



Legislation Details (With Text)

File #: 24-0696 **Version:** 1

Type: Agenda Item **Status:** Approved

File created: 4/4/2024 **In control:** Board of Supervisors

On agenda: 4/30/2024 **Final action:** 4/30/2024

Title: Treasurer-Tax Collector's Office recommending the Board:
 1) Discharge the Treasurer-Tax Collector from further accountability to collect the debts listed on the attached Discharge of Accountability report in the amount of \$176,542.48 pursuant to Government Code Sections 25257 through 25259; and
 2) Authorize and direct the County Auditor-Controller to adjust any charge against the Office in a like amount.

FUNDING: N/A

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Department Verification of Debts 2024, 2. B - Assessments Eligible for Discharge 03 29 24, 3. C - Government Code Section 25257-25259

Date	Ver.	Action By	Action	Result
4/30/2024	1	Board of Supervisors	Approved	Pass

Treasurer-Tax Collector's Office recommending the Board:
 1) Discharge the Treasurer-Tax Collector from further accountability to collect the debts listed on the attached Discharge of Accountability report in the amount of \$176,542.48 pursuant to Government Code Sections 25257 through 25259; and
 2) Authorize and direct the County Auditor-Controller to adjust any charge against the Office in a like amount.

FUNDING: N/A

DISCUSSION / BACKGROUND

Government Code Sections 25257 through 25259 governs the discharge of accountability of debts due and payable to the County. The law allows the Board of Supervisors ("BOS") to make an order discharging the office, officer, or employee from further accountability and the direct the County Auditor-Controller to adjust any charge against the office, officer or employee in the like amount.

Discharge of accountability does not constitute a release of any person from liability for payment of any amount. The discharge procedure is not a write-off of debt, but a reduction of the delinquent accounts on the tax roll, and the amounts the Treasurer-Tax Collector is "charged" with collecting. It is the office's practice to file liens against individual taxpayers who are delinquent on their unsecured property taxes. Liens have been filed against all the debts listed on the attached Discharge of Accountability Report.

Unsecured Taxes listed herein include delinquent assessments for: Business property/equipment, Boats, Aircraft, Possessory Interest-Land, Mineral Rights, mobile home accounts, and former secured and supplemental accounts issued to an old owner after a property transfer occurred and

remains unpaid.

The debts listed on the attached Discharge of Accountability Report are determined to be uncollectible for the following reasons:

- 1) Collection efforts have been exhausted and the expense to collect outweighs the benefit to the county due to the unlikely possibility of collection;
- 2) The Assessee is deceased or no longer locatable;
- 3) Business entity no longer exists.

The detail list provided includes accounts defaulted from Tax Years 2009 - 2017. Approximately 36% of the unpaid bills represent business property, 18% are tax bills for boats/watercraft, while 22% are for mobile homes.

It is common practice for Tax Collectors in the State to provide a discharge of accountability report to the BOS annually. As is the best practice, this is the office's annual discharge of accountability report to the BOS; the last report was provided to the BOS in June 2023. The intention of this item is to properly adjust the accounts receivable for unsecured property tax accounts to reflect a balance that is likely to be collected.

ALTERNATIVES

None.

PRIOR BOARD ACTION

The last discharge of accountability was approved by the BOS on June 6, 2023, Legistar File #23-1009.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Upon Board approval, the Auditor-Controller's Office will be authorized to reduce the accounts receivable balance ("the charge") for delinquent unsecured taxes.

The Treasurer-Tax Collector will coordinate the discharge with the Auditor's Office as necessary to ensure appropriate recording in the County property tax system.

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

These unpaid unsecured taxes are considered uncollectible and have not been factored into projected revenues.

The discharge of these bills will ensure that the property tax system properly reflects the amounts that are reasonably collectible.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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