



# Solano County

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## Legislation Text

File #: 18-798, Version: 1

Adopt a resolution approving the operation of Revenue and Taxation Code section 5105 in Solano County

Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Auditor-Controller's Office recommends the Board of Supervisors adopt a resolution approving the operation of Revenue and Taxation Code section 5105 in Solano County which would permit that an order for refund of taxes or assessments authorized pursuant to Chapter 1, Article 1, Chapter 2, Article 2 and Chapter 5 of the Revenue and Taxation Code be paid to the assessee of the property, or to the latest recorded owner of the property as shown on the tax roll without filing a claim for refund if (1) there has been no transfer of the property during or since the fiscal year for which the taxes subject to refund were levied and (2) the amount of the refund is less than five thousand dollars (\$5,000).

### **SUMMARY:**

Senate Bill 1246 which was signed into law and enrolled on September 11, 2018, amends Chapter 5 of the Revenue and Taxation Code to add Section 5105, effective January 1, 2019. Section 5105(a) allows counties to change the current claim for refund process for property taxes and assessments to permit the payment of an order for a refund without the taxpayer or assessee filing a claim provided (1) there has been no transfer of the property during or since the fiscal year for which the taxes subject to refund were levied and (2) the amount of the refund is less than five thousand dollars (\$5,000). However, for Section 5105 to apply in a county, the Board of Supervisors must adopt a resolution or ordinance approving the operation of Section 5105 in the county (Section 5105(b)).

### **FINANCIAL IMPACT:**

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2018/19 Adopted Budget.

### **DISCUSSION:**

Solano County Ordinance 11-72 provides that: "Claims for refunds of taxes imposed pursuant to this article shall be governed by the provisions of Chapter 5 (commencing with Section 5096) of part 9 of division 1 of the Revenue and Taxation Code." SB 1246 amends Chapter 5 of Revenue and Taxation Code to add Section 5105 effective January 1, 2019.

Section 5105 alters the current claim for refund process for property taxes and assessments to allow counties to permit the payment of an order for a refund without the taxpayer or assessee filing a claim provided (1) there has been no transfer of the property during or since the fiscal year for which the taxes subject to refund were levied, (2) the amount of the refund is less than five thousand dollars (\$5,000) and (3) the Board of Supervisors passes a resolution or ordinance approving the operation of Section 5105 in the county.

This new section is operational primarily for refunds ordered by the State Board of Equalization (BOE) for BOE

-assessed properties (the Unitary roll) and local Assessment Appeals Board refunds for which the taxpayer failed to mark the "claim for refund" box on the appeal form. The majority of County-issued refunds are covered under Revenue & Taxation Code section 4836 (county assessor corrections to a roll).

The Solano County Auditor-Controller supports the Board's adoption of the resolution approving the operation of Revenue and Taxation Code section 5105 in Solano County as this resolution provides an opportunity to streamline the refund process.

**ALTERNATIVES:**

The Board of Supervisors could request further information on this matter or not approve the operation of Revenue and Taxation Code section 5105.

**OTHER AGENCY INVOLVEMENT:**

County Counsel was consulted regarding the legal aspects of the agenda item and the resolution and is in agreement.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION