



Clerk of the Board of Supervisors

Lynna Monell

Clerk of the Board of Supervisors

STATE BOARD OF EQUALIZATION



Lynna Monell Item # M1

Item Name: Impact of Covid-19 on PT Admin

Meeting Date: 5/13/20 Minutes Exhibit # 5.15
PUBLIC COMMENT

May 12, 2020

Antonio Vasquez, Board Chairman
Mike Schaefer, Board Vice Chair
Ted Gaines, Board Member
Malia M. Cohen, Board Member
Betty T. Yee, State Controller
Yvette Stowers, Deputy State Controller
Henry Nanjo, Chief Counsel

Re: May 13, 2020 Meeting Agenda Item M.1,
BOE COVID-19 Property Tax Relief Task Force Report

Dear Honorable Chair Vazquez and Honorable Vice-Chair Schaefer, Members of the State Board of Equalization:

I, as a member of the California Association of Clerks and Election Officials (CACEO), along with our Assessment Appeals Board Counsel, appreciate the opportunity to review and respond to your Board's COVID-19 Task Force report, which we received Friday evening. We would like to respectfully comment with the following:

Assessment Appeals – Section 1604 2-Year Deadline to Hear and Decide Assessment Appeals

Under Section 1604, County Boards are charged with timely hearing appeals within two years of application filing, otherwise the taxpayer's opinion of value as stated on the assessment appeal application must be entered as the roll value and becomes the basis upon which taxes are levied. The majority of the assessment appeal applications we receive filed by taxpayer agents and attorneys simply cut the roll value in half for their opinion of value on the application as a placeholder and then present much higher values at the appeal hearing that are supported by actual evidence. Without a hearing on the merits, this arbitrary value used solely as a placeholder in most cases would result in inequity and injustice to the public by unfairly reducing tax revenue for funding of vital public services. Due to the Covid-19 emergency and the inability to hold and decide appeals, County Boards have already lost at least 2 months of their statutory time window to hold fair and impartial assessment appeal hearings this year.

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Our primary recommendations for BOE action is to join with counties to obtain an Executive Order from the Governor to temporarily extend and toll the 2-year statute for the period of the Covid-19 emergency plus 120 days which mirrors language in your own Property Tax rule 323, and/or to sponsor/support emergency legislation to the same effect. This will help provide the County Boards time to hear the many cases that have not been heard due to the Covid-19 emergency, to prioritize hearing those cases once the shelter-in-place orders are lifted, and timely handle the additional resulting backlog created by the Covid-19 emergency.

Waivers of the 2-Year Statute- Time Limited Waiver Proposal:

We urge the State Board of Equalization to reject the tax agents' proposal (Option 2) of creating a new system of time-limited waivers. Current law already provides protections that ensure taxpayers can enter into waivers of the 2-year statute without fear that their cases might languish on the assessment appeals docket. Under current law, taxpayers may revoke their time-waivers at any time by providing 120-days written notice to the County Board. (See Property Tax Rule 323.) This protects taxpayers by providing them means to ensure that their cases will not languish on the docket if they agree to a waiver of the 2-year statute. It ensures that if a taxpayer revokes their time-waivers, then the County Board will have sufficient time to schedule a hearing (the law requires that the AAB provide 45 days' notice of hearing); the taxpayer and assessor will both have time to prepare for hearing; and the County Board will have time to hear the assessment appeal and thereafter render a considered decision.

In practice, permitting limited-time waivers would cause the Clerk's software and data systems used for AAB's to most likely have to be re-developed, unnecessarily resulting in burdensome, expensive, and time-consuming software changes, staff training, case tracking, and further delay.

Clerks and AAB counsels will be participating in your Board's meeting tomorrow on May 13. We look forward to discussing these issues at that meeting.

Very truly yours,



LYNNA MONELL
Clerk of the Board of Supervisors

cc: Kari Hammond, Chief Deputy, Office of Chairman Antonio Vasquez
Gary Gartner, Chief Deputy, Office of Vice Chair Mike Schaefer
Dave Titus, Chief Deputy, Office of Member Ted Gaines
Regina Evans, Chief Deputy, Office of Malia M. Cohen
Brenda Flemming, Executive Director