

## PUBLIC SERVICES INFORMATION

Should you wish to contact County offices concerning your property taxes, please call the following numbers regarding:

Tax Collector .....(951) 955-3900  
Pay and Request Tax Bills, Tax Payment Status, Defaulted Taxes, General Information

Taxpayers may contact the office of the Treasurer-Tax Collector toll free in the 951 and 760 area codes at (877) 748-2689.

Assessor.....(951) 955-6200  
or (800) 746-1544 within the 951 and 760 area codes.  
Exemptions, Property Values, Mailing Address on Tax Bill

Telephone lines are especially busy following each bill mailing and prior to each tax payment deadline. However, the Tax Collector's automated property tax information and payment system is available 24 hours a day, 7 days a week, for your convenience. In order to access this system you must have your 10-digit assessment number available and follow the instructions as they are given.

Visit our website at:  
[www.riversidetaxinfo.com](http://www.riversidetaxinfo.com)



“Our staff is dedicated to serving our taxpaying public. Please contact us if you need assistance.”

Don Kent  
Treasurer-Tax Collector

## OFFICE OF THE TREASURER-TAX COLLECTOR COUNTY OF RIVERSIDE



# The Case of the Supplemental Tax... Who, What, When and Why



## DON KENT TREASURER-TAX COLLECTOR

On July 1, 1983, California State law (SB813) was changed to require the reassessment of property as of the day of the ownership change or the completion of new construction. This reassessment results in a supplemental tax bill being sent to the property owner in addition to the annual property tax bill. This pamphlet, produced at the direction of the Riverside County Treasurer and Tax Collector, focuses on the supplemental property value.

### *How were changes in property value due to sale of property or new construction taxed in the past?*

Before July 1983, the Assessor reassessed property just once each year on March 1 for taxes due the following fiscal year (July 1 - June 30). Any change in property value resulting from a change in ownership or the completion of new construction that took place after March 1 was not reevaluated and taxed until the following year. Effective January 1, 1997, State law changed the lien date to January 1.

### *What do you mean by new construction or change of ownership?*

Typically, new construction is any substantial addition to real property (e.g., adding a new room, pool, or garage) or any substantial alteration which restores a building, room, or other improvement to the equivalent of new (e.g., completely renovating an outdated kitchen).

Most changes in ownership caused by the sale of property result in reassessment. However, interspousal transfer, the transfer, sale, or inheritance of property between parents and their children, and the addition of joint tenants may not result in the reappraisal of property values.

Furthermore, homeowners over the age of 55 years who sell their principal residence and purchase a replacement dwelling within two years that is of equal or lesser market value and is located in the same county may be eligible to transfer the pre-sale assessed value of their original property to the replacement dwelling. The same may be applicable in other counties in California whose Board of Supervisors has passed an enabling ordinance permitting transfers of pre-sale assessed values to replacement dwellings of equal or lesser market value between counties (Proposition 90). On June 30, 1995, the Riverside County Board of Supervisors repealed its enabling ordinance No. 670 for inter-county transfers of assessed values on replacement dwellings.

For further information or claim forms, please contact the office of the Assessor at (951) 955-6200, or 1 (800) 746-1544 within the 951 and 760 area codes.

### *What happens when the Assessor reassesses my property?*

The Assessor first determines the new value of the

property based on current market values. The Assessor then calculates the difference between the new value (set at the time of purchase or completion of new construction) and the old value (set on January 1 of the previous fiscal year). The result is the supplemental assessment value. Once the new assessed value of your property has been determined, the Assessor will send you a notification of the amount.

### EXAMPLE:

New value at date of purchase or completion of new construction	\$120,000
Assessed value for current fiscal year	-100,000
Supplemental assessment value will be	\$20,000

If this reassessment results in an increase in property value, your supplemental taxes will be calculated by the Auditor-Controller based on the change in value, and one supplemental tax bill will be created and mailed to you by the Tax Collector. However, if the reassessment results in a reduction in value, a refund may result. If so, the refund will be prepared by the Auditor-Controller and mailed to you. A reduction in value will not reduce the amount due on the outstanding annual tax bill. The annual tax bill must be paid in the amount originally billed.

