

Ad Valorem Tax Rates

What is a Tax Rate Area (TRA)?

Definition and General Description

- A Tax Rate Area (TRA) is a geographical area comprised of a unique combination of taxing jurisdictions.
- El Dorado County currently has over 400 active TRAs.
- TRAs may be effective for certain tax years and not others. Each tax year is unique and individual.

Format

- All TRAs have a numerical format of XXX-XXX. The first 3 digits (primary) typically represent the elementary/unified school district OR the incorporated city to which the property taxes are allocated. The last 3 digits (secondary) are essentially arbitrary and, with exceptions, typically relate to the chronological order in which the TRA was created.
- The Primary TRAs have the following meaning:
 - 000 State Board of Equalization's Unitary/Utility Rolls.
 - 001 City of Placerville incorporated area (three elementary school districts have boundaries within the city limits: Placerville Union School District (K-8), Mother Lode Union School District (K-8), or Gold Trail Union School District (K-8)).
 - 002 City of South Lake Tahoe incorporated area (all within Lake Tahoe Unified School District (K-12)).
 - 054 Buckeye Union School District (K-8).
 - 055 Camino Union School District (K-8).
 - 059 Pollock Pines School District (K-8).
 - 069 Tahoe/Truckee Unified School District (K-12).
 - 072 Gold Trail Union School District (K-8). Also see TRA primary 001.
 - 073 Indian Diggins School District (K-8).
 - 075 Lake Tahoe Unified School District (K-12). Also see TRA primary 002.
 - 076 Latrobe School District (K-8).
 - 078 Mother Lode Union School District (K-8). Also see TRA primary 001.
 - 083 Black Oak Mine Unified School District (K-12).
 - 085 Gold Oak Union School District (K-8).
 - 090 Placerville Union School District (K-8). Also see TRA primary 001.
 - 093 Pioneer Union School District (K-8).
 - 095 Silver Fork School District (K-8).
 - 100 Rescue Union School District (K-8).

How/Why Do TRAs Get Added/Subtracted/Changed

- Generally, a new TRA is created when there is no existing TRA available with the same unique combination of taxing jurisdictions.
- New TRAs may be needed when these typical events occur:
 - Annexation of territory by a taxing jurisdiction that is formed via the Local Agency Formation Commission (LAFCO). These annexations must be filed with the State Board of Equalization (BOE). An example would include El Dorado Irrigation District annexing territory.
 - When a taxing jurisdiction that currently services the property creates or modifies a "Zone of Benefit" and files that activity with the BOE. The BOE filing is optional for the district. An example would include El Dorado County Fire Protection District's separation of 100% of their boundaries into 8 different geographical zones.
 - Creation or annexation of territory by a local public entity that is not formed via LAFCO. The BOE filing is optional for the district. An example would include the filing of the South Lake Tahoe Recreation Community Facilities District #2000-01.
- Due to annexations and detachments, properties may move from one TRA to another from year to year. The TRA to which the property is moved may be a new TRA or an existing TRA. Each tax year should be considered to be unique.

- El Dorado County currently has over 400 active TRAs. At one time El Dorado County had over 800 TRAs, but through a process called “TRA Consolidation” (codified in R&T§95(g)), the number of TRAs was significantly reduced.

Administration

- State Board of Equalization (BOE):
 - Based upon filings, the BOE maintains a statewide Tax Rate Area Code Chart that lists all TRAs and their corresponding districts for each county in numerical order and the special revenue districts associated with each TRA (formerly known as the Blue Line prior to the early 1990s).
 - The geographical areas do not need to be contiguous within the TRA. However, the entire TRA must be located within El Dorado County. Similarly, all counties within the State of California, in conjunction with the BOE, will have their own unique numbering system.
 - The BOE transmits any changes to the County Assessor and the County Auditor.
- Assessor:
 - The Assessor applies the TRA changes to the corresponding Assessor’s Parcel Number (APN) beginning with the effective tax roll year.
 - Some TRAs will have no assessed value because the property is either non-taxable or fully exempt from ad-valorem property taxes.
 - Certain properties may have more than 1 TRA (called an administrative parcel). This occurs when a taxing jurisdiction’s or Zone of Benefit’s boundary line intersects the boundaries of the property. In this situation, the Assessor will typically assign 2 APNs.
- Auditor:
 - The Auditor administers the distribution of property tax revenues related to the TRA changes.
 - The Auditor uses the TRA to determine what tax rate to apply to the properties when calculating tax bills.
 - The Auditor uses the TRAs to report to the taxing jurisdictions their Assessed Valuation totals on the equalized roll each year.

Application/Uses

- TRAs are used in the AB-8 process to determine how much new revenue each district receives.
- TRAs are used to determine the Assessed Valuation totals per taxing jurisdictions for each year.
- TRAs are used in the calculation/extension of tax bills to determine what tax rate to apply (which general obligation bond debt service is applicable).
- TRAs are used by various taxing jurisdictions as part of the process to administer their non-ad valorem Direct Charges.
- TRAs were established for the sole purpose of calculating and allocating ad valorem property taxes. However, their current usage often extends beyond the initial purposes. At times, these additional new uses are not in keeping with the original purpose of TRAs resulting in occasional incompatible results.