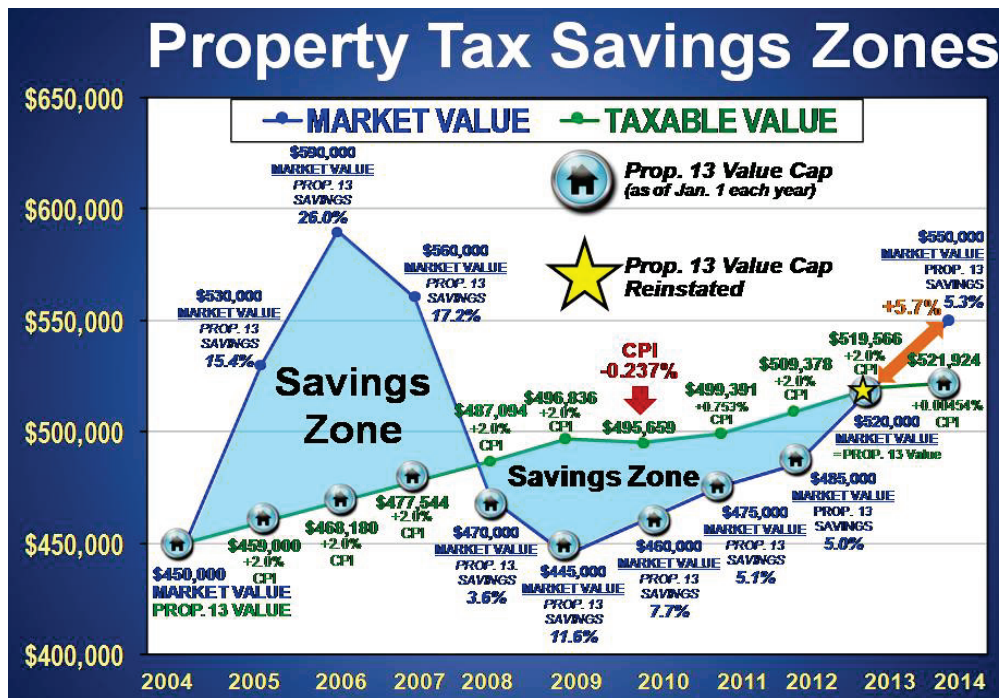


Proposition 13 Property Tax Savings Zones

The Assessor values property each year **as of January 1**, in accordance with California property tax laws. The **Prop. 13 Value** of property is compared to the **Market Value**. The lower value of these two values is the **Taxable Value** that is used for property tax calculations each year. Sales transactions and market activity through March 31 are considered to help determine market value.

- **Market Value** is what a property would sell for in an open market transaction on January 1 each year (lien date).
- **Prop. 13 Value** is established when a property changes ownership. The Assessor makes CPI inflation adjustments of up to 2% each year, and adds the value of new construction as required by Prop. 13.
- **Taxable Value** is the Market Value or Prop. 13 Value, whichever is lower for that tax year.



Taxpayers have a “Property Tax Savings Zone”, whether the market is up or down

Tax Year	Prop. 13 Value	Market Value	Which Value Is Used To Calculate Property Taxes Each Year?	“Savings Zone” is the Difference Between Prop.13 Value and Market Value	Tax Savings Based on 1% Basic Tax Rate
2004	\$450,000	\$450,000	Market Value Purchase Price	\$0	\$0
2005	\$459,000	\$530,000	Prop. 13 Value	\$71,000	\$710
2006	\$468,180	\$590,000	Prop. 13 Value	\$121,820	\$1,218
2007	\$477,544	\$560,000	Prop. 13 Value	\$82,456	\$825
2008	\$487,094	\$470,000	Market Value	\$17,094	\$171
2009	\$496,836	\$445,000	Market Value	\$51,836	\$518
2010	\$495,659	\$460,000	Market Value	\$35,659	\$356
2011	\$499,391	\$475,000	Prop. 13 Value	\$24,391	\$243
2012	\$509,378	\$485,000	Market Value	\$29,378	\$293
2013	\$519,566	\$520,000	Prop. 13 Value	\$434	\$4
2014	\$521,924	\$550,000	Prop. 13 Value	\$28,076	\$280
Tax Savings				\$4,618	\$4,618

