

“Limited or Contractual Subordination”

Is it really subordination or deferral of collection?

Home assessed value	\$380,877.00
Prop. 13 base tax	\$3,738.76
Assessments & Voter Approved Taxes	2,386.86
PACE Assessment	<u>3,596.94</u>
Total tax	\$9,722.56¹

Installment payment
\$4,861.28 due
December 10th and
April 10th.

First year Tax Collector can initiate tax land sale for collection.

Last Year Tax Collector can delay collection.



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Prop 13 Base Tax	\$3,739	\$3,814	\$3,890	\$3,968	\$4,047	\$4,128	\$4,211	\$4,295	\$4,381
Assessments & Voter Approved Taxes	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387
Annual Tax Subtotal	\$6,126	\$6,201	\$6,277	\$6,355	\$6,434	\$6,515	\$6,598	\$6,682	\$6,768
10% Penalty	\$613	\$620	\$628	\$635	\$643	\$652	\$660	\$668	\$677
18% Interest Penalty	\$0	\$1,103	\$2,219	\$3,349	\$4,493	\$5,651	\$6,823	\$8,011	\$9,214
Total Payoff Amount without PACE Lien	\$6,739	\$14,662	\$23,786	\$34,125	\$45,695	\$58,512	\$72,593	\$87,954	\$104,613
PACE Assessment	\$5,193	\$5,193	\$5,193	\$5,193	\$5,193	\$5,193	\$5,193	\$5,193	\$5,193
10% Penalty	\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519
18% Interest Penalty	\$0	\$935	\$1,870	\$2,804	\$3,739	\$4,674	\$5,609	\$6,544	\$7,478
PACE Lien Payoff Amount	\$5,713	\$12,360	\$19,942	\$28,459	\$37,911	\$48,298	\$59,619	\$71,876	\$85,067
Total Payoff Amount with PACE Lien	\$12,451	\$27,022	\$43,728	\$62,584	\$83,606	\$106,810	\$132,213	\$159,830	\$189,680

- Property taxes are paid “all or nothing” unless the tax payer initiates a payment plan which requires 20% down and 20% by April 10th of each subsequent fiscal year while accruing 18% annually on the unpaid balance.
- Prop. 13 increases at a maximum of 2 percent per year.
- Failure to pay an installment on time results in 10% penalty for each late installment, and 18%/year penalty on the defaulted amount.
- Defaulted amounts must be paid in full unless a payment plan is initiated by the taxpayer.
- At the direction of the governing body that placed the PACE lien on the property, the County Auditor can be directed to remove the assessment and related penalties from the property roll for separate collection at any time.