

PROPERTY TAX GUIDE FOR BUSINESSES

SHARI L. FREIDENRICH

ORANGE COUNTY
TREASURER-TAX COLLECTOR



VALUABLE INFORMATION FOR BUSINESS OWNERS

Dear Business Owner:

Congratulations! You have a business in Orange County, one of the best places in the nation to live and work. Although this is exciting, it also carries many responsibilities such as paying yearly unsecured property taxes.

By reading this guide, I hope you will have a better understanding of how your taxes are calculated and the importance of property taxes for the services Orange County provides. You will see how your property tax dollars are divided, with all of the percentages mandated by state law.

I will also show you a sample tax bill. The due date is usually August 31, but there are certain circumstances when the due date may be during the year. I have provided a handy calendar for your reference.

The best way to ensure that you pay on time is to sign up for email/text alerts. You can view an online statement when you search online by business name. Then, join the hundreds of thousands of taxpayers who pay online at no cost and receive same-day credit and an emailed/printed receipt.

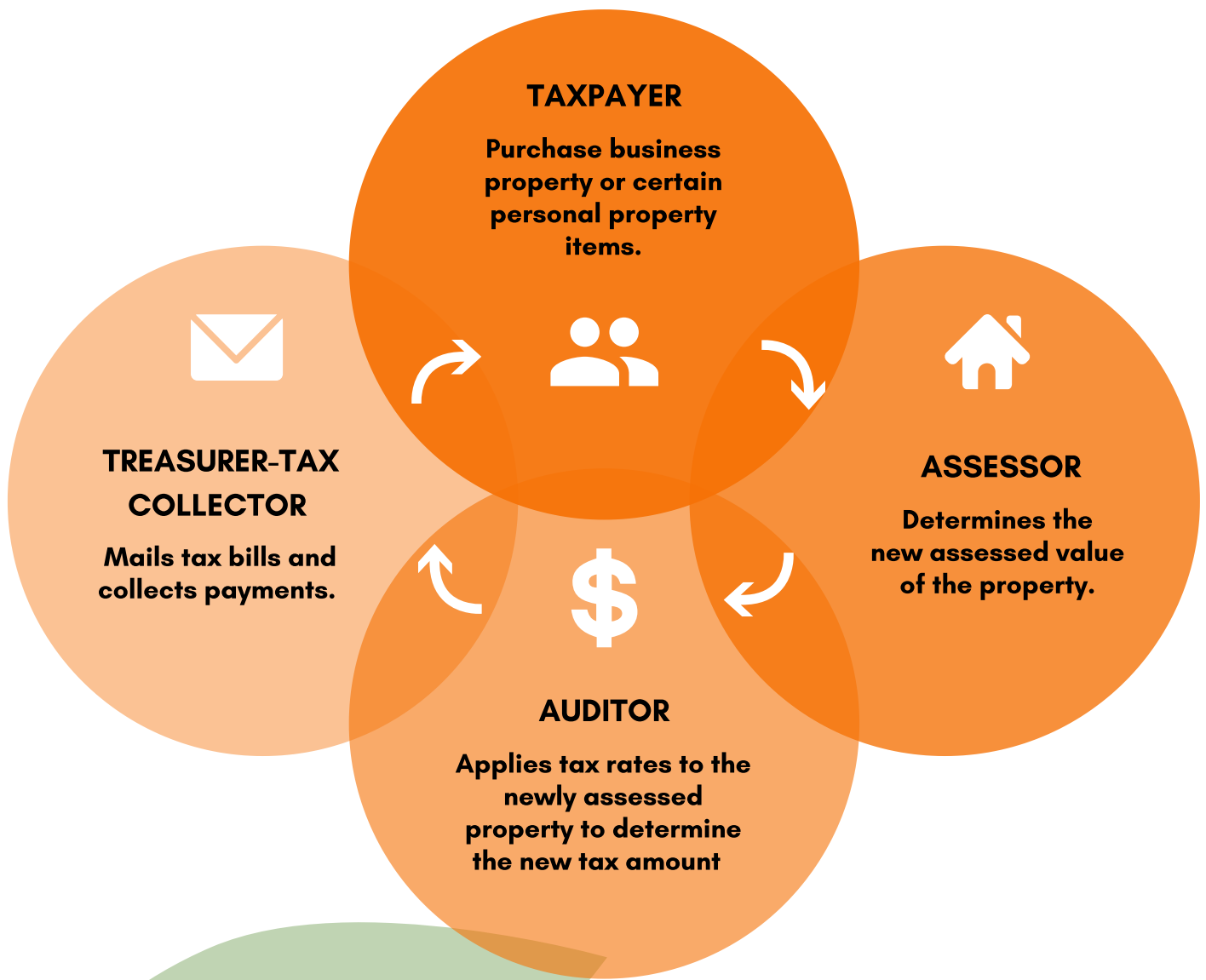
If I can be of assistance, email me at treasurer@ttc.ocgov.com or call a Customer Service Representative at (714) 834-3411.



