RESOLUTION - ACTION REQUESTED 2014-206

MEETING: May 13, 2014

TO: The Board of Supervisors

FROM: Keith Williams, Treasurer/Tax Collector

RE: Property Tax Postponement Support

RECOMMENDATION AND JUSTIFICATION:
Authorize the Chairman to Sign a Letter in Support of AB 2231 (Gordon) to Reinstate the Senior Citizens and Disabled Citizens Property Tax Postponement Program.

The Property Tax Postponement Program had been in place for many years prior to the Governor eliminating the program in 2009. Many senior citizens and disabled citizens of Mariposa County have been able to stay in their homes over the years with this program.

The State pays the citizen’s property taxes and collects the funds when the ownership of the property changes.

There is no cost to the County.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The Board has previously supported this program.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
If the bill fails to pass property owners who could have taken advantage of the program may have their homes sold by the Tax Collector.

ATTACHMENTS:
draft AB 2231 PTP reinstatement sample support letter (2) (DOCX)

CAO RECOMMENDATION
Requested Action Recommended

Rick Benson, County Administrator
RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Janet Bibby, District III Supervisor
SECONDER: Lee Stetson, District I Supervisor
AYES: Stetson, Jones, Bibby, Cann, Carrier
May 13, 2014

The Honorable Rich Gordon  
California State Assembly  
State Capitol Room 3013  
Sacramento, CA 95814

RE: AB 2231 (Gordon) – Sponsorship and Support  
As amended April 21, 2014

Dear Assemblymember Gordon,

The Mariposa County Board of Supervisors supports AB 2231 to reinstate the Senior Citizens and Disabled Citizens Property Tax Postponement program and thanks you for authoring this important measure.

This critical program, in place for decades, provided a way for counties to remain whole even when low income seniors and disabled persons could not pay their property taxes. The Controller administered this program which provided funding to counties for those taxes, and held a lien on the property so that when the home was sold or transferred, the Controller recovered the cost of the loan along with a modest amount of interest.

In an attempt to balance the budget in February 2009, the previous Governor made the decision to eliminate the Senior Citizens and Disabled Citizens Property Tax Postponement program administered by the State Controller’s Office. The former Governor’s actions were a crushing blow to an already-vulnerable group of Californians. It was also incredibly shortsighted on his part; in most years, the program has earned revenue through loans that were paid off.

In these five intervening years, county treasurers have fielded hundreds, if not thousands, of panicked calls from low income seniors and disabled people, asking for some help to pay their taxes. The statute is clear regarding when and how property taxes must be paid, and what penalties are accrued when they are not paid timely. Without this program, it is very likely that a huge number of properties owned by seniors and disabled persons’ homes will become eligible for tax sale in 2014, due to five years on non-payment.
We commend your tenacity and conviction to reinstate this important program. It will keep seniors and disabled persons safely and comfortably in their homes without fear of tax sale due to unpaid taxes. AB 2231 includes some tightened restrictions on who is eligible to participate in the program and increases equity requirements in order to address lien security concerns.

For these reasons, the Mariposa County Board of Supervisors is pleased to support this measure. Approval of this measure will calm many fears and bring a tremendous and tangible relief to California’s most vulnerable citizens.

Sincerely,

Kevin Cann,
Board of Supervisors Chair

CC: Assembly Appropriations Committee