

9100 Tax Relief

This budget provides funding for cities and counties to help defray the loss of revenue as a result of the Homeowners' Tax Relief Program, that provides California homeowners assistance through a \$7,000 exemption from property tax, and the Open Space Subventions Program, that provides tax relief to individuals who agreed to hold their land as open space under the Williamson Act of 1965. In addition, this budget receives the excess funds from loan repayments from individuals that participated in the Senior Citizens' Property Tax Postponement Program.

3-YR EXPENDITURES AND POSITIONS

	Positions			Expenditures		
	2013-14	2014-15	2015-16	2013-14*	2014-15*	2015-16*
7500 Homeowners' Property Tax Relief	-	-	-	\$421,734	\$427,381	\$431,656
7505 Subventions for Open Space	-	-	-	-	1	1
7510 Senior Citizens' Property Tax Postponement Loan Repayments	-	-	-	-6,198	-5,350	-9,900
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$415,536	\$422,032	\$421,757
FUNDING				2013-14*	2014-15*	2015-16*
0001 General Fund				\$415,536	\$427,382	\$431,657
3268 Senior Citizens and Disabled Citizens Property Tax Postponement Fund				-	-5,350	-9,900
TOTALS, EXPENDITURES, ALL FUNDS				\$415,536	\$422,032	\$421,757

LEGAL CITATIONS AND AUTHORITY

PROGRAM AUTHORITY

7500-Homeowners' Property Tax Relief:

California Constitution, Article XIII, Sections 3 and 25; Government Code Sections 16100-16101.5 and 16120-16122.

7505-Subventions for Open Space:

California Constitution, Article XIII, Section 8; Government Code Sections 51244, 51244.3, 16100-16101.5 and 16140-16154; Revenue and Taxation Code Sections 421-430.5.

7510-Senior Citizens' Property Tax Postponement Loan Repayments:

Revenue and Taxation Code Section 20501-20646.

DETAILED BUDGET ADJUSTMENTS

	2014-15*			2015-16*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Miscellaneous Baseline Adjustments	-\$7,200	\$1,850	-	-\$6,686	-\$2,700	-
Totals, Other Workload Budget Adjustments	-\$7,200	\$1,850	-	-\$6,686	-\$2,700	-
Totals, Workload Budget Adjustments	-\$7,200	\$1,850	-	-\$6,686	-\$2,700	-
Totals, Budget Adjustments	-\$7,200	\$1,850	-	-\$6,686	-\$2,700	-

PROGRAM DESCRIPTIONS

7500 - HOMEOWNERS' PROPERTY TAX RELIEF

In order to reduce California taxpayers' property tax burden, the California Constitution exempts homeowners from paying property taxes on the first \$7,000 of the assessed value of their principal place of residence. The Constitution requires the state to reimburse local governments for revenues lost due to the homeowners' exemption.

7505 - SUBVENTIONS FOR OPEN SPACE

The Williamson Act permits cities and counties to enter into contracts with landowners to limit the use of land to agricultural,

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

† Past year appropriations are net of subsequent budget adjustments.

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scenic, and open space purposes. Article XIII, Section 8, of the California Constitution permits land under such restrictions to be assessed at other than market value based on its limited uses. The state provides reimbursements to cities and counties to partially defray the loss of property tax revenues. The Department of Conservation administers this program.

7510 - SENIOR CITIZENS' PROPERTY TAX POSTPONEMENT LOAN REPAYMENTS

The Senior Citizens' Property Tax Postponement Program allows eligible homeowners to defer payment of residential property tax. The state pays the deferred taxes to local governments on behalf of the participants, and places a lien on their property to assure repayment when the property is sold or transferred. The Senior Citizens' Property Tax Postponement Loan Repayments Program captures repayments from individuals that participated in the Senior Citizens' Property Tax Postponement Program and transfers to the General Fund the amount in excess of what is required to fund the Postponement Program claims. The Program was suspended in 2009 and was reestablished via legislation in 2014 (Chapter 703, Statutes of 2014).

DETAILED EXPENDITURES BY PROGRAM

		2013-14*	2014-15*	2015-16*
PROGRAM REQUIREMENTS				
7500	HOMEOWNERS' PROPERTY TAX RELIEF			
	Local Assistance:			
0001	General Fund	\$421,734	\$427,381	\$431,656
	Totals, Local Assistance	\$421,734	\$427,381	\$431,656
PROGRAM REQUIREMENTS				
7505	SUBVENTIONS FOR OPEN SPACE			
	Local Assistance:			
0001	General Fund	\$-	\$1	\$1
	Totals, Local Assistance	\$-	\$1	\$1
PROGRAM REQUIREMENTS				
7510	SENIOR CITIZENS' PROPERTY TAX POSTPONEMENT LOAN REPAYMENTS			
	Local Assistance:			
0001	General Fund	-\$6,198	\$-	\$-
3268	Senior Citizens and Disabled Citizens Property Tax Postponement Fund	-	-5,350	-9,900
	Totals, Local Assistance	-\$6,198	-\$5,350	-\$9,900
TOTALS, EXPENDITURES				
	Local Assistance	415,536	422,032	421,757
	Totals, Expenditures	\$415,536	\$422,032	\$421,757

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

2 LOCAL ASSISTANCE		2013-14*†	2014-15*	2015-16*
0001 General Fund				
APPROPRIATIONS				
101	Budget Act appropriation	\$425,256	\$427,382	\$431,657
	Totals Available	\$425,256	\$427,382	\$431,657
	Unexpended balance, estimated savings	-3,522	-	-
	TOTALS, EXPENDITURES	\$421,734	\$427,382	\$431,657
	Loan Repayment per Revenue and Taxation Code Section 20501-20646	-6,198	-	-
	NET TOTALS, EXPENDITURES	\$415,536	\$427,382	\$431,657
3268 Senior Citizens and Disabled Citizens Property Tax Postponement Fund				
APPROPRIATIONS				
	Government Code section 16180	-	-	\$-9,900
	Adjustments per Revenue and Taxation Code Sections 20501-20646 and 16180.	-	-5,350	-

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2 LOCAL ASSISTANCE	<u>2013-14*†</u>	<u>2014-15*</u>	<u>2015-16*</u>
TOTALS, EXPENDITURES	<u>\$-</u>	<u>\$-5,350</u>	<u>\$-9,900</u>
Total Expenditures, All Funds, (Local Assistance)	\$415,536	\$422,032	\$421,757

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