ORANGE COUNTY
TREASURER-TAX
COLLECTOR

Shari L. Freidenrich
CPA, CCMT, CPFA, ACPFIM





HOW THE PROPERTY TAX SYSTEM WORKS

WHAT IS UNSECURED PROPERTY?

Unsecured property is just that -- something that isn't secured to real estate. The following business items are unsecured property which would be subject to property taxes:

Business Property

- Equipment
- Furniture
- Fixtures
- Machinery
- Computers



Luxury Items

- Aircraft
- Boats
- Jet Skis



COMMON TERMINOLOGY

- **Escape Assessments**

A correction to an assessed value that was not added to the prior year's annual unsecured property tax bill. These involve items that "escaped" the Office of the Assessor.

- **Supplemental Tax Bill**

The difference between the prior year's tax amount and the current assessed value following a change in ownership or acquisition of new property. This generates a bill that is in addition to the unsecured tax bill.

- **Four-Year Payment Plan**

Escape bills in excess of \$500 may be eligible to be paid over a period of four years. To enroll, you must apply and pay a \$48 fee prior to the due date on the bill.



HOW UNSECURED PROPERTY TAXES ARE CALCULATED

**1% VALUE + VOTER APPROVED BONDS,
FIXED CHARGE SPECIAL ASSESSMENTS
(INCLUDING MELLO ROOS) = PROPERTY TAXES**

- ✓ **1% BASE TAX**
1% of the full cash value of the property
- ✓ **VOTER APPROVED BONDS**
Any bond which is approved by the voters in a particular jurisdiction, i.e. bonds approved for School Districts
- ✓ **FIXED CHARGE SPECIAL ASSESSMENTS**
Levies on property to pay for improvement or services. such as mosquito surveillance or vector disease control.



ESTIMATED ANNUAL UNSECURED PROPERTY TAX

Example

Ms. Smith owns business equipment worth 40,000. What are her estimated taxes?



Assessed Value.....	\$ 40,000
Net Assessed Value.....	\$ 40,000
1% Property Tax.....	\$ 400
Tax Rate for this Tax Rate Area...	.18372
Estimated Annual Tax.....	\$ 473



YOUR UNSECURED PROPERTY TAX BILL STATEMENT

Your annual unsecured tax statement is mailed in July and available online, searchable by business name or TC-Reference #. The statement includes information on both the property tax assessed value and the property taxes charged on the property.



Shari L. Freidenrich, CPA
Orange County Treasurer-Tax Collector
P.O. Box 1438, Santa Ana, CA 92702-1438
601 N. Ross Street, Santa Ana, CA 92701
Office Hours: 8:00 AM - 5:00 PM Monday - Friday
Phone Hours: 9:00 A.M. - 5:00 P.M. (714) 834-3411
ocgov.com/octaxbill

2020-21 UNSECURED PROPERTY TAX

For Fiscal Year Beginning July 1, 2020 and Ending June 30, 2021

0005472-0005472 PDF#----- 000064
#BWNLSZK
#0502 1312 0194#



PAGE 1
TAX COLLECTOR (TC) REFERENCE NO. 0502131
STATEMENT AS OF 06/29/2020

TAX BILL SUMMARY

CURRENT CHARGES/ADJUSTMENTS:
NEW BILLINGS: \$99,110.64
TOTAL CURRENT CHARGES/ADJUSTMENTS: \$99,110.64

TOTAL AMOUNT DUE BY 08/31/20: \$99,110.64

Pay online at
ocgov.com/octaxbill



SALE/DISPOSAL OF PERSONAL PROPERTY AFTER JANUARY 1 DOES NOT RELIEVE ASSESSEE FROM PAYING THIS BILL
ALL QUESTIONS ABOUT VALUES, OWNERSHIP OR ADDRESS CHANGES MUST BE DIRECTED TO THE OFFICE OF THE ASSESSOR:

BUSINESS/LEASED EQUIPMENT: (714) 834-2930
BOATS AND AIRCRAFT: (714) 834-2772
ADDRESS CHANGES: (714) 834-2930

HOURS: 8:00 A.M. - 5:00 P.M. ocgov.com/assessor

IMPORTANT INFORMATION

The owner on the Lien Data is responsible for payment of this bill in full. The sale, closure, removal or other disposal of the assessed property after January 1, 2020 does not relieve the assessee of responsibility for the taxes due. The bill will not be prorated for partial ownership.

A Tax Lien will be recorded against the owner approximately 60 days after the due date, and a recording fee will be charged, if payment is delinquent. A TAX LIEN MAY AFFECT YOUR CREDIT RATING. A 10% penalty and a fee of \$75 per assessment, plus additional penalties of 1.5% per month, will be added.

A Tax Lien may be enforced by seizure and/or sale of personal property including bank accounts, income tax refunds or other interests. Registration holds at the DMV will prevent vessel registration until a delinquency is cleared.

Search for payment status on current and prior year Unsecured business property tax bills online by company name.

EFFECTIVE DATE	ASSESSMENT INFORMATION	ASSESSED VALUES (A/V)	TRA/YEAR	TAX TYPE & RATE	AMOUNT
06/30/2020	TAX YEAR : 2020 ASSESSMENT #: 039384 PROPERTY LOCATION : ASSESSOR #: 08802139 STATEMENT #: 003 TYPE : B81 BUSINESS ASSESSMENTS *** IMPORTANT : AMOUNT INCREASES TO \$108,526.47 AFTER 8/31/2020	OTHER: 4,150,996 PERSONAL PROPERTY: 4,178,022 NET: 8,329,018	18-288 2020	A1 1.18372	98,592.25
				TOTAL FOR ASSESSMENT	98,592.25
06/30/2020	TAX YEAR : 2020 ASSESSMENT #: 107658 PROPERTY LOCATION : ASSESSOR #: 08802139 STATEMENT #: 003 TYPE : B11 LEASED EQUIPMENT (TYPE 1L & 1F) PROPERTY : 42128424/POWEREDGE R630 SERVER LESSOR : *** IMPORTANT : AMOUNT INCREASES TO \$171.28 AFTER 8/31/2020	PERSONAL PROPERTY: 7,395 NET: 7,395	18-288 2020	A1 1.18372	87.53
				TOTAL FOR ASSESSMENT	87.53
06/30/2020	TAX YEAR : 2020 ASSESSMENT #: 108499 PROPERTY LOCATION : ASSESSOR #: 08802139 STATEMENT #: 003 TYPE : B11 LEASED EQUIPMENT (TYPE 1L & 1F) PROPERTY : 061-0141177-0004179801/KONICA COPIER/O LESSOR : *** IMPORTANT : AMOUNT INCREASES TO \$548.94 AFTER 8/31/2020	PERSONAL PROPERTY: 36,399 NET: 36,399	18-288 2020	A1 1.18372	430.86
				TOTAL FOR ASSESSMENT	430.86
	TOTAL NEW BILLINGS				\$99,110.64

SIGN UP FOR OUR DUE DATE REMINDER SERVICE AND RECEIVE A TEXT OR EMAIL REMINDER 10 DAYS AND 1 DAY BEFORE THE AUGUST 31, 2020 DUE DATE ONLY. JUST REGISTER YOUR CELL PHONE NUMBER OR EMAIL ADDRESS AT OCGOV.COM/OCUNSECUREDREMINDER. ALL PAYMENTS RECEIVED OR POSTMARKED AFTER THE DUE DATE WILL INCUR A 10% PENALTY PLUS A \$75 FEE PER ASSESSMENT. THERE IS A \$26.00 FEE FOR EACH PAYMENT RETURNED UNPAID BY YOUR BANK FOR ANY REASON.

DETACH HERE AND RETURN STUB WITH PAYMENT. PLEASE WRITE TC REF. NO. ON CHECK

TC REF. NO.	ASSESSEE NAME	DUE DATE	AMOUNT DUE
0502131		08/31/20	\$99,110.64

Make checks payable to: County of Orange

Mail to:
COUNTY OF ORANGE
ATTN: TREASURER-TAX COLLECTOR
P.O. Box 1438
Santa Ana, CA 92702-1438

INTERNET COPY

PAY ON TIME! Payments received or postmarked after the due date will incur a 10% penalty, a \$75 fee per assessment and a possible tax lien.

