

## GLOSSARY OF PROPERTY TAX TERMS

| <u>Term</u>                         | <u>Definition</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| <b>Ad Valorem Property Taxation</b> | “...Any source of revenue derived from applying a property tax rate to the assessed value of property.”<br>(R&T Code 2202)*                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Agricultural Preserve</b>        | An area devoted to agricultural use, recreational use, and open space use, or any combination of such uses, and which is established in accordance with the provisions of the California Land Conservation Act of 1965.<br>(Gov. Code 51200)                                                                                                                                                                                                                                                                                                           |
| <b>Assessed Value</b>               | One hundred percent of full value for the 1981/82 fiscal year and the following fiscal years. Prior to fiscal year 1981/82, the assessed value was 25 percent of the full value.<br>(R&T Code 135)*                                                                                                                                                                                                                                                                                                                                                    |
| <b>Assessee</b>                     | “...The person to whom the property or a tax is assessed.”<br>(R&T Code 23)*                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Assessments</b>                  | The value or tax, including special assessments, placed on the roll.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Assessment Year</b>              | “...The period beginning with a lien date and ending immediately prior to the succeeding lien date for taxes levied by the same agency.”<br>(R&T Code 118)*                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Board of Equalization (BOE)</b>  | State agency responsible for reviewing, equalizing, or adjusting property tax assessments, assessing taxes on insurers and assessing/collecting excise taxes on alcoholic beverages. It also acts as the appellate body for corporate franchise and personal income tax appeals. BOE also oversees local administration of the property tax. BOE is directed by five members: four elected by the public, and the fifth being the State Controller. BOE is a quasi-judicial body with appellate functions in final actions of the Franchise Tax Board. |
| <b>Bonded Indebtedness</b>          | Any bond obligation of a local government, which is approved by the voters of such jurisdiction.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

\*R&T = Revenue and Taxation

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| <b>Consumer Price Index Factor</b>                     | The CPI factor is a percentage by which the assessed value of real property may be increased. Not to exceed 2% annually. Determined annually by the California Department of Industrial Relations.<br>(R&T Code 51)*                                                                                                                                |
| <b>Current Roll</b>                                    | The roll containing the property on which current taxes are a lien. “Roll” means the entire assessment roll.<br>(R&T Code 109)*                                                                                                                                                                                                                     |
| <b>Enhanced Infrastructure Finance District (EIFD)</b> | A governmental entity made up of one or more districts within a city or county used to finance the construction or rehabilitation of a wide variety of public infrastructure and private facilities. EIFD is funded with the property tax increment of only the taxing agencies (cities, counties, special districts, but no schools) that consent. |
| <b>ERAF</b>                                            | Educational Revenue Augmentation Fund, a fund to accumulate tax shift amounts from county, cities and special districts. The Auditor, according to law, allocates the total amount to school districts, the Superintendent of Schools and Chancellor of Community Colleges.                                                                         |
| <b>Exempt Property</b>                                 | Property acquired by the United States that becomes exempt from taxation under the laws of the United States or property acquired by the state or by a county, city, school district, or other public entity, that becomes exempt from taxation under the laws of the state.                                                                        |
| <b>Exemptions</b>                                      | Value exemptions are filed with the Assessor’s office. Exemptions include Homeowners, Veterans, and Institutional for properties used exclusively for religious, hospital, scientific, or charitable purposes.                                                                                                                                      |
| <b>Fiscal Year</b>                                     | Any designated 12 month accounting period. An accounting period beginning July 1 and ending June 30 for state, county, and city purposes.<br>(Gov. Code 13290)                                                                                                                                                                                      |
| <b>Fixture</b>                                         | An improvement whose use or purpose directly applies to or augments the process or function of a trade, industry or profession.                                                                                                                                                                                                                     |
| <b>Full Value</b>                                      | “... Means fair market value, full cash value, or such other value standard as is prescribed...by this code under the authorization of the Constitution.”<br>(R&T Code 110.1 and 110.5)*                                                                                                                                                            |

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| <b>In Lieu of Vehicle License Fee (VLF)</b> | Property tax revenue that normally funds ERAF is used to reimburse the County and cities to replace the VLF backfill amount received from the State in prior years.<br>(R&T Code 97.70)*                                                                                                                                                                   |
| <b>Lien</b>                                 | The amount created by the assessment of personal property, or leasehold improvements, or possessory interest, or the amount levied against property by a taxing agency or revenue district.                                                                                                                                                                |
| <b>Lien Date</b>                            | The time when taxes for any fiscal year become a lien on property, 12:01 a.m. on January 1 preceding the fiscal year for which taxes are levied.<br>(R&T Code 117 & 2192)*                                                                                                                                                                                 |
| <b>Mello-Roos</b>                           | A comprehensive regional government financing and administrative system by which the constituency is empowered through the electoral process to incur debt supported by taxation for the purpose of providing the facilities and services which are necessary to the region due to new development. Also known as Community Facilities District (CFD).     |
| <b>Personal Property</b>                    | Includes all property except real estate, i.e., movable property.<br>(R&T Code 106)*                                                                                                                                                                                                                                                                       |
| <b>Possessory Interest</b>                  | Possession of, claim to, or right to the possession of land or improvements that is independent, durable, and exclusive of rights held by others in the property, except when coupled with ownership of the land or improvements in the same person; such interests are taxable to the lessee.<br>(R&T Code 107)*                                          |
| <b>Property Tax Rate</b>                    | “...Any rate of tax or assessment which is levied per unit of assessed value of property...includes any rate or assessment which is levied on the value of the land only, as well as any rate or assessment which is levied on the value of land and improvements.”<br>(R&T Code 2213)*                                                                    |
| <b>Property Tax Revenue</b>                 | A specific term added to the Revenue and Taxation Code effective July 24, 1979. This term refers to revenue from property taxation including state reimbursement for homeowner’s exemptions, but excludes certain items such as property tax levied for the redemption of general obligation bonds or other voter approved indebtedness.<br>(R&T Code 95)* |

