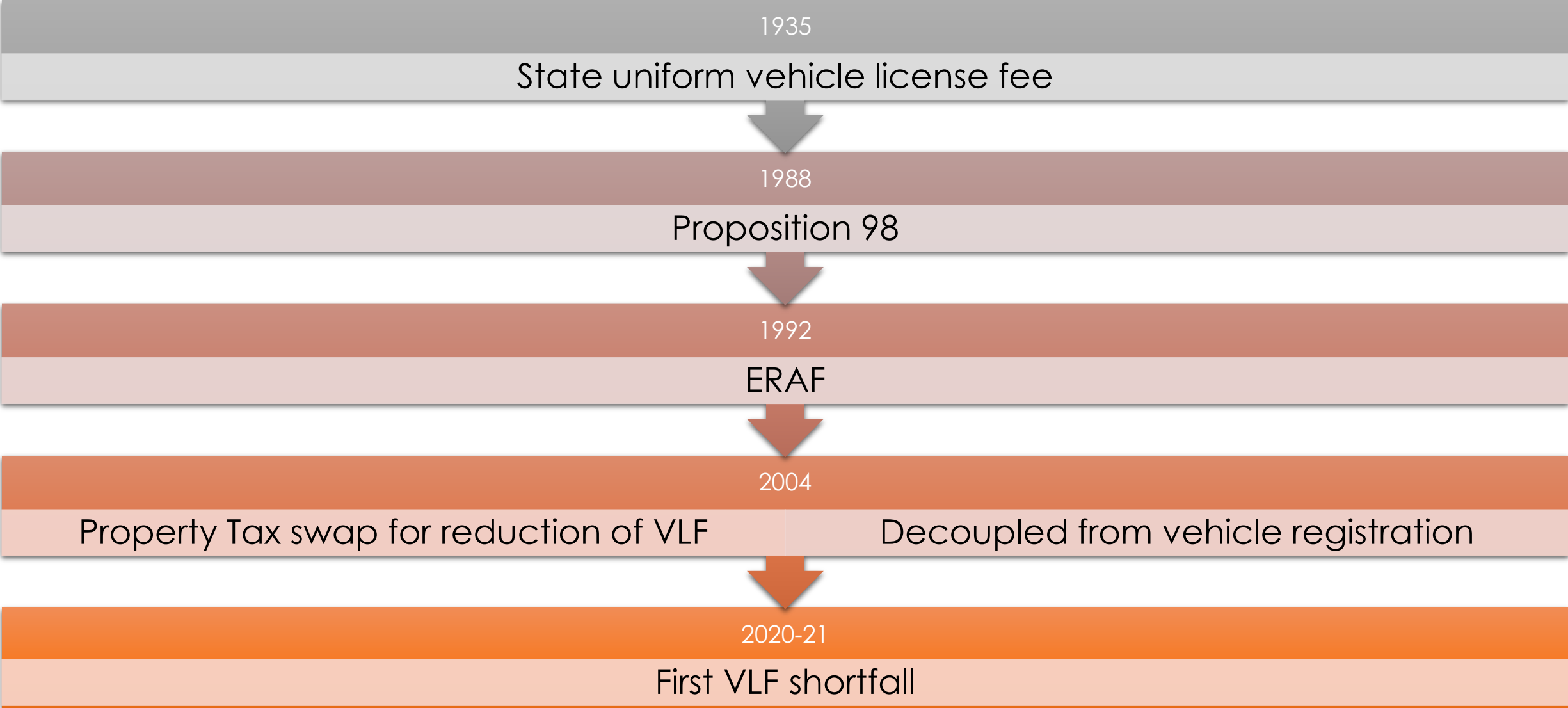




Property Tax in-lieu of Vehicle License Fees