Pay online at ocgov.com/octaxbill by eCheck at no cost.

eCheck ELECTRONIC CHECK No Cost

DISCOVER VISA 2.29% Service Fee
Minimum Charge \$1.95.

0305021310000070000000831200009911064110220001092466900000000000000004



FREQUENTLY ASKED QUESTIONS

Q: I haven't owned my business property the entire year. What portion of the taxes do I pay?

A: The property owner on January 1 of each year is responsible for the unsecured tax bill for the entire fiscal year, which goes from July 1 to June 30.

Q: If I can't afford to pay my entire property tax bill, what are my options?

A: We offer a 4-Pay Tax Plan only for escape bills totaling more than \$500. You still must pay at least 20 percent of the taxes by the due date. Go to ttc.ocgov.com/proptax/installplan for more information.

Q: Do you offer an alert to help me pay on time?

A: Yes! Go to ocgov.com/ocunsecuredreminder and sign up for text and email alerts.

Q: How much can my business property tax increase each year? Does Prop. 13 also give businesses the protection of limiting this to 2 percent a year?

A: Yes. Unsecured property is included in the Prop. 13 amendment that passed in 1978.

Q: Do all boat owners have to pay unsecured property taxes?

A: Boats and other unsecured properties valued at less than \$3,000 are excluded from paying any unsecured property taxes.

Q: I sold some property equipment, but forgot to remove it from my assessment. How do I get credit for this?

A: Please notify the Office of the Assessor at (714) 834-2930.

Q: What happens if I am late paying my tax bill?

A: You will be charged a 10 percent penalty, \$75 collection fee and 1.5 percent interest per month during the delinquent period.

Q: What if I don't agree with the assessed value of my property?

A: You may file an assessment appeal application with the Clerk of the Board between July 2 and November 30 of each year. If the date is a weekend, the deadline is the next Monday. For more information, see ocgov.com/gov/cob/apa/fileappeal.

Q: Do you place liens against my property for being late?

A: The Treasurer reserves the right to place liens against property owners to recoup payment for delinquent unsecured property taxes. Please note that liens are against the property owner and not the property itself.



CHECKLIST FOR BUSINESSES



Sign up for text or eMail information at ocgov.com/ocunsecuredreminder. You will receive a payment reminder 10 days and the day before the August 31 due date and other property tax info during the year. Pay online by eCheck at no cost.



Make sure your mailing address is correct with the Assessor's Office, find the change of address form at ttc.ocgov.com under the Most Popular section.



Keep track of the payment due date. Your annual tax bill will arrive in July and is due upon receipt. It is delinquent on August 31 or the next business day if that date is on a weekend or holiday.



Keep an accurate inventory of your property from year to year and remove equipment when you no longer own it. Contact the Assessor at 714-834-2930 if you have questions.



Be prepared to pay the unsecured property tax bill even if you sell your business or boat on January 2. There is no prorating, the owner on January 1 pays the tax.



View and subscribe to Financial Weekly Tips at ocgov.com/ocfinancialinfo.

OTHER SUBSCRIPTIONS:

✓ **OWN REAL PROPERTY?**
ocgov.com/octaxreminder

✓ **INTERESTED IN BUYING AT A TAX AUCTION?**
ocgov.com/octaxauction



PAYMENT OPTIONS:

- ✓ **eCheck: Safe Secure Fast, pay at ocgov.com/octaxbill**
- ✓ **Mail: Get hand-cancelled if close to payment deadline**
- ✓ **IVR: 714-834-3411**
- ✓ **In Person: 601 N Ross St. , Santa Ana or 24/7 Dropbox**



KEY DATES BUSINESS OWNERS SHOULD KNOW

JANUARY

Lien Date for Ownership of Unsecured Property Taxes (owner on January 1 pays the tax, even if the equipment/boat is sold during the year).

JULY

Unsecured property tax statements are mailed to business owners and available online (search by business name or TC-Ref #).

AUGUST 31

Deadline to pay unsecured property taxes without penalty. Property with delinquent tax is subject to 10 percent penalty and collection fee (postmark must be August 31 or earlier).

OCTOBER

Delinquent Notices mailed to taxpayers.

NOVEMBER

Liens placed on delinquent unsecured property taxes and 1.5 percent interest is added monthly.