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| <b>Proposition 13, 1978</b>                              | Limits tax rate to one percent of full cash value plus voter approved debt service tax rate. (Constitution XIII A and R&T Code 93)*                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Qualified Facility of a Regulated Railway Company</b> | Means a building, auto or container loading and unloading facility, or transload facility that meets both of the following criteria: <ul style="list-style-type: none"> <li>(a) The original cost of the completed facility, including land, but not including, track and track materials, is equal to or exceeds one hundred million dollars (\$100,000,000).</li> <li>(b) The facility is completely constructed and placed in service after January 1, 2007.</li> </ul>                                                                                                                                                                                                                                                                                          |
| <b>Qualified Public Utility Property</b>                 | Means all plant and associated equipment, including substation facilities and fee-owned land and easements, placed in service by the public utility on or after January 1, 2007, and related to the following: <ul style="list-style-type: none"> <li>(a) Electrical substation facilities that meet either of the following conditions: <ul style="list-style-type: none"> <li>(i) The high-side voltage of the facility's transformer is 50,000 volts or more.</li> <li>(ii) The substation facilities are operated at 50,000 volts or more.</li> </ul> </li> <li>(b) Electric generation facilities that have a nameplate generating capacity of 50 megawatts or more.</li> <li>(c) Electrical transmission line facilities of 200,000 volts or more.</li> </ul> |
| <b>Real Estate or Real Property</b>                      | "...(a) The possession of, claim to, ownership of, or right to the possession of land. (b) All mines, minerals, and quarries in the land, all standing timber whether or not belonging to the owner of the land, and all rights and privileges appertaining thereto. (c) Improvements." (R&T Code 104)*                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Recognized Obligation Payment Schedule (ROPS)</b>     | The document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each fiscal year. (Health & Safety Code §34171(h))                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Redevelopment Property Tax Trust Fund (RPTTF)</b>     | A fund required to be established in the County Treasury for the property tax revenue related to former redevelopment agencies. (Health & Safety Code §34170.5(b))                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Redevelopment Successor Agency (RSA)</b>              | The successor entity to the former redevelopment agency responsible for winding down the activities of the dissolved redevelopment agencies. (Health & Safety Code §34171(j))                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Roll Correction</b>                                   | Incorrect entries are assessments or taxes put on the rolls inaccurately, untimely or by mistake. Incorrect entries on the roll may be corrected any time after the roll is delivered to the Auditor.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

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| <b>Secured Roll</b>           | That part of the assessment roll containing real property, the taxes on which are adequately secured by a lien.                                                                                                                                                                                                                                                                                               |
| <b>Secured Tax Rate</b>       | The rate per \$100 of full value at which property on the secured roll must be taxed in order to yield the budgeted receipts from taxes on this roll. For 1981/82 and thereafter (the date when the legislative definition of full cash value of property was changed from 25% to full market value), the maximum tax rate is 1.00% plus the tax rates for voter approved indebtedness. (Constitution XIII A) |
| <b>Special Assessments</b>    | Levies upon real property for the purpose of paying for improvements or services in addition to the ad valorem tax. The amount is based upon the benefits accruing to the property. Also known as Fixed Charges.                                                                                                                                                                                              |
| <b>Supplemental Roll</b>      | The roll for the fiscal year during which a change in ownership occurs or new construction is completed. (R&T Code 75.11)*                                                                                                                                                                                                                                                                                    |
| <b>Tax Defaulted Property</b> | Real property which is subject to a lien for taxes which, by operation of law and by declaration of the Tax Collector, are in default and from which the lien of the taxes for which it was declared tax-defaulted has not been removed. (R&T Code 126)*                                                                                                                                                      |
| <b>Tax Rate</b>               | The ratio of the tax requirement to the assessed valuation. For property tax purposes the rate is applied to assessed value to determine the amount of the tax. The maximum amount of any ad valorem tax on real property shall not exceed one percent (1%) of the full cash value of such property. (Constitution XIII A)                                                                                    |
| <b>Tax Rate Area</b>          | A specific geographic area all of which is within the jurisdiction of the same combination of local agencies and school entities for the current fiscal year.                                                                                                                                                                                                                                                 |
| <b>Teeter Plan</b>            | An alternative procedure for the distribution of secured property taxes and assessments named after its author, Mr. Teeter from Contra Costa. (R&T Code 4701 FF)*                                                                                                                                                                                                                                             |
| <b>Unitary Property</b>       | An integrated system of property items owned or leased by a state assessee and used in its primary operation.                                                                                                                                                                                                                                                                                                 |

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**Unsecured Property**

Property, “the taxes on which are not a lien on real property sufficient to secure payment of the taxes.”  
(R&T Code 134)\*

**Unsecured Roll**

That part of the assessment roll, consisting largely of business personal property owned by tenants, the taxes on which are not secured by a lien on real property.

**Unsecured Tax Rate**

Prior year’s secured tax rate.  
(Constitution XIII Sec. 12, Gov. Code 29107)