



Monterey County

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Board Report

Legistar File Number: 14-1332

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Current Status: Agenda Ready

Matter Type: General Agenda Item

- a. Approve the distribution of excess proceeds resulting from the sale of real property at the Tax Collector's public internet auction regarding unresolved claims on nine identified properties.
- b. Approve the interpleader of excess proceeds resulting from the sale of real property at the Tax Collector's public internet auction regarding unresolved disputed claims on one identified property

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve the distribution of excess proceeds resulting from the sale of real property at the Tax Collector's public internet auction regarding unresolved claims on nine identified properties.
- b. Approve the interpleader of excess proceeds resulting from the sale of real property at the Tax Collector's public internet auction regarding unresolved disputed claims on one identified property.

SUMMARY/DISCUSSION:

Board of Supervisor approval is required to authorize the refund of excess proceeds generated from real property tax sales in accordance with Section 4675 of the California Revenue and Taxation Code.

On April 30, 2013, the Tax Collector sold ten parcels of property at an Internet public auction sale to the highest bidders. On June 4, 2013, the Tax Collector sold one parcel of property at an internet public auction to the highest bidder. As a result of the competitive bidding process, some of the final sale amounts exceeded the taxes, penalties, and fees that were owed on these properties. The remaining amount is known as "excess proceeds," and has been held in a suspense account for at least the minimum 1 year period, as provided and required by law.

During this one year period, claims may be filed against the excess proceeds by any party who had an interest in the property at the time of the sale. The Tax Collector received claims against ten parcels for excess proceeds. Both the Tax Collector and County Counsel have reviewed and verified the validity and distribution priority of each claim, and hereby request authorization by Board Order to distribute these excess proceeds as described, and in the priority set forth in the attachment.

With respect to parcel 013-152-006-000: Multiple claims were filed and appear to be adverse and conflicting. The County is without knowledge of the respective rights of the claimants, and is unable to determine the validity and/or priority of these claims. Therefore, the Tax Collector is recommending these funds be interpled and deposited with the Superior Court of California.

Total distribution of excess proceeds for all parcels to all claimants is \$887,689.69, including

the funds to be interpled.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the claims and approves the recommended action. The Tax collector will request warrants from the Auditor-Controller in favor of the claimants from the funds currently held in the Delinquent Tax Sale Trust Fund 001-1170-TRE001-2215.

FINANCING:

There will be no financial impact on the General Fund.

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Approved by: Mary A. Zeeb, Treasurer-Tax Collector, X5015

Attachment: Excess Proceeds Distribution