

State of California

# County Tax Collectors' Reference Manual

Chapter 8000: Sale of Tax-Defaulted Property

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**MALIA M. COHEN**

California State Controller's Office

**Chapter 8000: Sale of Tax Defaulted Property**

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## Introduction

The *County Tax Collectors' Reference Manual* is produced by the State Controller's Office, Local Government Programs and Services Division, Property Tax Standards Unit. This manual is designed to provide comprehensive reference material to assist county tax collectors in performing their duties in compliance with statutory requirements, and to promote uniformity throughout the State.

All statutory references cited are from the Revenue and Taxation Code, unless otherwise noted. Citations and references in this manual are current as of its publication date; however, care should be taken to ensure that none have been superseded by subsequent legislative action or court decisions.

The State Controller's Office forms referred to within this manual are samples that contain all of the required information pursuant to statute. The county tax collector's office may use the sample forms or it may create its own forms. Forms used should contain all information required by statute.

Chapter 8000 of the County Tax Collectors' Reference Manual provides an overview of Chapter 7 and Chapter 8 Tax Sales. For a step by step outline of the process and procedures necessary to conduct a Chapter 7 tax sale, see [County Tax Sale Procedural Manual: Chapter I: Chapter 7 Tax Sales](#). For comprehensive instructions and recommendations on how to prepare, conduct, and complete a Chapter 8 tax sale, see [County Tax Sale Procedural Manual, Chapter II: Chapter 8 Tax Sales](#).

**NOTICE:** This publication is provided by the State Controller's Office, Property Tax Standards Unit as a general resource for California's county tax collectors. This publication is written primarily for use by county tax collectors and does not constitute legal advice. This publication has been reviewed by the Committee on County Tax Collecting Procedures and members of the California Association of County Treasurers and Tax Collectors.



## 8000-8003 General Overview

### **8000. REVENUE AND TAXATION PROVISIONS**

The current tax sale practice allows the title of tax-defaulted property to remain with the assessee or successor in interest while the property is subject to the tax collector's power to sell. The assessee's ownership terminates upon completion of the tax sale of qualified tax-defaulted property by the tax collector and payment of the purchase amount.

Two chapters in Part 6 of Division 1 of the Revenue and Taxation Code provide for the sale of tax-defaulted property by the tax collector. These chapters are commonly referred to as Chapter 7 and Chapter 8. Chapter 7 encompasses tax sales by public auction (in person and internet) or sealed bid. Chapter 8 encompasses tax sales by agreement between public agencies or eligible nonprofit corporations and the County Board of Supervisors.

### **8001. OFFICERS AUTHORIZED TO SELL TAX-DEFAULTED PROPERTY**

The tax collector has the authority to sell tax-defaulted property that is subject to the power to sell ([§3691](#)). Written approval of the board of supervisors ([§3694](#)) is required to sell property at public auction ([§3692](#)) or by sealed bid ([§3692\(d\)](#)) to the highest bidder at the time and place fixed for sale ([§3706](#)). Approval of the board of supervisors ([§3791.4](#), [§3794.3](#)) and authorization by the State Controller is required to complete Chapter 8 tax sales to qualified public agencies or nonprofit organizations ([§3795](#)).

### **8002. TAX SALE SCHEDULING PROVISIONS: PUBLIC AUCTION AND SEALED BID**

The tax collector is required to attempt to sell tax-defaulted property at either public auction or sealed bid sale within four years after the property becomes subject to sale, unless, by other provisions of law, the property is not subject to sale ([§3692\(a\)](#)).

If no acceptable bid is received at the tax sale, the tax collector, with prior approval from the board of supervisors, may re-offer the property at the same sale or the next sale with a reduced minimum bid amount ([§3698.5\(c\)](#)).

If it is the tax collector's intent to re-offer unsold properties at another sale within 90 days of a previous sale, the notice to the board of supervisors and the notice of intended sale of tax-defaulted property shall indicate that any property remaining unsold may be re-offered within a 90-day period and any new parties of interest shall be notified ([§3692\(e\)](#)).

If no bids are received at a tax sale, an attempt must be made to sell the property at intervals of no more than six years, until it is sold ([§3692\(a\)](#)).

### **8003. TAX SALE SCHEDULING PROVISIONS: SALE BY AGREEMENT**

A sale by agreement schedule will commence once the county tax collector receives a correctly completed application and, if required, an objection letter from an eligible taxing agency or nonprofit organization.

## 8100-8103 All Tax Sales: Record of Tax Sale

### **8100. RECORD OF TAX SALES**

Maintain a complete file for each tax sale. The record of sale file should contain the property file and the tax sale file (auction, sealed bid, or sale by agreement). It is recommended that the file include the following information:

#### **8101 PROPERTY FILE**

- Assessor's parcel map;
- Copy of the notice of power to sell;
- Copy of the notice to the last assessee and the parties of interest;
- Parties of interest Information;
- Copy of the affidavit of publication or posting;
- Certified letter receipts;
- Notices returned by the post office as undeliverable, if any (envelopes should be left unopened; see manual section [8146](#));
- Copy of the tax deed to purchaser;
- Correspondence and other documents related to the property; and
- Record of sale.

