



**Board of Supervisors
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

ALLEN ISHIDA
District One
PETE VANDER POEL
District Two
PHILLIP A. COX
District Three
J. STEVEN WORTHLEY
District Four
MIKE ENNIS
District Five

AGENDA DATE: July 26, 2016 - REVISED

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
CONTACT PERSON: Julieta Martinez PHONE: 636-5000				

SUBJECT: Approve letter of opposition

REQUEST(S):

That the Board of Supervisors:
Approve sending a letter of opposition for AB 2691 (Holden), Monthly Property Tax Payment Program.

SUMMARY:

Existing law in California specifies that all taxes on personal property and half of the taxes on real property are due and payable each November 1 and provides that these taxes are delinquent if not paid by each December 10. The second half of taxes on real property is due each February 1 and provides that these taxes are delinquent if not paid by each April 10.

Bill language states county board of supervisors would be authorized to implement a Monthly Property Tax Payment Program to authorize qualified taxpayers to pay the property tax owed on the qualified taxpayer's principal place of resident in monthly installments. It would also authorize the ordinance or resolution implementing the program to set forth specific procedures for purposes of determining delinquency and default. The bill would require monthly property tax payments be allocated among the county, cities, special districts, and school entities in proportion to the amount to ad valorem property tax revenue otherwise allocated among these entities.

The Program would allow qualified individuals living on a fixed-income to pay their property tax in monthly installments. The individual would have to be 62 years of age or older or be receiving supplemental security income for a disability, regardless of age. Currently, county tax collectors send only two bills per year, one for each

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installment. They do not have the capacity to send out monthly bills. Administering a monthly payment system would increase printing, mailing, and banking costs. This would require a significant investment of the Board of Supervisors to potentially upgrade tax collection systems to produce those mailings and handle postage. Changes to these systems take time and funding that the Tax Collector may need to request from the County's General Fund.

AB 2691 is vague and needs to clarify important terms for providing direction for county officials to carry out these programs. The State Controller already administers the Property Tax Postponement (PTP) Program for low-income home-owning taxpayers. It allows the State to loan funds to individuals over the age of 62 or disabled persons with less than \$39,000 in income per year to pay their property taxes to the county tax collector. One suggested option is to add resources to PTP because it may be a better way of helping low-income senior taxpayers rather than face administrative difficulties by trying to alter the payment schedule.

For these reason and more, Tulare County would be in opposition of AB 2691 and urges its fellow counties to take an oppose position.

FISCAL IMPACT/FINANCING:

There is no Fiscal Impact associated with the response to this request.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The letter of opposition supports Tulare County's Strategic Initiatives of Organizational Performance – Continuously improve organizational effectiveness and fiscal stability.

ADMINISTRATIVE SIGN-OFF:

Julieta Martinez
Board Representative

Cc: Auditor-Controller
County Counsel
County Administrative Office (2)

Attachment(s) Letter of opposition

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF APPROVE LETTER)
OF OPPOSITION) Resolution No. _____
) Agreement No. _____
)

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: MICHAEL C. SPATA
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

Approved sending a letter of opposition for AB 2691 (Holden), Monthly Property Tax Payment Program.

July 26, 2016

The Honorable Robert M. Hertzberg
Chair, Senate Governance and Finance Committee
State Capitol, Room 408
Sacramento, CA 95814
Fax: 818-901-5562
senator.hertzberg@senate.ca.gov

RE: Assembly Bill 2691 - OPPOSE

Dear Senator Hertzberg:

On behalf of the County of Tulare, we write to respectfully inform you of our opposition to Assembly Bill 2691 (Holden), which would authorize the Board of Supervisors to adopt a program that allows monthly property tax payment from seniors, age 62 and older.

AB 2691 allows qualified tax payers to pay ad valorem property taxes on a monthly basis. It defines "qualified taxpayers as those individuals who are 62 years of age or older, or who receive supplemental security income." The measure does not address direct assessments and voted indebtedness that are also collected on the tax bill nor how a tax collector would treat such payments.

County tax collectors currently send out only two bills per year, one for each installment, and Tulare County is not an exception. The bill authorizes monthly payment installments indicating that the tax collector has the capacity to send out monthly bills, which they do not. Most counties' tax collection systems are old and predicated on the December 10th and April 10th collection dates. Changes to these systems take time and resources that many tax collectors must request from the County General Fund. Administering these monthly payment systems would increase printing, mailing, and banking costs, requiring the Board of Supervisors to make a significant investment in upgrading the current system to produce those mailings and postage. AB 2691 is an obstacle to the Tulare County Tax Collector's continued commitment to our County to keep costs down.

AB 2691 allows counties to enact ordinances or approve resolutions to implement the monthly installment program. It does not address the taxpayers' ability to pay. The measure does not take into account the probability of seniors missing their monthly payments. It does not provide direction on whether or not they would be considered in arrears upon missing their first payment, even it occurs before April 10th.

There are existing options available to assist seniors who wish to remain current on their taxes without requiring counties to create new local, publicly funded programs. The bill is limited on clarifying important terms and direction for county officials to carry out such a program.

For these reasons and others, the County of Tulare has adopted an oppose position to AB 2691. If you should have any questions concerning our position, please don't hesitate to contact our office at (559) 636-5000.

Sincerely,

Michael Ennis, Chairman
Tulare County Board of Supervisors

Allen Ishida, Vice-Chairman
Tulare County Board of Supervisors

Pete Vander Poel, District Two
Tulare County Board of Supervisors

Phillip A. Cox, District Three
Tulare County Board of Supervisors

J. Steven Worthley, District Four
Tulare County Board of Supervisors

cc: Members, Senate Governance and Finance Committee
The Honorable Chris Holden, California State Assembl

