

# UNDERSTANDING SUPPLEMENTAL TAXES

## How Proration Factor Works

If Effective Date is:	Factor is
August 1	.92
September 1	.83
October 1	.75
November 1	.67
December 1	.58
January 1	.50
February 1	.42
March 1	.33
April 1	.25
May 1	.17
June 1	.08

Supplemental taxes have been with us since July of 1983, but you and your neighbors still may not know what they are, what they do, and how they affect you and your property. To help you better understand this confusing subject, answers to some of the most common questions asked about supplemental real property taxes are listed below.

### When did this tax come into effect?

The Supplemental Real Property Tax Law was signed by the Governor in July of 1983 and is part of an ambitious drive to aid California's schools. This property tax revision is expected to produce over \$300 million per year in revenue for schools.

### How will Supplemental Property Taxes affect me?

If you don't plan on buying new property or undertaking new construction, this new tax will not affect you at all. But, if you do wish to do either of the two, you will be required to pay a supplemental property tax which will become a lien against your property as of the date of ownership change or the date of completion of new construction.

### How will the amount of my bill be determined?

There is a formula used to determine your tax bill. The total supplemental assessment will be prorated based on the number of months remaining until the end of the tax year, June 30.

### Can you give me an idea of how the proration factor works?

The supplemental tax becomes effective on the first day of the month following the month in which the change of ownership or completion of new construction occurs. If the effective date is June 1st, then there will be no supplemental assessment on the current tax roll and the entire supplemental assessment will be made to the tax roll being prepared which will then reflect the full cash value. In the event the effective date is not July 1st, then a table of factors would be used to compute the supplemental assessment on the current tax roll.