

County of Santa Clara

Office of the County Assessor

County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110-1770
1-408-299-4467 Ext 1303 FAX 1-408-298-9446



Lawrence E. Stone, Assessor

MEDIA RELEASE

For Immediate Release
May 11, 1998

Contact: David Ginsborg
408/299-2100

Supervisor Simitian backs County Assessor Larry Stone's proposal.

PROPERTY TAX RELIEF FOR SMALL BUSINESS APPROVED

On April 28, the Santa Clara County Board of Supervisors unanimously approved County Assessor Larry Stone's tax relief and Government efficiency proposal. The new ordinance eliminates business property taxes for small business by exempting from the property tax rolls all business personal property with an assessed value of \$5,000 or less.

The ordinance, known as the "Minimum Assessment Ordinance," is aimed both at providing tax relief to small businesses and at saving the County the disproportionate cost of assessing and collecting insignificant amounts of property tax revenue. The ordinance was passed on April 28, 1998, and will apply to next years tax bill.

"This makes common sense and is a perfect example of how we are doing things differently," said County Assessor Larry Stone. "Shortly after I was elected in 1994, I realized that the County was spending more to Assess and collect taxes than we were generating in taxes to the County and local municipalities. This doesn't make any sense, either from the perspective of governmental efficiency or in terms of fairness to taxpayers. It reminds me of the days when the IRS would send a bill to collect ten cents in taxes. It's dumb, and I'm glad that we have ended this inefficient practice."

"This is a win-win solution for small business owners and for Santa Clara County. In one vote, the Board lowered taxes, saved taxpayers money, and enabled the County to work smarter and more efficiently," commented County Supervisor Joe Simitian.

Taxable personal property consists primarily of business equipment, computers, fixtures and small boats. It does not include real property, such as land or buildings. Approximately 14,000 small businesses in Santa Clara County report total personal property assets of less than \$5,000 and will be eliminated from the tax rolls. Approximately 88,000 businesses file business property statements with the Assessor annually from all companies doing business in Santa Clara County.

"I campaigned to make the Assessor's Office more productive and cost effective," said Stone. "This ordinance is an obvious and simple step which will help achieve this goal."

###