### *Do I have the same right to appeal the Assessor's supplemental assessed value as I do the annual assessed value?*

Yes. You may take the matter up with the Assessor to see if that office will change the valuation. Additionally, the Board of Supervisors has established an Assessment Appeals Board for the purpose of resolving valuation problems in connection with supplemental tax bills. Applications for appeal must be filed within sixty days of the mailing date shown on the Assessor's "Notice of Supplemental Assessment".

If you choose to appeal your assessment, you should still pay your tax installments in full by the appropriate deadlines; otherwise, you may incur penalties while the case is in appeals. If your appeal is granted a refund will be issued to you.

Further information about the appeals process can be obtained by contacting the Clerk of the Assessment Appeals Board, 4080 Lemon Street, 1st Floor, Riverside, or P.O. Box 1147, Riverside, CA 92502-1147, by mail.

### *If I receive a supplemental tax bill, will I also receive an annual tax bill in November of each year?*

Yes. The supplemental tax bill is sent in addition to the annual tax bill and both must be paid as specified on the bill. For information on the annual tax bill, see our pamphlet on understanding property taxes.

***If I pay my property taxes through an impound account (i.e., with my mortgage payment), will my lender get my supplemental tax bill?***

No. Unlike the annual tax bill, lending agencies do not receive a copy of the supplemental tax bill.

When you receive a supplemental tax bill, you must contact your lender to determine who will pay the bill.

***What does the supplemental tax bill tell me?***

The supplemental tax bill provides the following information:

- The owner (or new owner as of the date of ownership change).
- The fiscal year for which the taxes are assessed.
- The location and legal description of the property.
- The old and the new assessed value and the difference (net supplemental assessment) upon which the tax is computed.
- The type and amount of any exemptions (e.g. homeowner’s).
- The total amount of taxes due based upon the net increase in value.
- The day of the ownership change or completion of new construction. This date is used to prorate the tax for the period remaining in the current fiscal year for which the bill was issued. The bill provides payment stub(s) which show the amount due and the date that the amount must be paid to avoid penalties for late payment.

***What if I purchase a piece of property and then sell it again after a few months?***

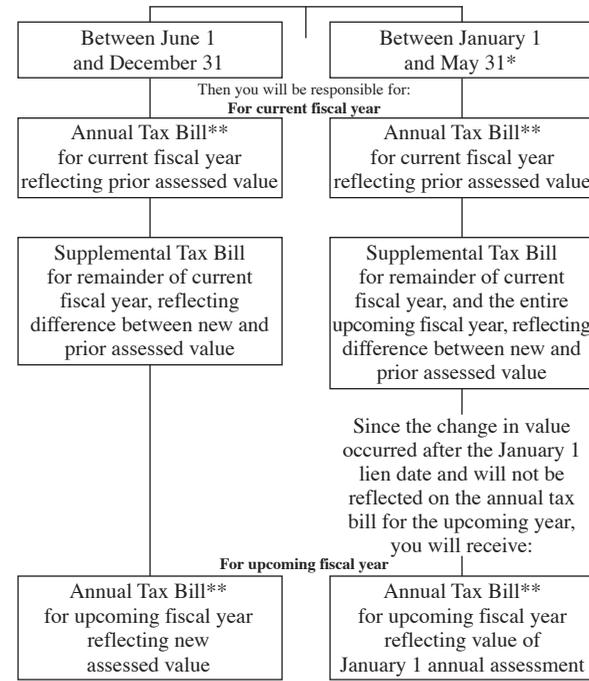
If you purchase and then sell property within a short period of time, the supplemental tax bill you receive should cover only the time you owned the property, and the new owner should receive a separate supplemental tax bill. Because of the large number of parcels and frequency of property changing hands in Riverside County, there are often delays in placing new assessments on the roll. Be sure to check the dates used to prorate the bill to ensure that the period covered is the period during which you actually owned the property. If you receive an incorrect tax bill, contact the Assessor’s office at (951) 955-6200, or 1 (800) 746-1544 within the 951 and 760 area codes.

***When I purchase property or complete construction at some point during the fiscal year, will I be taxed on the supplemental value for the entire fiscal year?***

No. You are only taxed on the supplemental value for the portion of the current fiscal year remaining after you purchased the property or completed new construction. However, if you purchased the property or completed new construction between January 1 and June 30, your supplemental bill will include the increase in taxes for both the remainder of the current fiscal year and for the entire upcoming fiscal year.

FIGURE 1.

**If You Buy New Property or Complete New Construction**



**REMEMBER:**

\*Taxes on the increase in assessed property value due to ownership changes or completion of new construction are calculated as of the day of ownership change or construction completion.

\*\*Property is reassessed each January 1 for the upcoming fiscal year (July 1-June 30)

***When do supplemental tax bills have to be paid?***

The date on which supplemental tax bills become delinquent varies depending upon when they are mailed by the Tax Collector. As outlined in Figure 2 below, if the bill is mailed between July 1 and October 31, the taxes become delinquent at 5 p.m. on December 10 for the first installment and 5 p.m. on April 10 for the second installment (the same delinquency schedule as for annual tax bills mailed in November).

FIGURE 2.

	1st installment	2nd installment
**Bill mailed between**	delinquent	delinquent
July 1 and October 31	December 10	April 10

If the bill is mailed between November 1 and June 30, the delinquency dates (which are printed on the bill) are determined as follows: The first installment is delinquent at 5 p.m. on the last day of the month following the month the bill was mailed; the second installment is delinquent at 5 p.m. on the last day of the fourth month after the first installment delinquency date (see Figure 3).

FIGURE 3.

**Bill mailed between**	1st installment delinquent	2nd installment delinquent
November 1 and June 30	Last day of the month following the month bill was mailed	Last day of the 4th month after the 1st installment became delinquent

Penalties of 10% are added to any installment which is not paid on time, and an additional administrative charge is added to a late second installment.

***If payment of the supplemental tax bill is not made before the delinquency date because of a misunderstanding between my lender and myself, may I have the penalties excused?***

No. State law stipulates that this is not an acceptable reason for excusing penalties.

***What happens if I fail to pay my supplemental tax bill?***

The same rules apply as for unpaid secured tax bills. If your supplemental tax bill is not paid by the June 30 after the second installment becomes delinquent, the property becomes tax defaulted (even if you have paid your annual tax bill). At the end of the fifth year of delinquency the property becomes subject to the power of sale as described in our pamphlet on delinquent property taxes.

***Can delinquent supplemental taxes be paid on an installment plan?***

Yes. Delinquent supplemental taxes can be paid on an installment plan in the same manner as your annual property taxes. See our pamphlet on delinquent property taxes.

***Am I entitled to homeowner’s exemption on my supplemental tax bill?***

You may very well be eligible for a homeowner’s exemption on your supplemental tax bill. Exemptions, however, are not granted automatically. You must apply to the Assessor before the 30th day following the date of the

notice from the Assessor of your supplemental assessment. As long as the home you purchased did not receive the homeowner’s exemption on the current year’s assessment, and as long as you occupy the home as your principal residence within 90 days of the purchase date, you would be allowed the full amount of the supplemental assessment up to \$7,000. If your newly purchased home did receive the full homeowner’s exemption, however, you would not be able to receive the exemption on your supplemental assessment.

**EXAMPLE:**

On November 29, 1999 you purchase a home on which no homeowner’s exemption had been allowed. Because you are reassessed on the first day of the month following an ownership change, in the current fiscal year you will pay supplemental taxes for the seven remaining months. Your 1999-2000 supplemental assessment amounts to \$20,000. If you file for and qualify for a homeowner’s exemption, the entire \$7,000 exemption amount would be deducted from the supplemental assessment BEFORE the taxes are calculated as follows:

	Supplemental Assessment Value	-	Homeowner’s Exemption x	Tax Rate	x	Proration Factor for June	=	
With Exemption	\$20,000	-	\$7,000	x	.011	x	.58	= \$ 82.94
Without Exemption	\$20,000	-	\$ 0	x	.011	x	.58	= \$127.60

***Are other exemptions and assistance programs available that will help defray the amount of supplemental taxes due?***

Yes. Supplemental taxes are eligible for the same property tax exemptions and assistance programs as your annual taxes. In addition to the homeowner’s exemption, you can apply through the Assessor’s office for a number of other assessment exemptions (e.g., veteran’s, church, and welfare) that result in savings. You must, however, file for all exemptions before the 30th day following the date of the notice from the Assessor of your supplemental assessment. For further information, contact the Assessor’s office, Exemption Services at (951) 955-6200 or 1 (800) 746-1544 within the 951 and 760 area codes.

A schedule of fees is available online at [www.riversidetaxinfo.com](http://www.riversidetaxinfo.com).