Indicative of future expectations, the charter contains detailed provisions covering a possible future consolidation of San Francisco and San Mateo Counties. These provisions are for a borough system of government which would allow San Mateo County municipalities to retain a certain degree of local autonomy.

The fiscal year of the city and county extends from July the 1st to June the 30th. Taxes are levied each year on or before September 15th on the assessed value of property as of the first Monday of March preceding. With the exception of taxes for certain specified purposes required by the charter or authorized by a vote of the people, the general tax rate is limited to 1.85 per hundred assessed valuation of taxable property. Taxes for interest and redemption requirements of bonded debt are not limited.

Taxes may be paid in two instalments. The first instalment becomes delinquent on December the 6th, and the second instalment on April 20th of each year. Ordinarily, an 8% penalty is added to taxes delinquent on the first instalment, and an additional penalty of 3% is added to all taxes delinquent after April 20th. A charge of fifty cents per parcel is placed on all taxes delinquent after the latter date. Interest at 1% per month is charged on the original amount of the tax after July 1st for a period of five years, after which the property, if not redeemed, is sold.

Emergency state legislation, designed as a relief to tax payers, temporarily permits the payment of such delinquent taxes without penalty in ten annual instalments, subject to a prompt payment of current taxes. This emergency legislation has recently been extended for a term of two years.

Recent changes in the Revenue Provisions of the State Constitution affect the taxing power of San Francisco and other municipalities. One measure returned utility operated property to local assessment rolls, thereby increasing the tax base and thus reducing the tax rate on real property. Utilities were previously taxed only by the State on the basis of gross receipts and formed one of its chief sources of revenue.

Another measure has shifted to the State that portion of school cost which was formerly borne by the counties and been financed through ad valorem taxes.

Through another measure, a temporary, indirect limitation was placed on