#### **8102 TAX SALE FILE: PUBLIC AUCTION AND SEALED BID**

- Copy of the notice to the board of supervisors of intention to sell;
- Copy of the tax collector's request for approval from the board of supervisors;
- Copy of the board of supervisors' approval acknowledgment;
- Copy of the published or posted notice of sale;
- Copy of the affidavit of publication or posting;
- Correspondence and other documents related to the property or the sale;
- Terms and conditions of sale;
- List of properties;
- Information from the published notice of sale;
- Frequently asked questions sheet;
- Revenue and Taxation Code sections related to the tax sale process, including redemption;
- Claim against bidders for non-payment information;
- Information for pre-sale bidder packet (zoning information, zoning departments and contact information, tax rate areas, a list of local title companies, and other information as determined by the tax collector);
- Copy of the notification of sale to the State Controller's Office; and,
- Copy of the report of sale.

#### **8103 TAX SALE FILE: SALE BY AGREEMENT**

- Copy of application;
- Copy of objection letter, if applicable;
- Resolution by governing board of purchaser approving the purchase;

- Copy of the board of supervisors' approval;
- Copy of the published or posted notice of sale;
- Correspondence and other documents related to the property or the sale;
- Copy of sale agreement;
- Copy of the Chapter 7 notice of sale, if applicable;
- Copy of the Chapter 7 notice of sale affidavit, if applicable;
- Copy of authorization by the State Controller;
- Copy of articles of incorporation and any amendments, nonprofit organizations only;
- Separate documentation listing each property use, nonprofit organizations only; and
- Copy of the report of sale.

## 8110-8113 All Tax Sales: Property Eligible for Sale

### **8110. GENERAL PROVISIONS**

Property that has been tax-defaulted for five years or more or three years or more in the case of nonresidential commercial property, and is subject to the tax collector's power to sell, may be sold. All or any portion of a property may be offered for sale, without regard to its boundaries when it became subject to sale ([§3691](#)).

The county board of supervisors may pass a resolution or ordinance to have the five-year period apply to tax-defaulted nonresidential commercial property.

Three years or more after a property has been tax-defaulted, a county, city and county, county, or eligible nonprofit organization may request that the tax collector bring residential real property to the next tax sale if the property will provide housing to low-income persons ([§3772.5](#), [§3692.4](#)).

A person or entity that has recorded a nuisance abatement lien on a property that has been tax-defaulted for three years or more may request that the tax collector bring the property to the next scheduled tax sale ([§3691\(b\)\(1\)\(A\)](#)).

### **8111. PROPERTY ELIGIBLE FOR SALE BY SEALED BID**

Sealed bid sale procedures may be used for the sale of tax-defaulted property that is subject to the tax collector's power to sell when selling oil, gas, mineral rights, or miscellaneous properties that are unusable due to their size, location, or other condition ([§3692\(d\)](#)). The tax collector is not required by law to conduct sealed bid sales.

**NOTE:** A property may be rendered unusable because it is landlocked (no legal means of ingress or egress), too small to meet minimum local building code requirements for independent development, or for other reasons determined by the tax collector.

Whenever the tax collector is in doubt as to the utility of a tax-defaulted property, guidance and advice may be sought from the county assessor, the planning director, the county health department, or other county official. For the purpose of a sealed bid sale, "contiguous" is defined as "sharing an edge or boundary," or "adjacent or adjoining."

## **8112. PROPERTY PORTIONS**

Property portions may be offered for sale ([§3691](#)).

The tax collector is not subject to the provisions of the Subdivision Map Act ([Gov. Code, §66410 et seq.](#)) when selling property at a tax sale. Additionally, the purchaser is entitled to a certificate of compliance ([Gov. Code, §66499.35](#)) for any portion of the property purchased at a tax sale ([Attorney General Opinion 11-9-81](#) ).

## **8113. PROPERTY GROUPING**

The tax collector may sell two or more contiguous tax sale properties as a single unit ([§3691](#)). When properties are grouped, there should be one minimum price for the entire group (no individual lot prices) and only bids for the entire group should be accepted.

Grouping is used at the discretion of the tax collector in order to serve the best interests of the public and the county. Grouping properties is particularly useful in selling improperly subdivided land, and it often provides savings in advertising costs.

# **8120-8129 All Tax Sales: Property Conditions or Other Factors – Determining Initial Eligibility for Sale**

## **8120. INDEFINITE DESCRIPTION**

Offering improperly described property for sale jeopardizes the insurability of tax deeded property titles. Courts have held that: "... if a conveyance itself does not furnish the means by which a description may be made sufficiently definite and certain to locate the land readily, the conveyance is void" ([Saterstrom v. Glick Brothers Sash, Door, and Mill Company](#) (1931) 118 Cal. 379, 381 [5 P. 2d 21, 22]). See [County Tax Sale Procedural Manual, Chapter I, Chapter 7 Tax Sales](#), Appendix II for examples of indefinite property descriptions.

## **8121. UNPATENTED LAND, PROPERTY OWNED BY A PUBLIC AGENCY OR PUBLIC UTILITY**

**Public Agency Property:** Properties belonging to public agencies should not be sold ([§202](#); [California Constitution, Article XIII, §3](#)).

