

GLOSSARY OF PROPERTY TERMS

<u>Term</u>	<u>Definition</u>
Ad Valorem Property Taxation	“...Any source of revenue derived from applying a property tax rate to the assessed value of property.” (R&T Code 2202)*
Agricultural Preserve	An area devoted to agricultural use, recreational use, and open space use, or any combination of such uses, and which is established in accordance with the provisions of the California Land Conservation Act of 1965. (Gov. Code 51200)
Assessed Value	One hundred percent of full value for the 1981/82 fiscal year and the following fiscal years. Prior to fiscal year 1981/82, the assessed value was 25 percent of the full value.
Assessee	“...The person to whom the property or tax is assessed.” (R&T Code 23)*
Assessments (Secured Roll)	Includes all liens charged on the secured roll, which are not determined by the application of an ad valorem tax rate.
Assessment Year	“...The period beginning with a lien date and ending immediately prior to the succeeding lien date for taxes levied by the same agency.” (R&T Code 118)*
Board of Equalization (BOE)	State agency responsible for administration of the sales and use tax, cigarette and alcoholic beverage taxes, insurance gross premiums tax, gasoline use, fuel and transportation taxes, and the energy resources surcharge. BOE also oversees local administration of the property tax. BOE is directed by five members: four elected by the public, and the fifth being the State Controller. BOE is a quasi-judicial body with appellate functions in final actions of the Franchise Tax Board.

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Bonded Indebtedness	Any bond obligation of a local government, which is approved by the voters of such jurisdiction.
Consumer Price Index Factor	The CPI factor is a percentage by which the assessed value of real property may be increased. Not to exceed 2% annually. (R&T Code 51)*
Current Roll	The roll containing the property on which current taxes is a lien. “Roll” means the entire assessment roll. (R&T Code 109)*
ERAF	Educational Revenue Augmentation Fund, a fund to accumulate tax shift amounts from county, cities and special districts. The Auditor, according to law, allocates the total amount to school districts, the Superintendent of Schools and Chancellor of Community Colleges.
Exempt Property	Property acquired by the United States that becomes exempt from taxation under the laws of the United States or property acquired by the state or by a county, city, school district, or other public entity, that becomes exempt from taxation under the laws of the state.
Fiscal Year	Any designated 12 month accounting period. An accounting period beginning July 1 and ending June 30 for state, county, and city purposes. (Gov. Code 13290)
Fixture	An improvement whose use or purpose directly applies to or augments the process or function of a trade, industry or profession.
Full Value	“... Means fair market value, full cash value, or such other value standard as is prescribed...by this code under the authorization of the Constitution.” (R&T Code 110.1 and 110.5)*
In Lieu of Sales & Use Tax	Property tax revenue that normally funds ERAF is used to reimburse the County and cities for revenue losses (sales and use tax) resulting from the suspension of the Bradley-Burns tax rate. (R&T Code 97.70)*

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In Lieu of Vehicle License Fee (VLF)	Property tax revenue that normally funds ERAF is used to reimburse the County and cities to replace the VLF backfill amount received from the State in prior years. (R&T Code 97.70)*
Lien	The amount created by the assessment of personal property, or leasehold improvements, or possessory interest, or the amount levied against property by a taxing agency or revenue district.
Lien Date	The time when taxes for any fiscal year become a lien on property, 12:01 a.m. on January 1 preceding the fiscal year for which taxes are collected. (R&T Code 117 & 2192)*
Mello-Roos	A comprehensive regional government financing and administrative system by which the constituency is empowered through the electoral process to incur debt supported by taxation for the purpose of providing the facilities and services which are necessary to the region due to new development.
Personal Property	Includes all property except real estate, i.e., movable property. (R&T Code 106)*
Possessory Interest	Interest of a lessee in government-owned property; such interests are taxable to the lessee. (R&T Code 107)*
Property Tax Rate	“...Any rate of tax or assessment which is levied per unit of assessed value of property...includes any rate or assessment which is levied on the land only, as well as any rate or assessment which is levied on the value of land and improvements.” (R&T Code 2213)*
Property Tax Revenue	A specific term added to the Revenue and Taxation Code effective July 24, 1979. This term refers to revenue from property taxation including state reimbursement for homeowner’s exemptions, but excludes certain items such as property tax levied for the redemption of general obligation bonds or other voter approved indebtedness. (R&T Code 95)*
Proposition 13, 1978	Limits tax rate to one percent of full cash value plus voter approved debt service tax rate. (Constitution XIII A, R&T Code 110.1 and R&T Code 93)*

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Real Estate or Real Property	“(a) The possession of, claim to, ownership of, or right to the possession of land. (b) All mines, minerals, and quarries in the land, all standing timber whether or not belonging to the owner of the land, and all rights and privileges appertaining thereto. (c) Improvements.” (R&T Code 104)*
Religious Exemption	Exemption for property used exclusively for religious purposes.
Secured Roll	That part of the assessment roll containing real property, the taxes on which are adequately secured by a lien.
Secured Tax Rate	The rate per \$100 of full value at which property on the secured roll must be taxed in order to yield the budgeted receipts from taxes on this roll. For 1981/82 and thereafter (the date when the legislative definition of full cash value of property was changed from 25% to full market value), the maximum tax rate is 1.00% plus the tax rates for voter approved indebtedness. (Constitution XIII A)
Special Assessments	Are not taxes but are levies upon real property for the purpose of paying for improvements or services. The amount is based upon the benefits accruing to the property.
Supplemental Roll	The roll for the fiscal year during which a change in ownership occurs or new construction is completed. (R&T Code 75.11)*
Tax Defaulted Property	Real property which is subject to a lien for taxes which, by operation of law and by declaration of the Tax Collector, are in default and from which the lien of the taxes for which it was declared tax-defaulted has not been removed. (R&T Code 126)*

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Tax Rate	The ratio of the tax requirement to the assessed valuation. For property tax purposes the rate is applied to assessed value to determine the amount of the tax. The maximum amount of any ad valorem tax on real property shall not exceed one percent (1%) of the full cash value of such property. (Constitution XIII A)
Tax Rate Area	A specific geographic area all of which is within the jurisdiction of the same combination of local agencies and school entities for the current fiscal year.
Teeter Plan	An alternative procedure for the distribution of secured property taxes and assessments named after its author, Mr. Teeter from Contra Costa. (R&T Code 4701 FF)*
Unsecured Property	Property, “the taxes on which are not a lien on real property sufficient to secure payment of the taxes.” (R&T Code 134)*
Unsecured Roll	That part of the assessment roll, consisting largely of business personal property owned by tenants, the taxes on which are not secured by a lien on real property.
Unsecured Tax Rate	Prior year’s secured tax rate. (Constitution XIII Sec. 12, Gov. Code 29107)

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