

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

103



FROM: Don Kent, Treasurer/Tax Collector

SUBMITTAL DATE:
September 25, 2012

SUBJECT: Proposed amendment to County Ordinance No. 774.1 relating to the recovery of costs incurred by the Office of the Treasurer-Tax Collector in providing credit card payment services, and allowing the use of any major credit and debit cards accepted by our credit card processor.

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Introduce proposed Ordinance No. 774.2 amending Ordinance 774.1, relating to the imposition of convenience fees for credit card payment of property taxes.
- 2) Set the proposed ordinance amendment for public hearing and adoption.

BACKGROUND: The proposed ordinance adjusts and updates convenience fees associated with the collection and processing of credit and debit card property tax payments. Fees for this service were established in 1997, and, in 1998 amended to two percent (2%) or less.

Don Kent, Treasurer-Tax Collector

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	2012-2013

SOURCE OF FUNDS:

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY:

Karen E. Johnson

County Executive Office Signature

3)

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the above ordinance is approved as introduced with waiver of reading and is set for public hearing October 16, 2012 at 9:30 a.m.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: September 25, 2012
xc: Treasurer, COB

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

3.55

Prev. Agn. Ref.: 3.55 - 9/1/1998

District: All

Agenda Number:

FORM APPROVED COUNTY COUNSEL

BY: DATE: 9/17/12
DALE A. GARDNER

Departmental Concurrence

Policy ☒

Consent ☐

☐

Policy ☒

Consent ☐

☐

Dep't Recomm.:

Per Exec. Ofc.:

BACKGROUND continued:

For the fiscal year 2011-12, the Treasurer-Tax Collector collected \$1,313,036 in fees and paid \$1,424,164 in banking fees associated with the acceptance of credit card payment. The current convenience fee of 2% was insufficient to cover the banking fees and annual discount rate increase imposed by the credit card companies.

Ordinance 774.2 establishes the convenience fee to a maximum of two and a half percent (2.5%) or less of the tax amount, a minimum of \$2.50 for payments \$105.00 and below, and a minimum of \$3.95 per payment for debit cards.

California Revenue and Taxation Code Section 2511.1(d) provides that the County may impose a fee for the use of a credit card sufficient in amount to provide for the recovery of fees or discounts paid by the County and all other costs incurred by the county in providing for payment by credit.

There is no financial impact to the County. All convenience fees are paid by the credit card user, collected by the County, and passed through to the credit card processor. Thus, no fees are retained by the County, and the County as well as other taxpayers are not subsidizing the use of credit and/or debit card. The end user is paying the convenience fee associated with their transaction.

MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



3.55

(1)

On motion of Supervisor Tavaglione, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the recommendation from Treasurer-Tax Collector regarding the Introduction of Ordinance No. 774.1, an Ordinance of the County of Riverside amending Ordinance 774 Relating to the Recovery of Costs Incurred by the Office of the Treasurer-Tax Collector in Providing Credit Card Payment Services, and Allowing the use of any Major Credit and Debit Cards Accepted by our Credit Card Processor is approved as recommended.

(2)

On Motion of Supervisor Tavaglione, seconded by Supervisor Buster and duly carried by unanimous vote, IT WAS ORDERED that the above matter be reconsidered.

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on September 25, 2012 of Supervisors Minutes.

(seal)

WITNESS my hand and the seal of the Board of Supervisors
Dated: September 25, 2012
Kecia Harper-Ihem, Clerk of the Board of Supervisors, in
and for the County of Riverside, State of California.

By: [Signature]

Deputy

AGENDA NO.
3.55

xc: Treasurer, COB

