



## Legislation Details (With Board Report)

<b>File #:</b>	RES 15-041	<b>Name:</b>	Sale of Tax Defaults
<b>Type:</b>	BoS Resolution	<b>Status:</b>	Passed
<b>File created:</b>	4/6/2015	<b>In control:</b>	Board of Supervisors
<b>On agenda:</b>	4/21/2015	<b>Final action:</b>	4/21/2015

**Title:** Adopt a Resolution to:  
 a. Authorize the Treasurer-Tax Collector to Sell 45 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. or as a sealed bid sale pursuant to Chapter 7, Part 6, Division 1 of the Revenue and Taxation Code 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. Board Report.pdf, 2. Exhibit A Monterey County Auction Listing.pdf, 3. Completed Board Order & Resolution

Date	Ver.	Action By	Action	Result
4/21/2015	1	Board of Supervisors	adopted	Pass

Adopt a Resolution to:  
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 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 45 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. or as a sealed bid sale pursuant to Chapter 7, Part 6, Division 1 of the Revenue and Taxation Code 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 specified tax-defaulted properties, as set forth in Exhibit A, at public auction or sealed bid sale for not less than the established minimum bid specified on each assessment. The requested action permits the Tax Collector to proceed, 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 5:00 p.m. the day before the sale is to begin, the Tax Collector will sell the property to the highest bidder. The monies 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. Excess proceeds, if any, are then distributed to legitimate claimants according to their priority. Any property not sold will be held over for 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 bid necessary to satisfy the individual property delinquent taxes and assessments plus costs, or the minimum bid deemed appropriate given unique circumstances applicable to the subject property. As indicated above, if any individual property does not sell, 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.

The auction of the property listed on the Exhibit A will be conducted through the use of an Internet sales program that has been successfully utilized in the past, with a reduced cost and higher return to the County. The Tax Collector may also conduct a sealed bid sale if deemed appropriate by the unique attributes of the property.

OTHER AGENCY INVOLVEMENT:

The Auditor-Controller will provide for the apportionment of funds collected from the public auction or sealed bid sale after the Tax Collector deposits 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 paid prior to the sale, which results in general fund revenue to the County and other local jurisdictions who share in the tax collection formula.

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

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

Attachments:

Exhibit A - Monterey County Auction Listing

