rates to the assessed values will not produce the amount of the levies.

The foregoing tabulation reflects a highly favorable record of tax collections, and the ratio of delinquency over the period covered is believed to be the lowest of any of the larger cities in the country. The total unpaid delinquent taxes at the close of the fiscal year 1935-36 is shown to be $2,061,831, or only 6.66% of the 1936-37 levy. It should be stated, however, that this figure does not include $395,100 of accrued penalties but does include, erroneously it would seem, $112,700 of installment collections and $728,000 in taxes which are unsecured and considered uncollectable. After giving effect to these adjustments, the delinquent taxes as of June 30, 1936 would be $1,686,300, which amount would include accrued penalties.

No allowance is made in the annual tax levy to offset tax delinquencies. However, the rapid reduction of these minimize the need for this precaution. The effective budgetary control, which has been mentioned, also obviates the necessity for such an allowance, as it enables the city to balance its budget on a cash basis despite reduced revenue returns.

3. Effective Tax Rate.

As there are no overlapping tax rates in San Francisco, the ratio of the amount of taxes collected upon a given piece of real property to the estimated actual value of that property would be the "effective tax rate". In an effort to arrive at a fair, "effective tax rate", based upon something more stable than a mere estimated value, descriptions of ten pieces of scattered real estate owned by the Home Owners' Loan Corporation in San Francisco were taken from the files of the Property Management Department. The tabulation following is based upon these properties. The appraisals used are recent ones made by the Appraisal Department at the time of acquisition. The assessed value and taxes paid are for the year 1935-36, and the amounts used were taken from the actual tax receipts, adjusted to eliminate payments on personal properties and penalties. The equalized rate shown as "basis of assessment" on the foregoing tax tabulation table is 52%. The actual rate, however, is 52.34%. The tax rate shown as 3.68% is actually 3.681917, and these actual figures were used in the following tabulation: