

Michelle Scott
CITY ATTORNEY

INTRODUCED BY COUNCIL MEMBER _____

OFFICE OF THE CITY CLERK
2003 NOV 25 PM 5:22

ORDINANCE NO. _____ C.M.S.

(WITH ATTACHMENT A)

AN ORDINANCE AMENDING ORDINANCE NUMBER 9336 C.M.S. (MASTER FEE SCHEDULE), AS AMENDED, TO INCREASE THE FEE COLLECTED ON DELINQUENT ACCOUNTS; TO INCREASE THE FEE IMPOSED FOR THE DELIVERY OF INFORMATION RELATING TO BUSINESS TAX CERTIFICATES; TO ADD A FEE FOR THE ADMINISTRATION OF PROMISSORY NOTES; TO ADD A FEE FOR THE RECORDATION OF A RELEASE OF LIEN; AND TO INCLUDE IN THE MASTER FEE SCHEDULE THE FEES IMPOSED FOR ADMINISTRATIVE SERVICE CHARGES RELATING TO BUSINESS TAX LIENS AND REAL ESTATE TRANSFER TAX LIENS AND CODIFY THE BUSINESS TAX CERTIFICATE REPLACEMENT FEE IN THE MASTER FEE SCHEDULE

WHEREAS, the City of Oakland (the "City") periodically updates its Master Fee Schedule to account for general cost of living increases and program changes or other costs; and

WHEREAS, the City currently levies a collection fee on delinquent accounts in the amount of \$100 or 10% of the amount due, whichever is less; and

WHEREAS, the amount imposed by the City is insufficient to support the costs incurred by the City for the actual collection process; and

WHEREAS, the City proposes to increase the fee imposed on the collection of delinquent accounts to the amount of \$100 or 10% of the amount due, whichever is greater, in order to enable the City to recover its costs; and

WHEREAS, the City is frequently requested to provide public information relating to business tax accounts in formats which differ from the formats the City uses to maintain such public information; and

WHEREAS, City staff spend a great deal of time writing and running computer programs in order to respond to such requests; and

WHEREAS, the City currently levies a fee in the amount of \$10.70 to subsidize the costs to the City of staff time incurred in responding to such requests; and

WHEREAS, the amount charged by the City is insufficient to support the costs incurred by the City; and

WHEREAS, the City proposes to increase the fee imposed on the delivery of information in formats which differ from the formats the City uses to maintain such public information to enable the City to recover its costs; and

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WHEREAS, the City does not impose a separate fee for the administration of promissory notes; and

WHEREAS, there has been a steady increase in the number of promissory notes administered by the City, and the costs of administering the promissory notes has risen accordingly; and

WHEREAS, the City proposes imposing a new “Administrative Fee for Promissory Notes” to enable the City to offset the cost of administration of such activity; and

WHEREAS, the City does not currently impose a fee for the recordation of a release of lien; and

WHEREAS, the County of Alameda currently charges \$11.00 to record a release of lien; and

WHEREAS, in order to expedite the recordation of a release of lien; the City proposes imposing a new fee in an amount equal to the amount charged by the Alameda County Recorder’s Office to cover the costs of recordation charged by the County of Alameda; and

WHEREAS, pursuant to Sections 4.020.070 and 5.04.260 of the Oakland Municipal Code, the City is authorized to impose a \$50.00 administrative service charge for the collection of delinquent Business Taxes and Real Estate Transfer Taxes by special tax roll assessment; and

WHEREAS, pursuant to Section 5.04.180 of the Oakland Municipal Code, the City is authorized to impose a \$25.00 administrative service charge for the issuance of a duplicate business tax certificate to replace a certificate that has been lost or destroyed; and

WHEREAS, the administrative service charges for the collection of such delinquent taxes and for the issuance of a duplicate business tax certificate are currently not included in the Master Fee Schedule; and

WHEREAS, in order to ensure that the public has knowledge of all City imposed fees, the City proposes including the administrative service charges for the collection of delinquent taxes and the issuance of a duplicate business tax certificate in the Master Fee Schedule; and

WHEREAS, the proposed changes to the Master Fee Schedule will enable the City to recover a greater portion of its costs in the future; and

WHEREAS, the City Council finds and determines that the herein-referenced modifications and additions are reasonable and necessary;

NOW THEREFORE, the Council of the City of Oakland does hereby ordain as follow:

Section 1. The Master Fee Schedule as set forth in Ordinance Number 9336 C.M.S., as amended, is hereby amended to:

- (a) increase the fee imposed on the collection of delinquent accounts to the amount of \$100 or 10% of the amount due, whichever is greater; and
- (b) increase the fee imposed on the delivery of information in formats which differ from the formats the City uses to maintain such public information, to staff's hourly rate, plus the cost of material; and
- (c) impose an "Administrative Fee for Promissory Notes" to enable the City to offset the cost of administration of such activity; and
- (d) impose a fee in an amount equal to the amount charged by the Alameda County Recorder's Office to cover the costs of recordation of release of liens;
- (e) include the administrative service charges for the collection delinquent Business Taxes and Real Estate Transfer Taxes by special tax roll assessment; and
- (f) include the administrative service charge for the issuance of a duplicate business tax certificate.

as set forth in Attachment A, attached hereto and made a part hereof.

