

# City of Sacramento

## Legislation Text

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**File #:** 2018-01413, **Version:** 1

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**Title:**

**Ordinance Amending Sections 3.16.030 and 3.16.170 of the Sacramento City Code, Relating to Additional Real Property Transfer Tax (Passed for Publication 10/30/2018; Published 11/02/2018)**

File ID: 2018-01413

**Location:** Citywide

**Recommendation:**

Pass an Ordinance amending sections 3.16.030 and 3.16.170 of the Sacramento City Code, relating to Additional Real Property Transfer Tax ("Transfer Tax").

**Contact:** Brad Wasson, Revenue Manager, (916) 808-5844, Laterre Walsh, Program Manager, (916) 808-7800, Enforcement & Collections, Department of Finance

**Presenter:** None.

**Attachments:**

- 1-Description/Analysis
- 2-Ordinance (Redline)
- 3-Ordinance (Clean)

**Description/Analysis**

**Issue Detail:** Under contract 2013-1189, the County of Sacramento Recorder collects the City's Additional Real Property Transfer Tax, chapter 3.16 of the Sacramento City Code, (the Transfer Tax), at the time a deed is recorded and remits the revenue to the City. Frequently, this Transfer Tax is remitted to the County for properties located outside of the city limits. Currently, the City Code does not permit the City to return payments collected in error and/or overpayments unless the payer files a written claim within one year. The proposed ordinance will allow the City to correct this and other related errors within one year of the overpayment.

**Policy Considerations:** Sacramento City Code section 3.16.170 states that no refund shall be paid unless a written claim has been filed within one year of the payment. Currently, the Revenue Division issues refunds as they are identified, and the proposed change will allow this process to apply to Transfer Tax refunds and return payments to those who have been charged incorrectly within one year of the overpayment.

**Economic Impacts: None**

**Environmental Considerations:**

**California Environmental Quality Act (“CEQA”):** This action is not a “project” subject to CEQA because it involves administrative matters and will not result in new physical development, direct changes to the physical environment, and any reasonably foreseeable indirect physical change in the environment. (CEQA Guidelines section 15378(b)(5).)

**Sustainability:** Not applicable.

**Commission/Committee Action:**

On September 18<sup>th</sup>, 2018 staff presented a proposal to the Law and Legislation (L&L) Committee that included allowing the director to refund overpayments under chapter 3.16 within a year of the payment without a written claim from the payer. The L&L Committee passed a motion forwarding the ordinance to City Council for consideration of adoption.

**Rationale for Recommendation:**

The proposed ordinance change will align the Sacramento City Code with the current Revenue Division refund process and better serve taxpayers.

**Financial Considerations:** None.

**Local Business Enterprise (LBE):** None.