

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

March 26, 2024

FROM

ENSEN MASON, Auditor-Controller/Treasurer/Tax Collector

SUBJECT

Use of General Fund Monies for Reissuance of Voided Warrants and Tax Refunds for Negative Supplemental Assessments

RECOMMENDATION(S)

1. Authorize the use of County General Fund monies for the reissuance of warrants, previously transferred to the County General Fund, as follows:
 - a. Warrant No. 8983287 for \$106.39
 - b. Warrant No. 8983288 for \$25.73
 - c. Warrant No. 8909208 for \$112.10
 - d. Warrant No. 8909209 for \$352.85
 - e. Warrant No. 8000599826 for \$1,569.58
 - f. Warrant No. 8000194836 for \$178.14
2. Authorize the use of County General Fund monies to reissue a property tax refund, Warrant No. 8744945 for \$548.16, previously transferred to the County General Fund.
3. Authorize the use of County General Fund monies to issue property tax refunds for negative supplemental assessments, previously transferred to the County General Fund, as follows:
 - a. Tax Bill No. 20160891910 in the amount of \$97.62
 - b. Tax Bill No. 20160836988 in the amount of \$109.19

(Presenter: Diana Atkeson, Assistant Auditor-Controller/Treasurer/Tax Collector, 382-7004)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). Sufficient appropriation exists in the 2023-24 Countywide Discretionary budget to replace the stale-dated warrants identified in Recommendation No. 1 totaling \$2,344.79 and to issue the property tax refunds identified in Recommendation Nos. 2 and 3 totaling \$754.97. Since the stale-dated warrants were subsequently transferred to the County General Fund, the replacement warrants will be drawn from that fund.

The below table outlines the voided warrants that will be replaced.

Warrant Number	Issue Date	Void Date	Repayment Fund	Transfer Approved by Board of Supervisors	Transfer Posted	Dollar Amount
8983287	01/20/2017	07/22/2017	1161161000	02/08/2022 (Item No. 20)	06/27/2022	\$ 106.39

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Warrant Number	Issue Date	Void Date	Repayment Fund	Transfer Approved by Board of Supervisors	Transfer Posted	Dollar Amount
8983288	01/20/2017	07/22/2017	1161161000	02/08/2022 (Item No. 20)	06/27/2022	\$ 25.73
8909208	08/19/2016	02/18/2017	1161161000	02/08/2022 (Item No. 20)	06/27/2022	\$ 112.10
8909209	08/19/2016	02/18/2017	1161161000	02/08/2022 (Item No. 20)	06/27/2022	\$ 352.85
8000599826	11/12/2020	05/12/2021	1161161000	10/27/2020 (Item No. 21)	06/25/2021	\$1,569.58
8000194836	11/05/2018	05/05/2019	1161161000	12/18/2018 (Item No. 15)	06/27/2019	\$ 178.14
Total						\$2,344.79

BACKGROUND INFORMATION

Property tax refunds result most frequently from adjustments made to property valuations after taxes are paid. The following is a summary of related governing codes:

- California Revenue and Taxation Code (Rev. & Tax. Code) section 5097 requires a taxpayer to file a claim for a property tax refund within four years of the payment.
- Rev. & Tax. Code section 5097.2 permits the County Tax Collector or the County Auditor, without the need for a taxpayer to file a claim, to refund property tax payments within four years of the payment in certain limited circumstances, including overpayment due to roll corrections or cancellations.
- Rev. & Tax. Code section 5102 provides that the unclaimed refund may be transferred to the General Fund on order of the Board of Supervisors (Board) if a property tax payment may be refunded and no claim is filed within the time allowed.
- Government Code section 29802 provides that any warrant issued is void if not presented to the County Treasurer for payment within six months after its issuance date. Whenever a warrant becomes void, the monies may be transferred to the County General Fund by the County Auditor, unless disposition is otherwise provided by law.

In the six cases listed under Recommendation No. 1, a warrant for each tax refund was automatically issued to the taxpayers pursuant to Rev. & Tax. Code section 5097.2. However, the warrants were not presented for payment within six months and voided. After more than four years of the warrants being void, the monies were transferred to the County General Fund upon approval of the Board. However, the Board agenda items incorrectly referenced the authority for the transfer pursuant to Rev. & Tax. Code section 5102 as an unclaimed refund. Since the approved refunds had been issued automatically but the warrants voided, the Board agenda items should have referenced Government Code section 29802 as authority for the transfer instead of Rev. & Tax. Code section 5102.

In all six cases, the taxpayers have come forward requesting reissuance of the warrants. In accordance with the Board's direction to reunite taxpayers with their refunds, the Auditor-Controller/Treasurer/Tax Collector (ATC) recommends issuing new warrants in all six cases, as follows:

- a. Warrant No. 8983287 in the amount of \$106.39 was issued on January 20, 2017, and stale dated on July 22, 2017. As part of ATC's effort to reunite taxpayers with their refund, a new address was located for the payees and a claim for refund form was

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mailed to the new address on April 6, 2021. After more than four years, a new warrant was not requested and the Board approved transfer of the monies to the General Fund on February 8, 2022 (Item No. 20). Thereafter, ATC received a signed claim form on April 14, 2022.