Section 2. This ordinance shall be effective upon approval by the Council of the City of Oakland.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2003

PASSED BY THE FOLLOWING VOTE:

AYES – BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

Introduction Date: DEC 16 2003

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**ATTACHMENT A
AMENDMENT TO MASTER FEE SCHEDULE**

COLLECTION FEE ON DELINQUENT ACCOUNTS	Greater of: 10.0% of amount due or \$100.00
INFORMATION RELATING TO BUSINESS TAX CERTIFICATES	Per report charge of: \$75 per hour, or fraction thereof, plus cost of material
ADMINISTRATIVE SERVICE CHARGE AS ALLOWED BY OAKLAND MUNICIPAL CODE SECTION 4.20.070	\$50.00 per Lien
ADMINISTRATIVE SERVICE CHARGE AS ALLOWED BY OAKLAND MUNICIPAL CODE SECTION 5.04.180	\$25.00 per duplicate certificate
ADMINISTRATIVE SERVICE CHARGE AS ALLOWED BY OAKLAND MUNICIPAL CODE SECTION 5.04.260	\$50.00 per Lien
ADMINISTRATIVE FEE FOR PROMISSORY NOTES	\$100.00 per Note

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JAN 6 2004

Michelle Sexton

OFFICE OF THE CITY CLERK
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NOTICE AND DIGEST

AN ORDINANCE AMENDING ORDINANCE NO. 9336 C.M.S. (MASTER FEE SCHEDULE) AS AMENDED TO INCREASE THE FEES IMPOSED ON THE COLLECTION OF DELINQUENT BUSINESS TAX ACCOUNTS AND THE DELIVERY OF INFORMATION RELATING TO BUSINESS TAX CERTIFICATES; TO IMPOSE FEES TO COVER THE COSTS OF RECORDATION OF RELEASE OF LIENS AND THE ADMINISTRATION OF PROMISSORY NOTES; AND TO INCLUDE THE ADMINISTRATIVE SERVICE CHARGES FOR THE COLLECTION DELINQUENT BUSINESS TAXES AND REAL ESTATE TRANSFER TAXES.

This is an ordinance amending Ordinance No. 9336 C.M.S. (Master Fee Schedule), as amended, to

1. increase the fees imposed on the collection of delinquent business tax accounts; and
2. increase the fee imposed on the delivery of information in formats which differ from the formats the City uses to maintain such public information; and
3. impose a fee to cover the costs of recordation of release of liens; and
4. impose a fee to cover the costs of administering promissory notes; and
5. include administrative service charges for the collection delinquent business taxes and real estate transfer taxes.

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Michelle S. ...
CITY ATTORNEY

OFFICE OF THE CITY CLERK
2003 NOV 25 PM 5:22

ORDINANCE NO. _____ C.M.S.

AN ORDINANCE AMENDING CHAPTERS 4.20 AND 5.04 OF THE OAKLAND MUNICIPAL CODE TO REMOVE THE AMOUNT OF THE ADMINISTRATIVE SERVICE CHARGES IMPOSED FOR REAL ESTATE TRANSFER TAX LIENS, BUSINESS TAX LIENS AND FOR THE ISSUANCE OF DUPLICATE BUSINESS TAX CERTIFICATES

WHEREAS, pursuant to Section 4.20.070 of the Oakland Municipal Code, the City of Oakland imposes an administrative charge of fifty dollars (\$50.00) on each property approved for a tax lien by the City Council for failure to pay real estate transfer taxes; and

WHEREAS, pursuant to Section 5.04.260 of the Oakland Municipal Code, the City of Oakland imposes an administrative charge of fifty dollars (\$50.00) on each property approved for a tax lien by the City Council for failure to pay business taxes; and

WHEREAS, pursuant to Section 5.04.180 of the Oakland Municipal Code, the City of Oakland imposes an administrative charge of twenty-five dollars (\$25.00) for the issuance of a duplicate business tax certificate issued to replace any that has been lost or destroyed; and

WHEREAS, Ordinance No. 9336 C.M.S., as amended, sets forth the Master Fee Schedule for all fees and charges imposed by the City of Oakland; and

WHEREAS, this Council has approved adding the administrative service charges for imposition of Real Estate Transfer Tax liens, Business Tax liens and the issuance of duplicate business tax certificates to the Master Fee Schedule; and

WHEREAS, the City desires to amend Sections 4.20.070, 5.04.180 and 5.04.260 of the Oakland Municipal Code to remove references to the amounts charged for Real Estate Transfer Tax liens, Business Tax liens and the issuance of duplicate business tax certificates;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF OAKLAND DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council finds and determines the forgoing recitals to be true and correct and hereby adopts and incorporates them into this Ordinance.

