

Memorandum

TO: Mark Gorman, Municipal Administrator
Mayor McConnell and Members of the Assembly

FROM: Wendy Lawrence, Assessing Director *WLR*

SUBJECT: Personal Property Non-file Fee Waiver Requests - 2015

DATE: May 6, 2015

All taxable personal property (business personal property, boats, and airplanes) is required to be self-reported by February 15th annually (SGC 4.12.050(a)). Because this segment is self-reported a personal property non-filing fee was implemented in 2014 to incent owners to report taxable property in a timely manner.

Provided below is a brief summary of the progression of events leading to today's hearing of the waiver requests:

- For Tax Year 2014 this \$100 fee was implemented with approximately 50% reporting compliance that first year; the fee was waived for all in this initial year.
- For Tax Year 2015 this \$100 fee has remained in effect and the department experienced approximately 70% reporting compliance; the department is recommending that this fee be reduced but not waived for this tax year.
- For Tax Year 2015 some property owners were apparently still unaware of their responsibility to report and have requested a waiver of the fee.
- A waiver request process was initiated in 2015, and 16 applications for waiver were received by the Assessing Department.
- On May 4, 2015, the Assembly reduced the personal property non-filing fee from \$100 to \$20 for Tax Year 2015 for all non-reporting filers, and agreed to conduct a public hearing of the waiver applicants at the May 12, 2015, regular Assembly meeting.
- For the May 12, 2015, regular Assembly meeting, 7 of the original 16 waiver applicants wish to have their waiver applications considered, and 9 have agreed to withdraw their requests for waiver.

The attached applicants have applied for a waiver of the personal property non-filing fee for Tax Year 2015.

4.12.055 Failure to file return—Fee—Penalty.

A. A taxpayer who fails to file a return as provided in Section 4.12.050(A) shall be subject to a fee of one hundred dollars for the cost of the assessor's preparation of a valuation based on information available or obtained by the assessor for the taxable property as allowed under Section 4.12.030 (also referred to as "forced filing"). The taxpayer shall be notified of the fee as of the date of mailing of business property and personal property assessment notices.

B. A person or entity that knowingly makes a false affidavit to a business property or personal property return required by this section relative to the amount, location, kind or value of property subject to taxation with the intent to evade the taxation is guilty of a violation. Upon conviction, the violator shall be subject to penalty as provided in Section 1.12.010.

(Ord. 13-29 § 4 (part), 2013.)