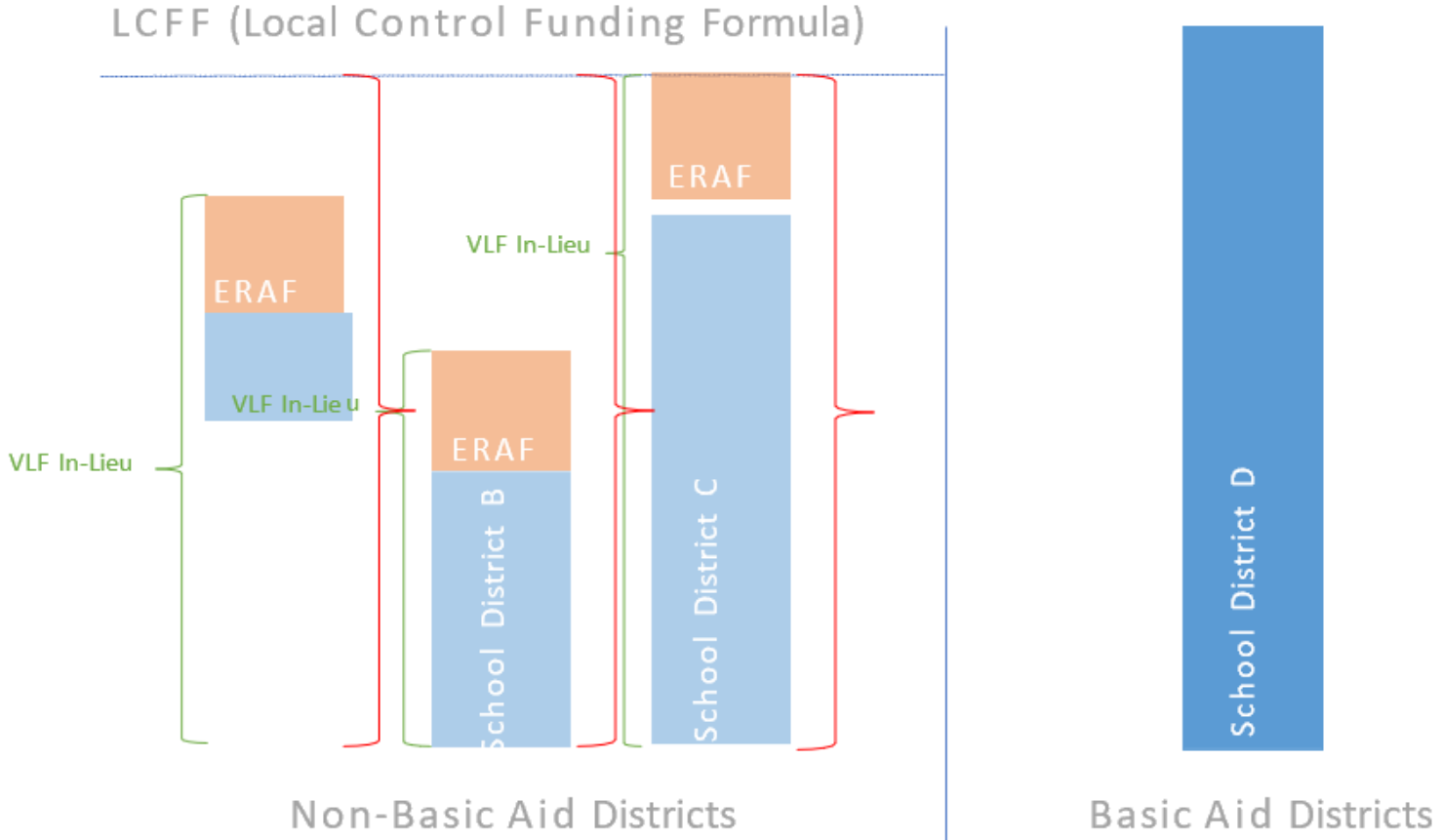
May 13, 2026

Property Tax in-lieu of Vehicle License Fees (VLF)