SECTION 2. The Municipal Code is hereby amended to add, delete, or modify sections as set forth below (section numbers and titles are indicated in **bold type**; additions are indicated by underscoring and deletions are indicated by ~~strike-through type~~;

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portions of the regulations not cited or not shown in underscoring or strike-through type are not changed.

SECTION 3. Section 4.20.070 of the Municipal Code is hereby amended in its entirety to read as follows:

4.20.70 Due dates, delinquencies, penalties, interest, administrative charges and lien release recordation fees.

The tax imposed under this chapter is due and payable at the time the deed instrument or writing effecting a transfer subject to the tax is delivered, and is delinquent if unpaid at the time of recordation thereof. In cases where a transfer is effected but not recorded with the County Recorder within ninety (90) days of acceptance, all statutes of limitations regarding liability for this tax will be tolled until the city has actual knowledge of the transfer or recordation, at which time the tax on the unrecorded transfer will relate back to the actual transfer date of such unrecorded transfer. Accordingly penalties and interest will accrue back to such date of actual unrecorded transfer and will be the joint and several liability of both the former transferor and current recording transferring party. In the event that the tax is not paid prior to becoming delinquent, a delinquency penalty of ten percent of the amount of the tax due shall accrue. In the event a portion of the tax is unpaid prior to becoming delinquent, the penalty shall only accrue as to the portion remaining unpaid. An additional penalty of fifteen (15) percent shall accrue if the tax remains unpaid on the ninetieth day following the date of the original delinquency. Interest shall accrue at the rate of one percent a month or fraction thereof, on the amount of tax, inclusive of penalties, from the date the tax becomes delinquent to the date of payment. Interest and penalty shall become part of the tax. An administrative charge of ~~fifty dollars (\$50.00) on each property~~ and a release of lien filing fee in an amount equal to the amount charged by the Alameda County Recorder's Office as set forth in the Master Fee Schedule of the City shall be added to the amount owed for each property approved for a tax lien by the City Council.

SECTION 4. Section 5.04.180 of the Municipal Code is hereby amended in its entirety to read as follows:

5.04.180 Lost Certificate.

The Business Tax Division shall issue a duplicate business tax certificate to replace any certificate issued under the business tax provisions of this chapter which has been lost or destroyed at no cost to the taxpayer for the first duplicate certificate. An administrative charge, as set forth in the Master Fee Schedule of the City, shall be imposed for each replacement certificate issued thereafter. ~~Each replacement certificate issued thereafter will be issued at a cost of twenty five dollars (\$25.00.)~~

SECTION 5. Section 5.04.260 of the Municipal Code is hereby amended in its entirety to read as follows:

5.04.260 Collection of delinquent taxes by special tax roll assessment.

With the confirmation of the report by the City Council, the delinquent business tax charges contained therein which remain unpaid by the owner of the business/business property shall constitute a special assessment against said business property and shall be collected at such time as is established by the County Assessor for inclusion in the next property tax assessment.

The Director of Finance shall turn over to the County Assessor for inclusion in the next property tax assessment the total sum of unpaid delinquent business tax charges consisting of the delinquent business taxes, penalties, interest at the rate of twelve (12) percent per annum from the date of recordation to the date of lien, an administrative charge of ~~fifty dollars (\$50.00)~~ and a release of lien filing fee in an amount equal to the amount charged by the Alameda County Recorder's Office as set forth in the Master Fee Schedule of the City.

Thereafter, said assessment may be collected at the same time and in the same manner as ordinary municipal taxes are collected, and shall be subject to the same penalties and the same procedure of sale as provided for delinquent ordinary municipal taxes. The assessment liens shall be subordinate to liens except for those of state, county and municipal taxes with which it shall be upon parity. The lien shall continue until the assessment and all interest and charges due and payable thereon are paid. All laws applicable to the levy, collection and enforcement of municipal taxes shall be applicable to said special assessments.

IN COUNCIL, OAKLAND, CALIFORNIA, SEPTEMBER __, 2003

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN AND PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION

Introduction Date:

DEC 1 5 2003

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

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Michelle S...

OFFICE OF THE CITY CLERK
2003 NOV 25 PM 5:22

NOTICE AND DIGEST

AN ORDINANCE AMENDING OAKLAND MUNICIPAL CODE TO REMOVE THE AMOUNT OF THE ADMINISTRATIVE SERVICE CHARGES IMPOSED FOR REAL ESTATE TRANSFER TAX LIENS AND BUSINESS TAX LIENS

This is an ordinance amending Sections 4.20.070 and 5.04.260 of the Oakland Municipal Code to remove references to the amounts charged for Real Estate Transfer Tax liens and Business Tax liens. Such amounts are now set forth in the City of Oakland Master Fee Schedule.

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