

For Immediate Release

Yuba County Assessor: rebounding real estate market may cause some assessment spikes

MARYSVILLE, CA – Property owners are no doubt relieved to see values finally increasing after more than half a decade of decline, but Yuba County's Assessor said the real estate upside may result in a tax consequence downside for some.

Assessor Bruce Stottlemeyer said for the past 35 years Californians have been able to rely upon the requirements of Proposition 13 to limit assessed property value increases to two percent. However, that limit is temporarily suspended when values fall below the property's base value.

Proposition 13's provisions provide for the establishment of a base year value whenever a change in ownership takes place in real property. After that, the base year value is subject to adjustments but increases under the proposition are limited to no more than two percent per year.

However, another voter-approved measure established in the same year, Proposition 8 (not to be confused with the recent gay marriage initiative), created an exception to that rule.

"Over the past several years, as market values declined, our office reduced assessed values below base year values of nearly 10,000 properties," Stottlemeyer said. However, under the provisions of Proposition 8, once an assessment has been reduced the assessor is required to annually adjust the assessment to reflect changes in market value, either up or down. This is done without regard to the two percent cap until the property's market value returns to the Proposition 13 base year value.

“Overall, this housing market recovery is very good for our residents and should mark a significant recovery for our local economy,” said Stottlemeyer, “but some property owners need to be prepared for the rise in assessed value and corresponding taxes that may be associated with this recovery.”

Stottlemeyer said property owners who have had their assessment reduced under Proposition 8 could expect to see a rise in property taxes, at least until the assessments of their land and property get back in line with the base year value.

“These reassessments are taking place in every California county and Yuba County is not an exception,” he said, noting reassessments are already taking place. “We just want our residents to be aware that they could see property tax increases that are greater than the two percent to which they are accustomed.”

Beginning in August 2013, taxpayers will be able to view their 2013/14 assessment by accessing the Assessor’s website. The assessor’s website can be accessed at:
www.yuba.org/Departments/Assessor/

Yuba County taxpayers with questions about their property values can contact the Assessor’s Office at 749-7820.

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