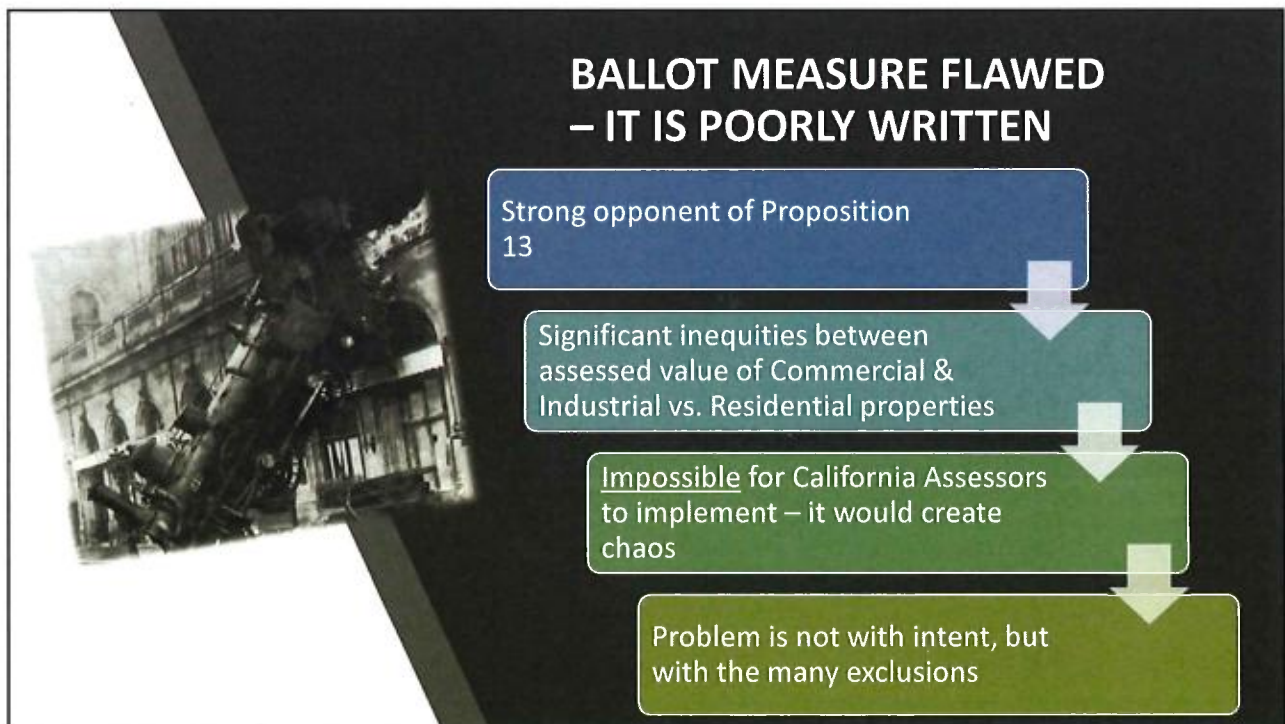




1



2

A few of the many problems

Excludes small businesses
w/ less than 50
employees statewide

Excludes owner-occupied
property in which FMV
(Fair Market Value) is less
than \$3M statewide

Different "inflation
factors" for different
counties; creates a lot of
uncertainty

3

What's in it for Small Businesses?

- The revised Split Roll Measure attempts to exclude small businesses by exempting property occupied by 50% or more by small businesses
- The Measure provides a 3-yr deferral for small businesses
- If a "mixed-use" property, then it may be excluded. (i.e., 75% residential, 25% commercial)
- Requires reassessment of all Commercial & Industrial properties to be reassessed to market value every 3 years




4



- Legislature would create a Provision requiring Assessors to re-appraise C&I properties every year.

5



ASSESSMENT APPEALS WILL SKYROCKET

- Every C&I Property prior to 2006 would file appeal
- 2,000 appeals/yr. could go up to 25,000 appeals/yr.
- Increasing backlogs, jeopardizing existing revenue sources

6

WHAT IS THE COST & TIME?

COUNTY ASSESSORS

- Takes five years to train entry-level appraisers; Measure only gives 18 mos.
- Money will come from Legislature; predicted annual cost of \$500M
- SCC Costs: \$7M upfront; \$22M annually; need to double staff count

7

ALTERNATIVE SOLUTION: SPLIT TAX RATE

Current

- 1% X Assessed Value

Split Rate

- 1.25%? X Assessed Value

8

Conclusion

Revised Measure is
still seriously flawed

\$12B in new revenue
is promised, but not
real

Doable only if we
have 5 years before
1st re-assessment and
get all funds needed

9

Thank you for
listening!

10