- b. Warrant No. 8983288 in the amount of \$25.73 was issued on January 20, 2017, and stale dated on July 22, 2017. As part of ATC's effort to reunite taxpayers with their refund, a new address was located for the payees and a claim for refund form was mailed to the new address on April 6, 2021. After more than four years, a new warrant was not requested and the Board approved transfer of the monies to the General Fund on February 8, 2022 (Item No. 20). Thereafter, ATC received a signed claim form on April 14, 2022.
- c. Warrant No. 8909208 in the amount of \$112.10 was issued on August 19, 2016, and stale dated on February 18, 2017. As a last attempt to reunite refund to taxpayer, a claim for refund form was mailed to the payee on February 23, 2021. After more than four years, a request for a new warrant was not received and the Board approved transfer of the monies to the General Fund on February 8, 2022 (Item No. 20). On February 22, 2023, the payee called ATC requesting his refund.
- d. Warrant No. 8909209 in the amount of \$352.85 was issued on August 19, 2016, and stale dated on February 18, 2017. As a last attempt to reunite refund to taxpayer, a claim for refund form was mailed to the payee on February 23, 2021. After more than four years, a request for a new warrant was not received and the Board approved transfer of the monies to the General Fund on February 8, 2022 (Item No. 20). On February 22, 2023, the payee called ATC requesting his refund.
- e. Warrant No. 8000599826 in the amount of \$1,569.58 was issued on November 12, 2020, and stale dated on May 12, 2021. The Board approved transfer of the monies to the General Fund on October 27, 2020 (Item No. 21). The payee contacted ATC to reissue the warrant on January 6, 2023.
- f. Warrant No. 8000194836 in the amount of \$178.14 was issued on November 5, 2018, and stale dated on May 5, 2019. The Board approved transfer of the monies to the General Fund on December 18, 2018 (Item No. 15). The payee called ATC requesting her refund on January 30, 2023.

Recommendation No. 2 seeks authority to use General Fund monies to re-issue a warrant to a taxpayer. Warrant No. 8744945 in the amount of \$548.16 was originally issued on May 1, 2008, pursuant to Rev. & Tax. Code section 5097.2. However, the warrant was returned on June 18, 2008, and cancelled on July 14, 2008. As a last attempt to reunite refund to taxpayer, a claim for refund form was mailed to the payee on September 5, 2018. A request for a new warrant was not received and the Board approved transfer of the monies to the General Fund on December 18, 2018 (Item No. 15). The payee submitted a Claim of Refund of Tax Payments through the Clerk of the Board on November 23, 2021. A copy of the signed claim form was received at ATC on July 15, 2022. In accordance with the Board's direction to reunite taxpayers with their refunds, ATC recommends using General Fund monies to re-issue a warrant to the payee in the amount of \$548.16.

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Recommendation No. 3 seeks authority to use General Fund monies to issue two refunds to taxpayers. In the following two cases, a negative supplemental assessment refund was due to the taxpayers but could not be issued until the tax bill was paid. Pursuant to Rev. & Tax. Code section 75.43, if a supplemental assessment refund is due to the assessee, the auditor shall make the refund within 90 days of the date of enrollment of the negative assessment on the supplemental roll. Section 75.43 does not provide an outer time limit for a refund to be paid. In both cases, the payment on the tax bill was not made until after the refund was transferred to the General Fund.

- a. Tax Bill No. 20160891910 resulted in a negative supplemental assessment refund of \$97.62 because of a change in value for the 2016 tax year. The refund was not issued because the 2016 annual tax bill had not been paid. The Board approved transfer of the monies to the General Fund on February 8, 2022 (Item No. 20). The taxpayer contacted ATC on April 7, 2023, to request her refund. She entered into a payment plan on the 2016 property taxes and completed payment in full on April 10, 2023.
- b. Tax Bill No. 20160836988 resulted in a negative supplemental assessment refund of \$109.19 because of a change in value for the 2015 tax year. ATC received a signed claim for refund form on June 9, 2021. However, the refund was not issued because the 2015 annual tax bill had not been paid. The 2015 taxes were paid in full on May 11, 2022, after the Board approved transfer of the monies to the General Fund on February 8, 2022 (Item No. 20).

In accordance with the Board's direction to reunite taxpayers with their refunds, ATC recommends using General Fund monies to issue refunds for Tax Bill Nos. 20160891910 and 20160836988 in the amounts of \$97.62 and \$109.19, respectively.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Kristina Robb, Deputy County Counsel, 387-5455) on March 1, 2024; Finance (Penelope Chang, Administrative Analyst, 387-4886) on March 4, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on March 11, 2024.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.

Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: March 26, 2024



cc: File - Auditor-Controller/Treasurer/Tax Collector
CCM 03/28/2024