



Legislation Details (With Board Report)

**File #:** RES 14-011      **Name:** Treasurer Tax Collector Tax Sale  
**Type:** BoS Resolution      **Status:** Passed  
**File created:** 1/27/2014      **In control:** Treasurer-Tax Collector  
**On agenda:** 2/4/2014      **Final action:** 2/4/2014

**Title:** Adopt a Resolution to:  
a. Authorize the Treasurer-Tax Collector to sell 71 specified tax defaulted properties as set forth in the attached Exhibit A at public Auction via the Internet in Accordance with Revenue and Taxation Code section 3691 et. Seq. for at least the Minimum Bid.  
b. Authorize the Treasurer-Tax Collector to re-offer any unsold properties at a reduced minimum bid at the conclusion of the sale or within a 90-day period.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Exhibit A - Monterey County Auction Listing, 2. Resolution Tax Default, 3. Completed Board Order

Date	Ver.	Action By	Action	Result
2/4/2014	1	Board of Supervisors	adopted	Pass

Adopt a Resolution to:  
a. Authorize the Treasurer-Tax Collector to sell 71 specified tax defaulted properties as set forth in the attached Exhibit A at public Auction via the Internet in Accordance with Revenue and Taxation Code section 3691 et. Seq. for at least the Minimum Bid.  
b. Authorize the Treasurer-Tax Collector to re-offer any unsold properties at a reduced minimum bid at the conclusion of the sale or within a 90-day period.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors, by Resolution:  
a. Authorize the Treasurer-Tax Collector to Sell 71 Specified Tax Defaulted Properties as set forth in the attached Exhibit A at Public Auction via the Internet in Accordance with Revenue and Taxation Code section 3691 et. Seq. for at least the Minimum bid.  
b. Authorize the Treasurer-Tax Collector to Re-offer any Unsold Properties at a Reduced Minimum Bid at the Conclusion of the Sale or within a 90-day period.

**SUMMARY:**

In accordance with Section 3694 and 3698 of the California Revenue and Taxation Code, the Tax Collector is required to provide notice to and get approval from the Board of Supervisors to sell certain specified tax-defaulted properties, as more specifically set forth in Exhibit A, at public auction sale for not less than the established minimum price or bid specified on each assessment. The requested action permits the Tax Collector to proceed with this action, comply with State requirements for such sales, and provide the opportunity for the County to recover legitimate delinquent tax revenue.

**DISCUSSION:**

The collection of delinquent property taxes requires the Tax Collector to offer for sale property upon which taxes remain unpaid. (California Revenue and Taxation Code Section 3692).

The Tax Collector, after receiving authorization to sell from the Board of Supervisors, must notify the California State Controller, all known lien holders of record, and the current property owner at the last known address, of the date of the impending sale and the minimum amount due to satisfy the property tax obligation.

If not redeemed, by paying all outstanding delinquent taxes, penalties, and costs before 5 p.m. the day before the sale is to begin, the Tax Collector will sell the property to the highest bidder. The monies, which are received from the sale of the properties, are deposited by the Tax Collector with the County Auditor, and a deed to the property is awarded to the successful purchaser. Any excess proceeds, if any, are then distributed to the legitimate excess proceeds claimants according to their priority. Any property not sold (due to the failure to secure a legitimate minimum bid) will be held over for potential future sale.

Pursuant to Sections 3698.5 and 3692(e) of the California Revenue and Taxation Code, the Tax Collector has determined the minimum price at which each of the properties may be offered for sale. Exhibit A identifies each property and reflects the minimum bids necessary to satisfy the individual property delinquent taxes and assessments plus costs, or the minimum bid deemed appropriate given any unique circumstances applicable to the subject property. As indicated above, if any individual property does not sell as part of the first round of the auction, the Tax Collector may statutorily re-offer that property at a reduced minimum bid at the conclusion of the original sale or within a 90-day period. In this case, it is proposed that the auction of the property listed on Exhibit A be conducted through the use of an internet sales program, as that is the method determined by the Tax Collector to result in the greatest probability of return at the sale to the highest bidder. The Tax Collector has successfully utilized that process in the past, at reduced cost and higher return to the County

OTHER AGENCY INVOLVEMENT:

The Auditor-Controller will provide for the apportionment of funds collected from the public auction sale, after the Tax Collector provides for the distribution of monies to various receivable accounts. The Office of the County Counsel has reviewed and concurs with the recommendation as to form and legality.

FINANCING:

The County General fund will benefit from this recommendation. The recommended process permits the recovery of overdue and delinquent property taxes that would otherwise not be recoverable. Typically up to fifty percent of the delinquent properties have the taxes brought up to date prior to the sale, which results in income to the County and other local jurisdictions who share in the real property taxes collected by the County.

Prepared by: Liz M. Kiener, Management Analyst, x5317

Approved by: Mary A. Zeeb, Treasurer-Tax Collector, x5015

Attachments:

Exhibit A - Monterey County Auction Listing  
Resolution Tax Default