**Unpatented Property:** Unpatented property is land that has never been granted or conveyed to an individual by either the federal government or the State. It is not subject to taxation and, therefore, cannot be sold at a tax-defaulted land sale.

**Public Utility Property:** Property owned by a public utility cannot be sold at a public auction without the permission of the Public Utilities Commission ([Pub. Util. Code §851](#)). See Public Utilities Code sections [201-243](#) for the definition of a public utility. See also manual section [6115](#).

## **8122. ASSESSEE DEEMED NOT RESPONSIBLE FOR OWN AFFAIRS**

If a conservator or guardian has been appointed on the assessee's behalf, the appointed party must be notified before the property is included in the sale.

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If a property that is subject to the tax collector's power to sell is owned by a person who is committed to a state hospital, the property cannot be offered for sale until the status of the property owner has been determined. It may be necessary to call one or both of the following agencies to locate that information.

Department of Developmental Services  
Client Financial Services  
(916) 654-1690

Department of Health Care Services  
(916) 445-4171

### **8123. SERVICEMEMBERS' CIVIL RELIEF ACT OR CALIFORNIA VETERANS' LAND (CalVet)**

**Servicemembers' Civil Relief Act:** Title 50 of the United States Code (USC), Appendix, [§502](#) and [§561](#), affords protection to a person in the military service from the loss of real property through enforcement of the collection of taxes when such property is owned and occupied by dependents or employees as a dwelling or for professional, business, or agricultural purposes. If the real property is subject to the tax collector's power to sell, the enforcement action may be commenced only by court permission granted upon the application of the tax collector.

The serviceperson's exemption extends for a period not exceeding 180 days following termination of service. Pursuant to 50 USC Appendix [§526](#), when computing the tax default period, do not include the period of military service.

**California Veterans Land (CalVet):** If taxes become delinquent on a CalVet property, contact the California Department of Veterans Affairs at (800) 952-5626 and inform the office of the delinquency. The department may pay the taxes to prevent the property from becoming tax-defaulted or subject to the tax collector's power to sell.

### **8124. NATIVE AMERICAN LAND**

Indian allotment land on which a trust patent has been issued or reissued may not be sold at a tax sale. A trust patent is the instrument by which the United States government conveys title of public lands to Indian tribes.

### **8125. CONTAMINATED PROPERTIES ON SUPERFUND CLEANUP LIST**

Properties on the Superfund list should not be sold at a tax sale. Information on current Superfund sites is available at the United States Environmental Protection Agency website, <http://www.epa.gov/region9/superfund/superfundsites.html>.

**NOTE:** It may be possible to sell property not on the Superfund list but known or suspected to be contaminated. In such cases, consult county counsel on the specific circumstances. If the sale of property either known to be contaminated or suspected of being contaminated goes forward in a tax sale, disclose all that is known about the contamination. Do not attempt to estimate the extent of the contamination or the cost of cleanup.

### **8126. ESCHEATED PROPERTY OR UNPROBATED PROPERTY**

**Escheated Property:** Escheated property is unclaimed financial assets under the custody of the State Controller's Office when there are no known heirs or owners.

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If, prior to the tax sale, the tax collector receives delivery of a certified death certificate showing that an assessee is deceased, the tax collector should initiate an inquiry with the clerk of the superior court to determine whether probate proceedings have commenced ([§4986.6](#)).

An opportunity may exist to remedy the situation before the date of the sale if the Public Administrator does not plan to open a probate (§4986.6). See the State Controller's Office [County Tax Sale Procedural Manual, Chapter I: Chapter 7 Tax Sales](#), Appendix II for further discussion of tax-defaulted property of a deceased assessee.

**NOTE:** If the tax collector becomes aware that the assessee is deceased further investigation may be initiated by the office, but is not required by statute. The tax collector is required to take action related to the probate process only upon receipt of a certified death certificate.

### **8127. BANKRUPTCY, INJUNCTION, OR RESTRAINING ORDER**

**Bankruptcy:** If the assessee has filed bankruptcy, the property may not be sold. However, an opportunity may exist to remedy the situation before the date of the sale. Maintain compliance with 11 U.S. Code section [362](#) and seek guidance from county counsel.

**Injunction or Restraining Order:** An injunction, restraining order, or other legal action is not effective against the county, municipality, or district to either prevent or enjoin the collection of property taxes sought to be collected ([§4807](#), [California Constitution, Article XIII, §32](#)). If an injunction or restraining order is brought to stop a tax sale, the county counsel should be notified of the court action and of the statutes cited. If the county counsel is unable to stop an injunction or a restraining order at a hearing before the date of the sale, or if the hearing is within 40 days of the sale, a postponement of the sale must be announced. If the order is lifted before the original date of the sale, the sale can be held as announced ([§3706.1](#)).

### **8128. CEMETERY PROPERTY**

If a property is a known cemetery, determine whether it falls under the requirements of Health and Safety Code section [8585](#). Information may be obtained by contacting the Department of Consumer Affairs, Cemetery and Funeral Bureau, [www.cfb.ca.gov](http://www.cfb.ca.gov).

### **8129. DAMAGED PROPERTY**

If a property has sustained damage, determine whether the cause was related to a county, state, or federally declared disaster. The tax collector may have files or records containing this information, including dates and locations. If not, the information may be obtained by calling the California Office of Emergency Services (OES), [www.caloes.ca.gov](http://www.caloes.ca.gov).

For tax-defaulted property that has been damaged by a disaster in an area declared to be a disaster area by local, state, or federal officials and whose damage has not been substantially repaired, the date of tax sale eligibility will depend on the damage date of the property. The five-year period required for a tax-defaulted property to be eligible for tax sale shall be tolled until five years have elapsed from the date the damage to the property was incurred ([§3691\(a\)\(1\)\(A\)](#)).

## 8130-8136: All Tax Sales: Redemption and Other Factors – Withdrawing a Property from Sale

### **8130. ERROR INVALIDATING SALE**

Either before or after publication, the tax collector should withdraw property from the sale if an error would invalidate its sale. Examples of errors that would invalidate a sale are: failure to publish or errors in the Published Delinquent List and/or the Notice of Impending Power to Sell Tax-Defaulted Property; the default is cancelled or held void; or the property should not have been declared in default.

Public agencies and nonprofit organizations that have the right to acquire a tax-defaulted property under the provisions of Chapter 8 may object to the Chapter 7 sale and cause withdrawal of the property from a scheduled Chapter 7 sale if, before the first published Notice of Sale ([§3695.4](#), [§3695.5](#)):

- The public agency or nonprofit organization files a written objection to the Chapter 7 sale with the tax collector; and
- The written objection is accompanied by an application to purchase the property for no less than the minimum price approved for the Chapter 7 sale, or for the amount to redeem plus costs, whichever is greater ([§3695.4](#), [§3695.5](#), [§3793.1](#)).

**NOTE:** If revenue districts as defined in [§122](#) object to the Chapter 7 sale, the objection must include an application and a written proposed agreement to purchase ([§3695](#)).

### **8131. OBJECTION TO SALE OF A PORTION OF PROPERTY: PUBLIC AUCTION AND SEALED BID**

The State, a city, or any taxing agency or revenue district may object to the Chapter 7 sale of a portion of the property scheduled for sale on the basis that such portion is needed for public use ([§3695.4](#)).

The objection must:

- Be filed with the tax collector prior to the first publication date;
- Include the Assessor's Parcel Number (APN) or a legal description of the property;
- Specify the public purpose to be served and whether the entire fee or an easement is required; and
- Be accompanied by an application to purchase the property under Chapter 8.

### **8132. REDEMPTION**

If a property is redeemed before the close of business on the last business day prior to the commencement date of the tax sale ([§4112](#)), the power to sell is automatically nullified and the property must be withdrawn from the tax sale. If a property is redeemed within 90 days of the scheduled sale, \$150 must be collected to reimburse the county for costs incurred in preparing to conduct the tax sale ([§4112\(a\)\(3\)](#)).

If the tax-defaulted property is redeemed prior to the proposed sale, but after the county has paid notice or publication costs, pursuant to [§3702](#) or [§3798](#), a fee may be collected in an amount reasonably necessary to reimburse the tax collector for those costs ([§4112\(b\)](#)).

Fees imposed must be established by the county board of supervisors and are subject to the requirements of Chapter 12.5 commencing with [§54985](#) of Part 1 of Division 2 of Title 5 of the Government Code ([§4112\(d\)](#)).

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**NOTE:** If the redemption is received by mail, it must be received before the close of business on the last business day prior to the commencement date of the tax sale ([§3707\(b\)](#)).

### 8133. BANKRUPTCY

If the assessee has filed bankruptcy, the property may not be sold. However, an opportunity may exist to remedy the situation before the date of the sale. Maintain compliance with 11 U.S. Code section [362](#) and seek guidance from county counsel.

### 8134. WITHDRAWAL OF PORTION OF PROPERTY

If part of the property is withdrawn, the portion remaining may be sold at a reduced price. The tax collector may reduce the original minimum bid if a portion is redeemed or cancelled after the minimum bid is established, but not to an extent greater than the ratio that the delinquency for the redeemed or cancelled portion bears to the delinquency of the whole ([§3706](#); manual section [8132](#)).

### 8135. INJUNCTION OR RESTRAINING ORDER TO STOP A TAX SALE

An injunction, restraining order, or other legal action is not effective against the county, municipality, or district to either prevent or enjoin the collection of property taxes sought to be collected ([§4807](#); [California Constitution, Article XIII, §32](#)). If an injunction or restraining order is brought to stop a tax sale, the county counsel should be notified of the court action and of the statutes cited. If the county counsel is unable to stop an injunction or a restraining order at a hearing before the date of the sale, or if the hearing is within 40 days of the sale, a postponement of the sale must be announced. If the order is lifted before the original date of the sale, the sale can be held as announced ([§3706.1](#)).

**EXCEPTION:** This does not include the automatic stay provisions of a bankruptcy court. If an injunction is issued by either a bankruptcy court or a federal court, compliance is recommended.

### 8136. WITHDRAWAL OF A PROPERTY FOR ANY OTHER REASON

The tax collector may withdraw a property from a scheduled tax sale if it is determined that it would be in the best interest of the county to do so. Consent from county counsel must be obtained prior to withdrawal from the sale ([§3698.8](#)).

## 8140-8146 All Tax Sales: Parties of Interest

### 8140. OBTAINING NAMES AND ADDRESSES OF PARTIES OF INTEREST

The law requires the tax collector to make a reasonable effort to ascertain the names and last known addresses of parties of interest ([Jones v. Flowers](#) (2006) 126 S. Ct. 1708). The validity of a sale is not compromised if any names cannot be obtained through reasonable effort ([§3701](#)).

**NOTE:** Parties of interest are defined as lienholders of record and any persons with title of record to all or any portion of the property prior to the recordation of the tax deed to the purchaser ([§4675](#)).

### 8141. PARTIES OF INTEREST SEARCH

There are three primary methods used to obtain names and addresses of parties of interest:



## **Chapter 8000: Sale of Tax Defaulted Property**

- **Research Consultant**—Hiring a research consultant involves contracting with a company that locates lienholders or parties of interest of real property.
- **Title Company**—This option involves the purchase of a litigation guarantee, which provides information sufficient to determine the parties of interest.
- **In-house Research**—Initially, in-house research involves updating existing parties of interest lists or, when a list is absent, updating from a point in the past at which all parties of interest were definitively known. Once that date is known, a search is conducted for any updated information that may have been recorded about the property from the current year back to the point when the initial analysis was done.

**NOTE:** Although hiring a research consultant and doing a title search may save a substantial amount of research time, in each instance in which a property does not sell, the money spent for researching the information is not immediately recouped. The cost can be added to the redemption amount, but the county may not collect the money until the property is redeemed or purchased through a tax sale.

### **8142. NOTICE TO PARTIES OF INTEREST: PUBLIC AUCTION AND SEALED BID**

Not less than 45 days nor more than 120 days before the proposed sale, the tax collector shall send notice (by registered or certified mail) to parties of interest ([§3701](#)). See State Controller's Office sample form, *Notice of Sale of Tax-Defaulted Property to Parties of Interest* ([SCO 8-05.1](#)).

**NOTE:** If unsold properties are re-offered within a 90-day period following a tax sale, a follow-up search for parties of interest must be conducted; if any new parties are discovered, notification pursuant to [§3701](#) must be provided ([§3692\(e\)](#)).

### **8143. NOTICE TO ASSESSEE OF PERSONAL CONTACT: PUBLIC AUCTION AND SEALED BID**

If the property is known to be the primary residence of the last known assessee, attempt to contact the assessee in person to notify him or her of the impending sale as soon as the parties of interest notices are mailed. Attempting to notify the assessee is required for each property having either a valid homeowner's exemption on file with the county assessor in the name of the last known assessee, or a mailing address for the last tax bill that is the same as the situs.

The tax collector or his or her agent is required to make a reasonable effort to contact the owner/occupant of the property in person, not more than 120 days nor less than 10 days prior to the date of the sale ([§3704.7\(a\)](#)).

**NOTE:** In most cases, the parties of interest notices will have already been mailed. Contacting the assessee by mail does not, however, eliminate the need for a personal contact. These are two separate notification requirements.

If, after making a reasonable effort, personal contact cannot be made with the assessee, serve a written notice (e.g., post notice on the property) no fewer than five days before the date of the sale. The notice must include a statement requiring the assessee to contact the tax collector's office immediately regarding the redemption of the property ([§3704.7\(b\)](#)). See State Controller's Office sample form, *Notice of Personal Contact for Sale of Tax-Defaulted Property* ([SCO 8-05.4](#)).

**8144. NOTICE TO PARTIES OF INTEREST: SALE BY AGREEMENT**

After receipt of the State Controller's authorization (see manual section [8362](#)), and not less than 45 nor more than 60 days prior to the effective date of the agreement, the tax collector should send, by registered ([§3799](#)) or certified ([Gov. Code, §53062](#)) mail, a copy of the notice of agreement to the last assessee and the parties of interest in the property at their last known address ([§3797](#), [§3799](#)). See State Controller's Office sample form, *Notice of Agreement to Purchase Tax-Defaulted Property* and *Notice of Agreement to Purchase Tax-Defaulted Property to Parties of Interest* ([Figure 9-7a](#) or [Figure 9-7b](#), [SCO 8-05.2](#)).

The last known address may be determined by examining the rolls, beginning with the first year of delinquency and proceeding to the last equalized roll ([§3799](#)). The term "last equalized roll" is defined in [§2052-§2055](#). Other sources may also be checked and a copy of the notice mailed to addresses found. No mailed notice is required (1) if the rolls contain no address and the address is unknown to the tax collector, or (2) to any party who files a waiver of notice or a written receipt of notice with the tax collector ([§3799](#)).

**NOTE:** Although the parties of interest search may begin prior to receiving State Controller's authorization for the agreement, do not mail the notices until receipt of the written authorization ([§3796](#)).

**8145. AFFIDAVIT OF NOTICE: SALE BY AGREEMENT**

An affidavit must be filed in the office of the tax collector showing that the notice of agreement has been given as prescribed ([§3801](#)). If the notice is published in a newspaper of general circulation (Gov. Code [§6020](#) et seq.), evidence of publication may be given by the affidavit of the printer of the newspaper (Code of Civ. Proc. [§2010](#)). If the notice is not published in a newspaper, the tax collector's affidavit must include the places of posting ([§3798](#)). See State Controller's Office sample form, *Affidavit of Posting Notice of Purchase by Agreement* ([SCO 9-04](#)). Recordation of the affidavit is not required.