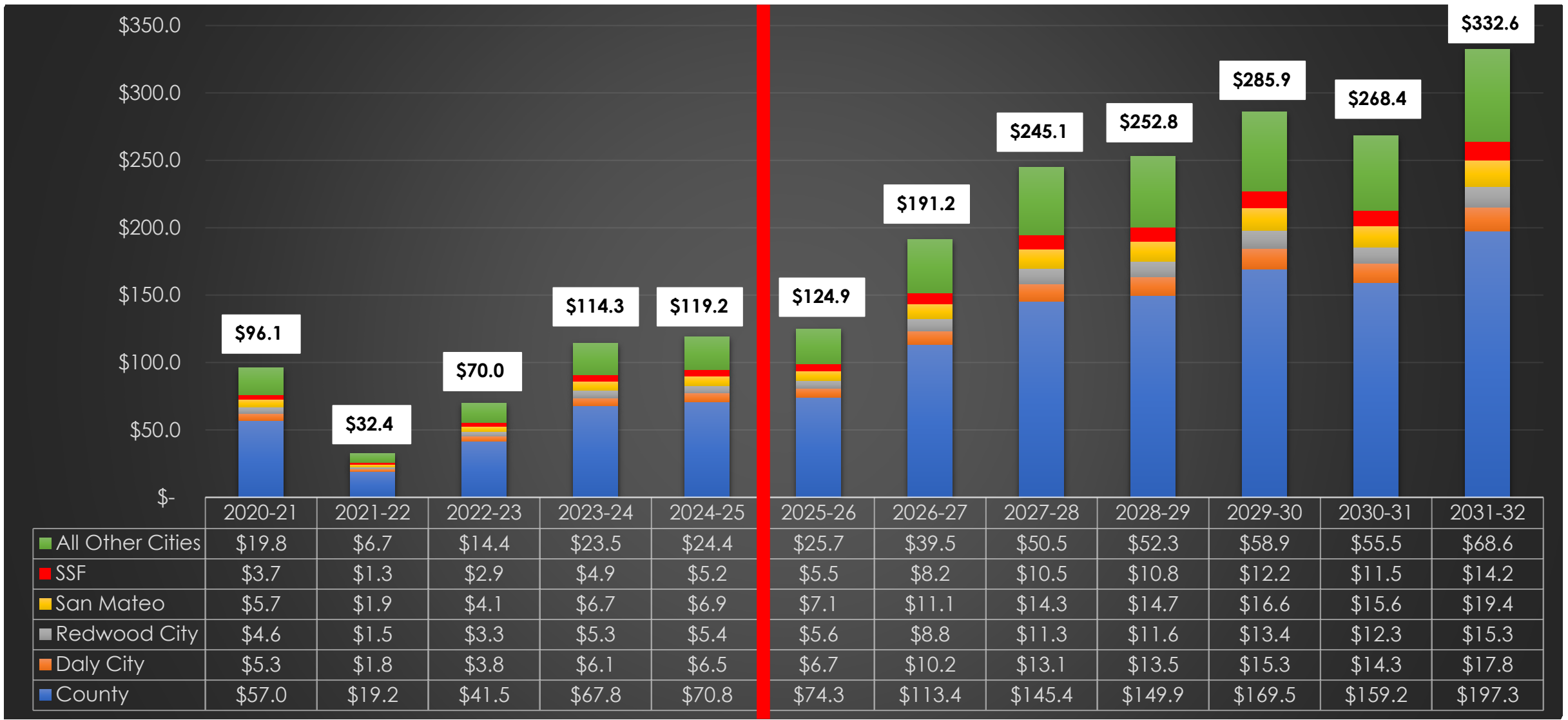
Property Tax in-lieu of Vehicle License Fees (VLF)

In-Lieu VLF Funding Sources



- **FY 2023-24 was the first year that the State did not appropriate the full VLF shortfall (in their FY 2025-26 budget). San Mateo County only received 2/3rds of the \$114M that was owed.**
- **The County filed a lawsuit against the State for the remaining 1/3rd (\$38M).**

VLF Shortfall | Historical & Forecast (in millions)



Property Tax in-lieu of VLF Impact | \$14M



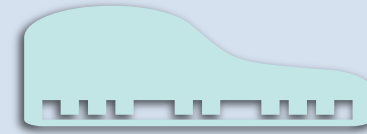
Close Fire Station



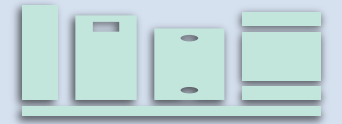
COT + SLO Programs



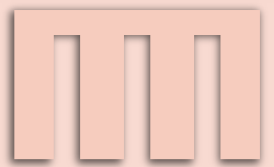
Increase Preschool Fees



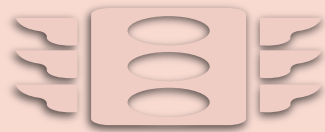
Concert in the Park



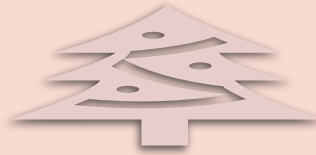
Library hours



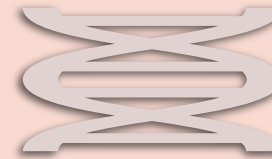
Illegal dumping



Traffic light maintenance



Holiday decorations



Bio Conference



Vacant positions

THANK YOU



Property Tax in-lieu of Vehicle License Fees
City of South San Francisco