



**Sacramento County
Office of the Assessor**

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SACRAMENTO COUNTY ASSESSOR'S OFFICE ADDRESSES DIP IN HOUSING MARKET

Reflecting the fact that much of the residential real estate market has experienced a recent decline, Sacramento County Assessor Ken Stieger announces that the Assessor's Office has reviewed the market values of residential properties in Sacramento County and will be reducing the assessed values for over 50,000 properties on the 2007-08 property tax roll.

In late April, the Assessor's Office will send notices to the owners of these properties, notifying them that the assessed value of their property will be reduced for the 2007-08 property tax roll. The notice will advise affected owners of their new Proposition 8 assessed value and will also include their Proposition 13 factored value for comparison.

Generally speaking, properties purchased in 2005 and later are affected. Most decreases will range between 5% and 10%. These decreases will be reflected on tax bills issued in October of 2007.

This is the second major cycle of assessed value reductions since Proposition 13 passed in 1978. The previous one started in 1992. At its peak, some 130,000 parcels received temporary reductions in assessed value. When the real estate market experienced a resurgence in the late 1990's, the Proposition 8 assessments were phased out, and the affected properties returned to their Proposition 13 factored base year values.

By law, the Assessor must annually enroll either a property's Proposition 13 value (factored for inflation by no more than 2% annually), or its current market value on the Lien Date (January 1), whichever is less. When current market value falls below Proposition 13 value, that lower value is commonly referred to as a "Proposition 8 Value." Proposition 8 reductions are temporary. When the Assessor discovers that market value is greater than Proposition 13 factored value, the Assessor must reinstate the lower Proposition 13 factored value.

The vast majority of properties in the county, some 400,000 parcels, will continue to be assessed under Proposition 13 provisions. They will not be receiving notices.

The anticipated decrease in assessed value for the 50,000 properties should approximate **\$1,500,000,000**, and will result in a revenue decrease equal to 1% of that amount, or **\$15,000,000**. This decrease will be offset by an overall roll growth of approximately 9%, or \$11 billion.

Assessor Stieger also wishes to alert the public that property owners may receive solicitations from private businesses and individuals offering assistance in this process for a fee. While property owners are certainly at liberty to use these private companies, they can apply for this reduction themselves at absolutely no cost simply by writing a letter or otherwise contacting the Assessor's Office.

Taxpayers may visit the Assessor's web site: www.assessor.saccounty.net for more Proposition 8 information or call the Assessor's Proposition 8 Customer Service Line at (916) 875-0455.