**8146. MAILING RECOMMENDATIONS**

Do not print a requested return date on the envelope of a mailed notice to a party of interest (e.g., "Please return to sender within 10 days if not claimed").

The sale may be voided if a requested return date is shown on the envelope. See the [California Department of Tax and Fee Administration's Property Taxes Law Guide \(Vol. 2\) annotations](#) to [§3365](#), [Numitor Gold Mining Co. v. Katzer](#), 83 Cal. App. 161; and [Sawyer v. Berkeley Securities Co.](#), 99 Cal. App. 545.

All mailed notices returned as undeliverable should be retained unopened as proof of mailing. The unopened proof of mailing may be needed as court evidence. If a returned envelope is opened, it may be difficult to prove the details of the notification, as the envelope and its contents will no longer be sealed and intact.

**NOTE:** If a notice is returned and indicates that the assessee is deceased, the superior court clerk's office should be checked for a probate. If the estate is in probate, the notice should be mailed to the administrator or executor of the estate. If a probate cannot be found, the property should be withdrawn from the sale. See manual section [8126](#) for instructions on the handling of escheated and unprobated property.

## 8150-8156 All Tax Sales: Post-Sale Provisions and Requirements

### 8150. DEPOSIT OF PROCEEDS

The tax collector shall deposit money received from a sale into a tax sale trust fund ([§3718](#), [§4674](#)).

The cost of advertising is deposited in the county general fund and the balance, except the recorder's fee and the transfer tax, is deposited in the delinquent tax sale trust fund ([§3719](#)). For distribution of the balance, see manual section [8500](#).

The recording fee and the transfer tax must be deposited in an appropriate fund (such as a tax sale trust fund) and a warrant drawn in favor of the county recorder for payment or funds transferred to the appropriate recorder's fund.

### 8151. REQUIRED REPORTING: PUBLIC AUCTION AND SEALED BID

**Reports to the County Treasurer and County Auditor:** After depositing sale proceeds, a report of sale must be filed with the county treasurer and the county auditor ([§3718](#)). See State Controller's Office sample form, *Report of Sale of Tax-Defaulted Property* ([SCO 8-07a](#)). The report must include:

- The cost of advertising the sale;
- The sums received for individual properties;
- Identification of the properties by year, page and number of delinquent tax record, and the current roll upon which they appear;
- The cost of recording the deeds;
- The transfer tax collected at the time of the sale (manual section [8415](#));
- The amount of fees due to the State (\$1.50 per property sold plus \$5 redemption fee); and
- Sale fees due to the county (\$150 per property sold).

**Report To The County Assessor:** Within 30 days after the sale, the tax collector must report to the assessor ([§3716](#)). See State Controller's Office sample form, *Report of Sale of Tax-Defaulted Property* ([SCO 8-07b](#)). The report must include:

- The name of each purchaser;
- The date of sale;
- The amount for which each property was sold; and
- The legal description of each of the properties conveyed.

### 8152. REQUIRED REPORTING: SALE BY AGREEMENT

On execution of the deed to the taxing agency or nonprofit organization, the tax collector must report the following information to the county assessor, the county auditor, and the State Controller ([§3811](#)). See State Controller's Office sample forms, *Report of Sale by Agreement of Tax-Defaulted Property* ([SCO 8-07c](#) and [SCO 8-07d](#)):

- The name of the purchaser
- The effective date of the sale and the date of the transfer of the deed to the taxing agency or nonprofit organization
- The amount for which the property was sold

- The description of the property conveyed

### **8153. MARKING ROLLS**

The tax collector is required to note the fact and date of sale on the delinquent roll or abstract sheet and the current roll where the property sold at the tax sale appears ([§3717.5](#)).

**Sale by Agreement: Pro Rata Agreement:** When property is sold under a pro rata agreement, the delinquent tax records and the current roll are to be marked “deeded to \_\_\_\_\_,” and, subsequently, “resold by \_\_\_\_\_,” when reported sold by the taxing agency. The records are not finally cleared until the property has been sold to a private purchaser.

**NOTE:** Do not record a rescission of notice of power to sell or a cancellation of notice of power to sell for property redeemed as a result of a tax sale. The recorded *Tax Deed to Purchaser* is considered public notice that taxes have been satisfied and that the property has been conveyed to a bona fide purchaser.

**NOTE:** Any installments of special assessments that become payable upon the current secured roll after the date of the sale should not be marked off. Special assessments are defined as levies upon real property for the purpose of paying for improvements, as the amount of the levy is based on the benefits accruing to the property. For a distinction between special taxes and special assessments, see the California Department of Tax and Fee Administration [Property Taxes Law Guide](#) annotations, California Constitution, Article XIII, Section 1.

