Minimum State Basic Rate

Issue: The minimum state basic rate has been generating more money than the target statutory revenue amount.

Goal: Decrease the variance between statutory revenue target and actual collections for minimum state basic rate.

Historical Method	New Method 2013
Assessment Roll Real Taxable Locally Assessed Property	Assessment Roll Real Taxable Locally Assessed Property
Assessment Roll Values- Taxable State Assessed Property	Assessment Roll Values- Taxable State Assessed Property
Year End Actual Taxable Personal Property	Year End Actual Values Personal Property
Estimated Motor Vehicle Value	
3 Year Board of Equalization Value Adjustment	3 Year Board of Equalization Value Adjustment
Redevelopment Value Adjustment	
	2% Variance
Revenue Target/Adjusted Value = Rate	Revenue Target/Adjusted Value = Rate
USTC and USOE determined final rate in June	

2012 Rate .001651
2012 Statutory Revenue Target: 289,021,900
2012 Collections 319,043,949
10% Variance

2013 Rate .001535
2013 Statutory Revenue Target: 294,092,000
2013 Estimated Collections 296,444,310 to 306,803,413
1% to 4% Variance

2013 Minimum State Basic Rate Calculation and Revenue Yield Check

2013 Calculation with Numbers

Column 1	Column 2	Column 3	Column 4	Column 5
2013 Assessment Roll Real Locally Assessed	2013 Assessment Roll State Assessed	2012 Year End Personal	Total Value	3 Prior Year BOE Adjustment
161,426,245,087	23,261,910,658	12,310,895,428	196,999,051,173	1,690,512,022

Col 4 - Col 5	53A-17a-135		
Total Value Adjusted by 3 Prior Year Average BOE	2013 Revenue Target	Revenue/ Adj Value = Tax Rate	2% Variance
195,308,539,151	294,092,000	.001505	0.001535

2 Revenue Yield Checks. The collection rate is the only different variable for the range check.

5 Year Average Collection Rate: 0.9285

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
2013 Assessment Roll Real Locally Assessed	2013 Assessment Roll State Assessed	2012 Year End Personal	Total Value	3 Prior Year Average BOE Adjustment	Redevelopment Value Adjustment	5 Prior Year Average Collection Rate	Adjusted Value	Tax Rate	Estimated 2013 Property Tax Rate Revenue	3 Year Average of Motor Vehicle Revenue	3 Year Average Misc PT Collections	3 Year Average Delinquent Collections	Total Estimated State Basic Rate Revenue
161,426,245,087	23,261,910,658	12,310,895,428	196,999,051,173	1,690,512,022	10,920,523,156	0.9285	171,204,272,851	0.001535	262,798,559	19,720,769	1,508,801	12,416,181	296,444,310

Prior Collection Year 2012 Collection Rate: 0.9651

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
2013 Assessment Roll Real Locally Assessed	2013 Assessment Roll State	2012 Year End Personal	Total Value	3 Prior Year Average BOE Adjustment	Redevelopment Value Adjustment	Prior Year 2012 Year Average Collection Rate	Adjusted Value	Tax Rate	Estimated 2013 Property Tax Rate Revenue	3 Year Average of Motor Vehicle Revenue	3 Year Average Misc PT Collections	3 Year Average Delinquent Collections	Total Estimated State Basic Rate Revenue
161,426,245,087	23,261,910,658	12,310,895,428	196,999,051,173	1,690,512,022	10,920,523,156	0.9651	177,952,874,237	0.001535	273,157,662	19,720,769	1,508,801	12,416,181	306,803,413

Column 1 : The January 1, lien date taxable value of real property assessed by a county assessor contained on the assessment roll that is available May 22nd.
Column 2: The January 1, lien date taxable value of real and personal property assessed by the State Tax Commission.
Column 3: The taxable year end 2012 value of personal property assessed by a county assessor contained on the prior year's assessment roll.
Column 4: Total value of the 3 property types. (Column 1 + Column 2+ Column 3)
Column 5: 3 Year average of Board of Equalization Changes, this an adjustment used in the certified tax rate process to account for the value changes from appeals before the November billed value.
Column 6: The value of redevelopment projects that receive tax increment instead of the tax entity.
Column 7: Collection rate average. This rate is the percentage between taxes charged and tax collected from tax roll value. Adjustment used in the certified tax rate process
Column 8: Adjusted Value (Column 4 - Column 5 - Column 6)
Column 9: 2013 Minimum State Basic Rate.
Column 10: Estimated 2013 roll value property tax revenue to be generated from the minimum state basic rate.

Minimum state basic revenue distributed by tax rate but not billed by the basic rate.

Column 11: 3 year average of motor vehicle aged based and fee in lieu revenue distributed to the state basic rate.
Column 12: 3 year average of misc. property tax collections. These include: collected farmland rollback taxes, personal property audit revenue, refunds to taxpayers, motor carrier revenue
Column 13: 3 year average of delinquent collections. Property taxes that were due in a prior tax year and paid in this tax year.

Column 14: The total estimated statewide revenue from the billed assessed roll values and other property revenue distributed by tax rate percentage to the state basic rate budget