circular A-87) standards. The administration fee is imposed on each incorporated city and local jurisdiction as its proportionate share of the administrative costs incurred by the County. School entities are exempt from this fee.

The current Napa County Code reflects the older method of billing agencies to collect this fee. A simplified process of deducting this fee from the property tax apportionment collected and allocated to each public agency is allowed under Revenue and Taxation Code 95.3.

This item does not fall under the voting requirements of Article XIII C of the California Constitution since it is a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.

SUPPORTING DOCUMENTS

- A . Redlined Ordinance
- B . Clean Ordinance

CEO Recommendation: Approve

Reviewed By: Helene Franchi