### **8154. NOTICE OF EXCESS PROCEEDS TO PARTIES OF INTEREST**

When the sale produces excess proceeds exceeding \$150, notice of the right to claim the excess proceeds must be given to parties of interest by either mail or publication ([§4676](#)). If the last known address of a party of interest cannot be obtained, the county must publish notice of the right to claim excess proceeds in a newspaper of general circulation in the county. Publication is not required if the cost to publish is equal to or greater than the amount of the excess proceeds ([§4676](#)). For details regarding these notices, see manual section [8511](#) and manual section [9800 et seq.](#)

### **8155. FAILURE TO CONSUMMATE PURCHASE OR PARTIAL PAYMENT: PUBLIC AUCTION AND SEALED BID**

If the highest bidder neglects or refuses to consummate the purchase, void the sale and notify the bidder. Failure to consummate the purchase includes nonpayment of any amount of the accepted bid within the period allowed by the tax collector ([§3456](#)).

A tax collector has until January 1, 2029, the authority to offer a nonresidential commercial property to the next highest bidder if the highest bidder did not consummate the sale. Any other type of property for which the highest bidder did not consummate the sale may be brought to a subsequent public auction occurring more than one year after the date of the first auction; and, if the subsequent sale is again unconsummated, the property may then be sold to the next highest bidder ([§3693\(b\)\(c\)](#)).

The notification following the amount owed becoming past due must include:

- That the bid is voided;
- The amount of the county’s claim against the bidder (actual cost of sale);
- That the county’s claim will be subtracted from any deposit; and
- Any remaining deposit after subtraction of the county’s claim if forfeited.

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If the county's claim is not paid within 30 days after the notice was sent:

- The county may use any means authorized by law to collect the claim; and
- The tax collector may prohibit the bidder from participating in the county's Chapter 7 tax sales for up to five years.

If the claim is not paid within the 30 days after notification, the tax collector may transfer the amount to the unsecured roll ([§3456](#)).

**NOTE:** Voiding the bid restores the right of redemption.

### **8156. RETURNED CHECK: PUBLIC AUCTION AND SEALED BID**

When negotiable paper is returned unpaid by the bank, the bid is voided (as if no bid had been made), and the county shall have a claim against the person tendering the dishonored negotiable paper for the cost of advertising the sale, including but not limited to the published notice of intended sale required by [§3702](#) ([§3455](#)). Notify the person attempting payment that his or her bid is void and include in the notification the amount of the county's claim. Send the notification by registered or certified mail.

If only a part of the payment was dishonored, the cost of the sale should be deducted from the partial payment and the balance refunded. Send notification, by registered or certified mail, of the person's voided bid for incomplete payment and the amount withheld by the county for the cost of advertising the sale ([§3455](#), [§3456](#)).

Alternatively, an action may be filed for damages in the amount of three times the amount of the dishonored paper but not less than \$100 nor more than \$1,500, as provided by Civil Code section [1719](#). The tax collector should contact county counsel before using this option (manual section [1244](#)).

The dishonored paper should be retained as proof of the county's claim.

**NOTE:** Voiding the bid restores the right of redemption ([§3455](#)).

## **8200-8204 Public Auction and Sealed Bid: General Information**

### **8200. PURPOSE OF SALES**

The purpose of tax sales is to collect the unpaid taxes. Offering property for sale achieves this, either by collecting the unpaid taxes from the proceeds of the sale or by motivating the assessee to redeem the property in order to avoid losing it.

### **8201. FREQUENCY OF SALES**

If a property remains unsold or is not redeemed, the tax collector should consider offering the property at the next public auction or sealed bid sale. The law requires holding a tax sale at least once every four years ([§3692](#)).

**NOTE:** If no bids are received on a particular property, an attempt must be made to sell the property at intervals of no more than six years, until it is sold ([§3692\(a\)](#)).

**8202. LOCATION OF SALE**

**FOR AN IN PERSON PUBLIC AUCTION OR A SALE BY SEALED BID:** The tax collector may hold a sale at any appropriately advertised location within the county. The Revenue and Taxation Code contains no limitations or restrictions as to location ([Attorney General Letter 6-26-47](#)).

**FOR INTERNET PUBLIC AUCTIONS:** The tax collector may hold an internet public auction or auction by other electronic means and must advertise the electronic address of the intended sale. The instructions for submitting bids must be posted on the site.

The tax collector may make computer workstations available to the public. If workstations are provided, their location must be advertised in the notice of intended sale ([§3704](#)).

**8203. ELIGIBLE PURCHASERS: PUBLIC AUCTION**

Tax-defaulted property that is subject to the tax collector's power to sell ([Chapter 7000](#)) may be sold to any person or entity at a public auction ([§3691](#)). The only exception to eligible purchasers is the tax collector who conducts the sale or the tax collector's employees ([Gov. Code, §1090](#)).

**Note:** The tax collector may prohibit a bidder from bidding at a sale for five years if the tax collector has voided a previous sale due to the bidder failing to consummate the purchase ([§3456](#)).

**8204. ELIGIBLE BIDDERS: SEALED BID**

**MISCELLANEOUS UNUSABLE PROPERTIES:** Properties rendered unusable by their size, location, or other condition may be offered under sealed bid to owners of contiguous properties or to holders of predominant easement or right-of-way easement. The tax collector shall require that the successful bidder request the assessor and the planning director to combine the unusable property with the bidder's own contiguous property as a condition of sale ([§3692\(c\)](#)).

**OIL, GAS, OR MINERAL RIGHTS:** When a partial interest in oil, gas, or mineral rights is to be sold, only owners having an interest in those rights may bid ([§3692\(b\)](#)).

