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June 20, 1985

No. 85/73

TO COUNTY ASSESSORS:

SUPPLEMENTAL ASSESSMENTS AND EVENTS
OCCURRING BETWEEN MARCH 1, 1983 AND JULY 1, 1983

The subject of this letter has been the subject of two previous letters to assessors. In letter to assessors numbered 83/132 and dated December 16, 1983, we included the following question and answer:

QUESTION 11: A property with a March 1, 1983 roll value of $50,000 sells April 15, 1983 (before the effective date of SB 813) for $100,000 and then sells again in August of 1983 for $120,000. How would the supplemental assessment be calculated?

ANSWER 11: Assuming the sale price of $120,000 was representative of market value, that would become the new base-year value. From that amount you would subtract the taxable value on the current roll (i.e., $50,000) yielding a supplemental assessment of $70,000. The interim sale for $100,000 would not come into play since that transaction was not subject to a supplemental assessment. The supplemental roll legislation is not applicable before July 1, 1983.

In February of 1984, we issued letter to assessors number 84/18 that reversed this position. As stated in that follow-up letter, we learned that it was the intent of the Legislature to exclude from supplemental assessment those events occurring during the "window period."

More recently, our legal staff has again reviewed the statutes relative to this issue. It is their opinion that these statutes do not allow any latitude for us to interpret legislative intent. Rather, the meaning of the statutory language is clear and unambiguous. Therefore, we must revert to our original "strict" reading of the law. The position stated in question and answer number 11 in letter number 83/132 is the one you should follow, and you should disregard letter number 84/18.

Sincerely,

Verne Walton

Verne Walton, Chief
Assessment Standards Division

VW:wpc
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