

ASSESSMENT RELIEF DUE TO PROPERTY DAMAGE

Office of Tom J. Bordonaro, Jr., County Assessor

www.slocounty.ca.gov/assessor

San Luis Obispo Office

1055 Monterey Street, Suite D360
San Luis Obispo, CA 93408
(805) 781-5643



North County Office

6565 Capistrano Avenue
Atascadero, CA 93422
(805) 461-6143

Eligibility requirements

If your property has been damaged or destroyed through no fault of your own, you may apply for assessment relief (Section 170 of the Revenue and Taxation Code of the State of California and San Luis Obispo County Ordinances). A brief summary of eligibility requirements is as follows:

1. An Application for Reassessment of Property Damaged by Misfortune or Calamity must be completed by the person who, on January 1, was the owner of the property that suffered damage, or by a person who acquired the property after January 1 and is liable for the taxes for the next fiscal year commencing July 1. It is recommended that an Application for Property Tax Installment Deferral be filed at the same time. These forms may be obtained at the Assessor's Office or from our website at www.slocounty.ca.gov/assessor.
2. The damage must have occurred by misfortune or calamity, without fault of the owner or applicant.
3. The application for reassessment must be delivered to the Assessor within twelve (12) months of the date on which the calamity or misfortune occurred, or within sixty (60) calendar days of the sending of an application by the Assessor, but in no case more than twelve (12) months after the occurrence.
4. The damage must be shown to be in excess of ten thousand dollars (\$10,000).

Example of how damaged property is valued for Disaster Relief

A fire damaged Joe Smith's residence on August 10, 2013. The assessed value as of lien date, January 1, 2013, was \$230,000 for the residence and \$150,000 for the land.

To determine the reduction to be made to the assessed value following the fire, the market value of Joe's property after the fire is compared to the market value before the fire. The value loss percentage is calculated. Land and improvements are treated separately.

The market value of Joe's residence before the fire was \$250,000, and the market value of the land was \$200,000. After the fire, the market value of Joe's residence was \$150,000. The fire did not damage the land so its market value remains at \$200,000.

The reduction of \$100,000 ($\$250,000 - \$150,000 = \$100,000$) in the market value of Joe's residence represents a 40% ($40\% \text{ of } \$250,000 = \$100,000$) loss in value for the improvements. This percentage is applied to the assessed value of Joe's residence ($40\% \text{ of } \$230,000 = \$92,000$). Joe's assessed value of \$230,000 is reduced by \$92,000 to \$138,000. Since there is no loss to the land, its value remains at \$200,000.

Each year on lien date, Joe's property will be reviewed and adjusted to reflect repair work that has been completed during the prior year. When the repairs are completed, the original assessed value of \$230,000 for the residence, plus indexing, will be restored to the tax roll.

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"The Assessor and staff seek excellence in providing information, services, and accurate property assessments through our personal commitment to integrity, mutual respect, and teamwork."