

## **Comments from Merced County:**

I reviewed the LTA 2019/030 and I think we are all facing the same issues. It seems like some of the bigger counties get a lot more of these/a lot more complicated ones than we do, but these are what we see as our main concerns/tax payer complaints with the rescissions that we have processed in our county.

Time between recordings  
Proration of supplemental taxes

To me the biggest thing is the time frame in which a rescission can be filed. Anything past the issuance of a supplemental notice is too far out but definitely not much more than a year out, once the tax payers has been put on notice, they have to do something; these things getting recorded 8 and 9 years out is a bit much and it is happening everywhere - not just us; it is a waste of resources and tax payer money.

I also think something that needs to be addressed is a proration factor. Currently, when a rescission is recorded, it is reinstating the ownership as it was before the deed recorded, and therefore is not to be considered a change in ownership so there is no reappraisal or supplemental issued, just a reinstatement of value going forward. There is not correction to any tax bills issued in between the dates of recording because the bills are based on the facts as they existed on the lien date which is fine, however, if you have someone that records a deed that results in a change in ownership in February 2018 and it results in a 990 and a 991, we increase the taxes, they record the rescission in August 2018, and the 991 is for the full year (7/18 - 6/19) based on the increased value, but then we are not being true when we say that the bill is based on the facts that existed on the lien date (1/1/19) because we would have reinstated the value upon recordation of the rescission in August 2018 so for lien date 1/1/19, the factored base year value would have been reinstated. I rarely see this example, but in the case where the property owner does react timely, it does seem unfair to tax them for the full one year for the entire next year, and it is hard to convince them we are correct.

I think that the AH401 is very loose and left up to a lot of interpretation in the area of rescissions; there has to be more specific guidelines expressed not only for the counties, but for attorneys as well as tax payers so that we all follow the same protocol - which could lead to less confusion, better rebuttal to appeals and maybe just less rescissions overall.