

History of the Public Safety Parcel Tax

Beginning in 1980, San Marino voters have repeatedly approved a parcel tax for public safety services. The County of Los Angeles refers to the parcel tax as a direct assessment. The parcel tax is non ad valorem, meaning that the tax is based on a per-parcel rate that varies based on city designated zone where the parcel is located -- not on the value of the property. A parcel tax based on property value would violate Proposition 13. Parcel taxes require two-thirds voter approval. Parcel taxes are less common in cities and more common in school districts and special districts.

Use of Proceeds

For FY 2024-25, parcel tax rates will increase 0% from FY 2023-24 levels. The parcel tax will generate approximately \$3.5 million for the operations of the Police and Fire departments. The tax does not fully fund the departments, however; the tax supports approximately 21% of their operating costs. The remaining portion of Police and Fire funding comes from other Police and Fire functional revenues and transfers from the City's General Fund. The necessary transfer from the General Fund is estimated at \$12.3 million. The accounting records for the parcel tax are kept separate from the General Fund.

Historical Collections

The parcel tax changes from year to year according to the levy rate imposed by the City Council and, to a lesser degree, by the change in the total number of assessed parcels in the City. Over the past ten years, the parcel tax has funded between 21% and 29% of total Police and Fire operating costs.