

MEMORANDUM

DATE: September 24, 2002
TO: The Board of Supervisors
FROM: John E. McDonald, Manager of Financial and Management Services
SUBJECT: Real Property Tax Rate

The attached resolution sets the tax rate on real property for FY 2003 at \$0.87 per \$100 of assessed value. This is the tax rate set out in the budget adopted by the Board of Supervisors for FY 2003.

The Commissioner of the Revenue, in attempting to respond to a question from Mr. Brown, has determined that the Board of Supervisors does have the legal authority to change the tax rate after the land book has been issued. It is important to point out that should the Board change the tax rate after the land book has been issued, there could be significant administrative, practical, and cost issues that would need to be addressed. These include the costs of programming changes, temporary employees, additional mailings, and public education efforts. These additional costs could be minimized if the Board made a change in the rate effective with billings mailed after January 1, 2003, as long as that change can be made before March 31, 2003.

Presently, staff recommends approval of the attached resolution, which retains the current tax rate.

John E. McDonald

JEM/adw
proptax.mem

Attachment