HOW TO CONTACT US

Customer Service Call Center

(714) 834-3411

Email

ttcinfo@ttc.ocgov.com

Pay Your Tax Bill

ocgov.com/octaxbill

Text/email Payment Info

ogov.com/ocunsecuredreminder

Civic Center Parking Map

ocgov.com/octaxparking

Ownership Questions

(714) 834-2727

Change of Address Questions

(714) 834-2939

Business Personal Property Questions



(714) 834-2930



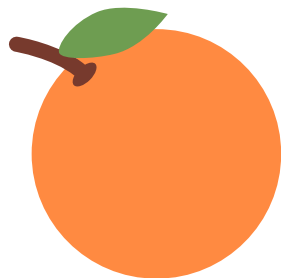


ONLINE GIS APP WITH LINK TO SECURED PROPERTY TAX BILL

Whether you are a current business owner or looking to purchase additional property, check out our online GIS app. If your new home has Mello-Roos, Property Assessed Clean Energy (PACE) or other special assessments, our GIS map will give you a simple accounting of what you have to pay with a phone number for questions.

The map shows the areas where assessments are located, marked with  for Mello-Roos and  for PACE assessments. The map also shows other nearby services such as restaurants, retail, municipal buildings and parks.

You can search the map with or without an address and find any parcel in the County by scrolling on the map or inputting a specific address or parcel number. Parcels have links to secured property tax bills. If you want to check out when your Mello-Roos assessment will be paid off, go to ocgov.com/melloroos.



mello.ocgov.com



STAY SAFE, PAY ONLINE

A COST EFFECTIVE WAY TO PAY YOUR PROPERTY TAX BILL

64%

Property Taxes Paid Electronically

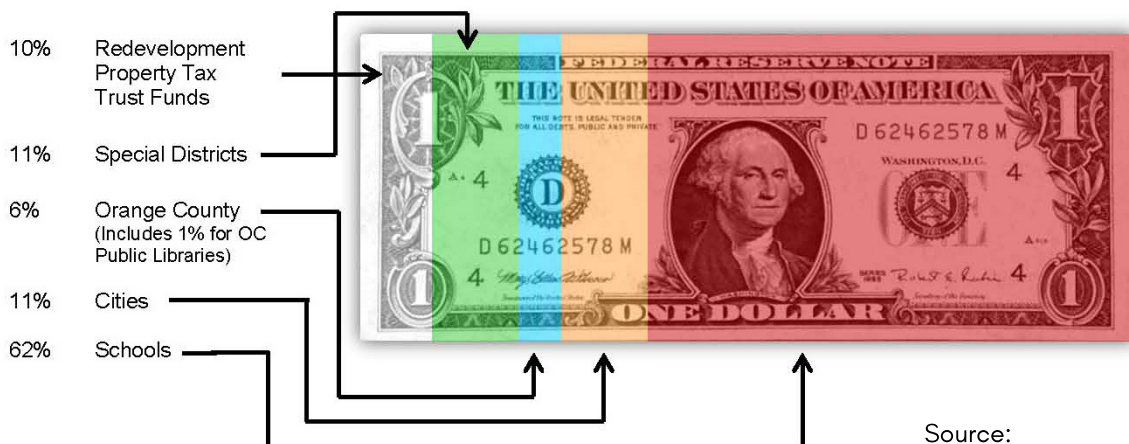
99.2%

Secured Collection Rate

Fast, easy, secure – the no-cost eCheck is the best way to pay your property taxes. The number of transactions paid using this method has tripled since 2011. eCheck (an electronic check from your bank account) takes just minutes to complete online, provide same-day credit and can be done 24/7 from your home. You will receive immediate confirmation by email that your payment is being processed, and you can also print a confirmation.

ocgov.com/octaxbill
ttc.ocgov.com

WHERE YOUR ORANGE COUNTY TAX DOLLAR GOES



Stay Safe, Pay Online



ocgov.com/octaxbill ---- ttc.ocgov.com

Check Out: mello.ocgov.com



Award-Winning App

449,000

Record # eCheck Payments

872,000

Secured Property Tax Bills Mailed

94,000

Subscribers

ocgov.com/octaxreminder
ocgov.com/ocunsecuredreminder
ocgov.com/octaxauction



1.65 Million

Record Month Unique Website Hits

872,000

Online Property Tax Statements

2/10/24

2 Years Payment History
10 Years Property Tax Bills
24/7 Access

52



Financial Tips of the Week

ocgov.com/ocfinancialtips



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