

1 [Fees for Processing a Redemption of Tax Defaulted Property or a Secured Property Tax
2 Second Installment Delinquency Notice.]
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4 **Ordinance amending the San Francisco Administrative Code by amending**
5 **Section 8.34.1, to authorize the Tax Collector to charge a fee of \$55.00 to cover the cost**
6 **of processing a redemption of property that is in default due to the failure to pay**
7 **property tax and a fee of \$45.00 to cover the cost of processing a delinquency notice**
8 **on the second installment of each separate valuation on the secured property tax roll,**
9 **and to provide for an automatic adjustment of the fees for inflation.**

10 Note: Additions are single-underline italics Times New Roman;
11 deletions are ~~strikethrough italics Times New Roman~~.
12 Board amendment additions are double underlined.
13 Board amendment deletions are ~~strikethrough normal~~.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Pursuant to California Revenue and Taxation Code Section 2621, after the
16 second installment of taxes on the secured roll is delinquent, the Tax Collector may collect a
17 cost of ten dollars (\$10.00) for preparing the delinquent tax records and for giving notice of
18 delinquency on each separate valuation on the secured property tax roll of: (a) real property,
19 except possessory interests; and (b) possessory interests and personal property cross-
20 secured to real property.

21 Pursuant to California Revenue and Taxation Code Section 4102, property that is tax-
22 defaulted due to failure to pay property taxes may be redeemed by payment of all prior year
23 defaulted taxes, delinquent penalties and costs, plus a fifteen dollars (\$15.00) redemption fee
24 on each separately valued tax-defaulted parcel. The fee covers the cost to transfer and
25 maintain the redemption statement and to process the redemption of tax-defaulted property.

1 California Government Code Section 54985 authorizes a county board of supervisors
2 to increase or decrease the amount of a fee or charge that is otherwise authorized to be
3 levied by another provision of law by an amount reasonably necessary to recover the cost of
4 providing any product or service or the cost of enforcing any regulation for which the fee or
5 charge is levied. The fee or charge may include an automatic increase for CPI inflation.

6 Based on data provided by the Tax Collector and the Controller, the average cost of
7 processing second installment secured property tax delinquencies in 2006-2007 was forty-five
8 dollars eighty-nine cents (\$45.89) per delinquency. The average cost to transfer and maintain
9 redemption statements is fifty-eight dollars eighty-seven cents (\$58.87) per parcel.

10 Section 2. The San Francisco Administrative Code is hereby amended by amending
11 Section 8.34.1 to read as follows:

12 SEC. 8.34.1. TAX BILLING– ADMINISTRATIVE FEES.

13 (a) Application for Separate Valuation. Pursuant to Section 2821 of the California
14 Revenue and Taxation Code, a fee of fifty dollars (\$50.00) shall be collected by the Tax
15 Collector at the time any person applies to the Tax Collector to have any parcel separately
16 valued on the current roll for the purpose of paying taxes. The fee shall be for the actual costs
17 incurred by the Tax Collector for the processing of an application for separate assessment,
18 and the initial ongoing costs of separate assessment, billings, and mailings. The fee may be
19 billed separately or prior to initial separate tax bills, or both, or collected on subsequent tax
20 bills, and shall be deposited in the General Fund.

21 (b) Delinquent Property Taxes–Installment Payments. Pursuant to Section 4217 of the
22 California Revenue and Taxation Code, persons that request to pay delinquent property taxes
23 in installments shall be subject to a processing fee of twenty dollars (\$20.00). The fee shall be
24 paid to the Tax Collector and may be collected on the tax bill.

1 (c) Preparation and Provision of Documents. Pursuant to Section 162 of the California
2 Revenue and Taxation Code, the Tax Collector shall charge and collect a fee of one dollar
3 (\$1.00) for preparing each of the following documents:

- 4 (1) A certified copy of a redemption certificate;
- 5 (2) A certified copy of an installment redemption receipt;
- 6 (3) A certificate of payment showing taxes paid;
- 7 (4) A certified copy of an assessment as entered on the assessment role.

8 The fee for providing a copy of any of these records or documents by photographic
9 process shall be the actual cost thereof plus the sum of one dollar (\$1.00). The fee shall be
10 placed in the General Fund.

11 (d) Notary Fees. Any person requesting notary service shall pay the following fees:

12 Notary Services	
13 Acknowledgment	\$ 10.00
14 Jurat	<u>\$10.00</u>

15 (e) Notary fees received by the Tax Collector shall be deposited with the City and
16 County Treasurer. Fees charged for notary services provided by the Tax Collector shall be
17 adjusted, without further action of the Board of Supervisors, to reflect changes in Government
18 Code Section 8211, or any subsequent amendment of that section.

19 (f) Notice of Delinquency. Pursuant to California Revenue and Taxation Code Section 2621
20 and California Government Code Section 54985, after the second installment of taxes on the secured
21 roll is delinquent, the Tax Collector may charge a forty-five dollars (\$45.00) fee for preparing the
22 delinquent tax records and for giving notice of delinquency on each separate valuation on the secured
23 property tax roll of (a) real property, except possessory interests; and (b) possessory interests; and
24 personal property cross-secured to real property.

1 (g) Redemption of Tax-Defaulted Property. Pursuant to California Revenue and Taxation
2 Code Section 4102 and California Government Code Section 54985, the Tax Collector may charge a
3 fifty-five dollars (\$55.00) fee for processing the redemption of each separately valued tax-defaulted
4 parcel.

5 (h) Automatic Adjustment for Inflation. Beginning with fiscal year 2009-2010, the fees set in
6 subsections (f) and (g) shall be adjusted each year, without further action by the Board of Supervisors,
7 to reflect changes in the relevant Consumer Price Index, as determined by the Controller.

8 No later than April 15th of each year, the Tax Collector shall submit its current fee schedule to
9 the Controller, who shall apply the price index adjustment to produce a new fee schedule for the
10 following year.

11 No later than May 15th of each year, the Controller shall file a report with the Board of
12 Supervisors reporting the new fee schedule and certifying that: (a) the fees produce sufficient revenue
13 to support the costs of providing the services for which each fee is assessed, and (b) the fees do not
14 produce revenue which is significantly more than the costs of providing the services for which each fee
15 is assessed.

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17 APPROVED AS TO FORM:
18 DENNIS J. HERRERA, City Attorney

19 By: _____
20 Jean H. Alexander
21 Deputy City Attorney
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