

[Senate Bill 668](#) (McGuire)

Date: 05/02/17

Program: Property Taxes

Sponsor: Author

Government Code Section 15620

Effective: January 1, 2018

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**Summary:** Repeals an obsolete provision of law that allows the Board of Equalization (BOE) at its regular meetings to extend report filing deadlines for up to 30 days for good cause by “minute order.”

**Summary of Amendments:** Since the previous analysis, the bill was amended to repeal the authority rather than extend the time period.

**Purpose:** To repeal an archaic “minute order” requirement that BOE staff routinely perform.

**Fiscal Impact Summary:** None.

**Existing Law:** Government Code (GC) Section 15620 allows the BOE, when meeting as a board, to extend the time fixed for filing any BOE-required report for up to 30 days “by order entered upon its minutes and for good cause shown.” As a practical matter, this law is obsolete. BOE staff handles these requests administratively pursuant to other provisions of law.<sup>1</sup>

**Proposed Law:** This bill repeals GC Section 15620.

**In General: State assesses.** The minute order requirement to extend a report filing deadline was enacted in 1917. Today, the minute order requirement of GC Section 15620 generally relates to property statements state assesses must file each March 1.<sup>2</sup> The only reference to GC Section 15620 in the Revenue and Taxation Code relates to state assessee property statements.<sup>3</sup> Additionally, the only BOE regulation that bases its authority on GC Section 15620 relates to state assessee property statements.<sup>4</sup> In this regard, BOE staff handles state assessee deadline [extension requests](#) for good cause pursuant to the administrative regulation without a BOE minute order. The number of days (up to 30 or 45 days) depends on the part of the annual statement for which a request is made. Additionally, a second extension of up to 15 days is possible for extraordinary circumstances.

**Other reports and returns.** Specific Revenue and Taxation Code<sup>5</sup> provisions authorize late-filed BOE-required reports (or returns) where good cause is shown. Generally, these laws allow the BOE for good cause to extend deadlines “not to exceed one month.” Thus, these specific provisions generally align with the existing 30-day period in the Government Code and do not require a BOE minute order. BOE staff handles these requests administratively pursuant to the law.

**Assessor-related acts.** The Revenue and Taxation Code provides that the time fixed for the performance of any assessor- or appeals board-required act therein may be extended by the BOE Members or its executive director for not more than 30 days, or, in case of public calamity, 40 days. If the executive director extends the deadline, which is the general administrative practice, the law requires that he inform the BOE Members at its next regular meeting.<sup>6</sup>

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<sup>1</sup> Revenue and Taxation Code (RTC) Sections 155, 6459, 7656, 8754, 11272, 30185, 32253, 38405, 40065, 41054, 43154, 45152, 46153, 50111, 55041, and 60208.

<sup>2</sup> RTC [Section 826](#).

<sup>3</sup> RTC [Section 830.1](#).

<sup>4</sup> Property Tax [Rule 901](#), adopted in 1968.

<sup>5</sup> Revenue and Taxation Code Sections 155, 6459, 7656, 8754, 11272, 30185, 32253, 38405, 40065, 41054, 43154, 45152, 46153, 50111, 55041, and 60208.

<sup>6</sup> RTC Section 155.

This staff analysis is provided to address various administrative, cost, revenue and policy issues; it is not to be construed to reflect or suggest the BOE’s formal position.

**Background:** GC Section 15620 was added in 1951 without subsequent amendments (Stats. 1951, Ch. 655). Previously, its substance was contained in Political Code 3667c added in 1917 without subsequent amendments (Stats. 1917, Ch. 214). In *Hobart Estate Co. v. Waters* (1934) 220 Cal. 669, the court stated that “while the language of the section is somewhat ambiguous, a reading of the sections preceding leads to the conclusion that all reports required by the board upon which it must base its actions and conclusions, are included within the meaning of section 3667c of the Political Code.”

Last year, BOE-sponsored [AB 1559](#) (Ch. 257, Stats. 2016, Dodd) amended various statutes related to BOE-administered taxes, fees, and surcharges to allow the BOE to extend deadlines for up to a three month period in the case of disaster.

**Commentary:**

1. **Effect of the bill.** This bill repeals a Government Code provision made obsolete by more specific superseding laws in the Revenue and Taxation Code that allow BOE staff to extend deadlines for good cause.
2. **May 2, 2017 amendments** repeal rather than amend this section of law. Previously, the bill modified the number of days report filing deadlines could be extended to up to 40 days. Under current law, state assessee property statement deadlines can be extended up to 45 days, with a second extension possible for extraordinary circumstances for up to 15 days.
3. **State Assessee Property Statements.** The BOE minute order action originates from 1917. Today, the “report” referenced in the Government Code is limited to “property statements” state assesses (public utilities) must file by March 1. BOE staff use these statements to develop value indicators. At the May board meeting, the BOE Members vote to set the assessed value of state assessee property by formally adopting values reflected in board meeting minutes.

**Costs:** This bill would result in minor absorbable costs to update publications.

**Revenue Impact:** This bill has no revenue impact.