



FANHD Residential Property Tax Disclosure *Addendum*

General Tax Bill Information

Available at: http://www.fanhd.com/Portals/0/fanhd/pdf/FANHD_Tax_Disclosure_Addendum.pdf

SECURED PROPERTY TAX BILLS

Secured property tax bills are issued by the county treasurer. These bills normally consist of two types of charges, ad valorem taxes and special assessments. A brief explanation of these charges follows:

Ad Valorem Taxes: Ad valorem taxes are charges that are based on the assessed value of a property. The general tax rate for ad valorem taxes is 1% however this rate can be slightly higher due to overrides approved by local voters. The passage of any new voter approved overrides require a 2/3 majority approval. When a parcel of real property is sold, the ad valorem taxes may increase or decrease based on the sale price in comparison to the current assessed value. Since ad valorem taxes are based on the value of the property, if the sale price is higher than the current assessed value, ad valorem taxes will increase, if it is lower, they will decrease.

Special Assessments: Special assessments, also referred to as direct or fixed assessments, are charges that are not based on the value of the property. These charges are levied to provide funding for services or improvements that directly benefit the property. Mello Roos Community Facility Districts and 1915 Bond Districts are also classified as special assessments. Certain special assessments may be subject to accelerated foreclosure if allowed to go delinquent.

GENERAL TAX BILL INFORMATION

Other General Tax Bill Information included in the California Tax Disclosure report:

APN: Assessors parcel number which is used to identify property for tax collection purposes.

Total Assessed Value: Property value used to calculate ad valorem taxes. (Assessed Value will reset to sale price upon transfer of property).

Total Parcel Tax Liability: This is the total amount of current tax bill which includes both ad valorem and special assessments.

Installment Due Dates: Regular county tax bills can be paid in two installments, the first is due by December 10th of the current year, the second is due by April 10th of the following year.

Installment Amount: Amount due if taxes are paid in two installments.

Accelerated Foreclosure: Indicates delinquencies may be subject to expedited foreclosure sooner than the five year waiting period for ad valorem taxes.

Estimated Ad Valorem Tax Rate: Used to assist with calculating ad valorem tax amounts (Tax Rate x Sale Amount = estimated future ad valorem tax amount).

Supplemental Tax: Tax bill that may result based on the difference between current roll year value and new base year value (sale price) after change of ownership.

Escalator: The rate by which the Maximum Tax Levy may increase per year. The increase is usually 2%; however, increases can be as much as 5%, or based on the Consumer Price Index (CPI).

Max Tax Levy: The maximum amount that could be levied by the CFD for the current year.

Maturity Date: Date (year) when bonds mature and district may cease to collect. District may continue to levy a fee for providing services after this date.