



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Treasurer-Tax Collector



DATE: May 21, 2012
BOARD MEETING DATE: June 5, 2012
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: Sandie Arnott, Treasurer - Tax Collector
SUBJECT: Designation of Additional Location for the Collection of Taxes

RECOMMENDATION:

Adopt a Resolution authorizing P.O. Box 45878, San Francisco, California 94145-0878 as an additional location for collection of tax payments mailed to the County.

BACKGROUND:

Revenue and Taxation Code Section 2613 authorizes the Board of Supervisors to order that taxes may be collected in any other or additional location in addition to a location within the County, regardless of whether that other or additional location is within the County. Before Section 2613 became effective in January 2008, taxes could only be collected within the County.

DISCUSSION:

Utilizing Union Bank's "Lockbox" service available through the Treasurer-Tax Collector's existing contract with Union Bank to process property tax payments will result in faster and more efficient processing of tax payments and will provide the Treasurer-Tax Collector with cost savings, reduced collection float, quicker access to funds and additional interest income. In light of these factors, the Treasurer-Tax Collector recommends that your Board designate P.O. Box 45878, San Francisco, CA 94145-0878 as an additional location for collection of tax payments mailed to the County in order to realize the benefits of using Union Bank's Lockbox service.

The mailing address for the County's Union Bank Lockbox will be P.O. Box 45878, San Francisco, CA 94145-0878, which will be pre-printed on the remittance coupons. After receipt at the post office box, the payments will be processed at the Union Bank Lockbox's facility located at 460 Hegenberger Rd., Oakland, CA. The Lockbox process has been set up and successfully tested. Tax bills will be printed with the Lockbox address beginning with the 2012-13 tax year. Included with these tax bills will be campaign literature about the new remittance address to assure taxpayers that their payment is being mailed to an authorized collection location.

County Counsel has reviewed and approved the Memo and Resolution as to form.

Approval of this Resolution contributes to the Shared Vision of a Collaborative Community by ensuring that tax payments are applied to parcels and posted to the Tax System immediately upon receipt, drastically reducing the current payment processing time and providing for faster and more efficient service to the taxpayer.

Performance Measure(s):

Measure	FY 2010-11 Actual	FY 11-12 Projected
Collection Rate Secured/Unsecured	98% / 99%	96% / 97%

FISCAL IMPACT:

No fiscal impact. The costs for processing mail-in payments at Union Bank Lockbox will be less than the current costs to the Treasurer-Tax Collector's office. Additionally, the County will have the benefit of faster access to funds and more efficient use of office staff.