When a complete and undivided interest in oil, gas, or mineral rights is to be sold, only the owner or owners of the property to which the rights are appurtenant may bid ([§3692\(b\)](#)).

## 8210-8217 Public Auction and Sealed Bid: Authorization to Sell

**8210. ESTABLISHING MINIMUM SELLING PRICE**

Except for mineral rights or unusable properties that qualify for sale at a sealed bid tax sale, the first time a property is offered for sale, and does not have a welfare exemption, the minimum selling price under Chapter 7 must be the total amount necessary to redeem, plus costs, and the outstanding balance of the property tax postponement (PTP), if any, pursuant to [§3698.5\(a\)\(1\)](#). The minimum selling price must be at least the sum of the following:

- The amount of defaulted taxes;
- Delinquent penalties and costs;
- Redemption penalties;

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- Redemption fee of \$15 ([§4102\(d\)](#));
- Additional costs:
  - The amount of the actual and reasonable costs incurred by the tax collector ([§3704.7\(c\)](#));
  - The actual and reasonable costs incurred in obtaining the names and addresses of parties of interest and for mailing notices to these entities for each property ([§4112\(a\)\(1\)](#));
  - A fee of one hundred fifty dollars (\$150) if redemption is within 90 days of the proposed date for the tax sale of the redeemed property ([§4112\(a\)\(3\)](#));
  - The actual and reasonable costs incurred in conducting personal contact and, if necessary, also serving written notice for each property that is a primary residence for the last known assessee ([§4112\(a\)\(4\)](#));
  - \$1.50 state fee ([§4672](#));
  - \$150 county fee for the cost of conducting the sale ([§4672.1](#));
  - The costs of researching and giving notice to the parties of interest ([§4672.2](#));
  - The costs of advertising the sale of the property ([§4673](#));
  - The amount necessary to satisfy current taxes and assessments and applicable penalties and costs thereon for the fiscal year in which the tax sale is held ([§4673.1](#));
- The outstanding balance of any property tax postponement is the sum of the following:
  - The tax payments made by the State Controller's Office on behalf of the claimant in the Property Tax Postponement Program;
  - Accrued interest pursuant to section [16183](#) of the Government Code, subject to [§20644](#) and [§20644.5](#);
  - Other associated fees and penalties as deemed appropriate by law; and
  - Less any payments already made on the property tax postponement.

**NOTE:** Primary residence is determined by a valid homeowner's exemption or verification that the mailing address on the last tax bill is the same as the situs address ([§3704.7](#)).

**NOTE:** For PTP payoff amounts contact the State Controller's Office at (800) 952-5661 or email [postponement@sco.ca.gov](mailto:postponement@sco.ca.gov).

**NOTE:** Pursuant to Government Code section [54988\(a\)\(1\)\(G\)](#), inspection and abatement fees, costs, or other charges added to the tax bill for collection may not be included in the amount to redeem and, in turn, may not be included when determining the minimum bid amount.

### 8211. ESTABLISHING MINIMUM SELLING PRICE: WELFARE EXEMPTION

If tax-defaulted property has been granted a property tax welfare exemption, the minimum price the property may be offered for sale is the higher of: (1) Fifty percent of the fair market value, or (2) the minimum selling price pursuant to [§3698.7\(a\)\(1\)](#) and includes the total amount necessary to redeem the property, plus costs, and the outstanding balance of any property tax postponement.

- Fair market value is the amount as defined in [§110](#) as determined pursuant to an appraisal of the property, by the county assessor, within one year immediately preceding the date of the sale. From the proceeds of the sale, there shall be distributed to the county general fund an amount to reimburse the

## **Chapter 8000: Sale of Tax Defaulted Property**

county for the cost of appraising the property. The value of the property as determined by the assessor, pursuant to an appraisal, shall be conclusively presumed to be the fair market value of the property for the purpose of determining the minimum price at which the property may be sold.

- For items included in the calculation of the minimum selling price, see Establishing the Minimum Selling Price, manual section [8210](#).

### **8212. ESTABLISHING MINIMUM BID: SEALED BID**

The minimum bid for oil, gas, or mineral rights and for unusable properties to be sold at a sealed bid sale may be set at any level the tax collector deems appropriate ([§3698.5\(c\)](#)).

### **8213. MINIMUM SELLING PRICE: PROPERTIES NOT SOLD AT CURRENT OR PREVIOUS CHAPTER 7 SALE**

If property or a property interest has been offered for sale at least once without an acceptable bid being received, it may be offered at the same sale or the next scheduled sale at a minimum price that the tax collector deems appropriate, with prior approval of the board of supervisors ([§3698.5\(c\)](#), [§3698.7\(c\)](#)).

### **8214. RECOMMENDED TAX SALE FORMS**

State Controller's Office sample form, *Request to Approve the (Public Auction or Public Internet Auction) Sale of Tax-Defaulted Property Subject to the Power to Sell* ([SCO 8-02](#)) may be used when requesting the board of supervisors' approval to sell tax-defaulted property at public auction that is subject to sale and for re-offering unsold properties. State Controller's Office sample form, *Request to Approve the Sealed Bid Sale of Tax-Defaulted Property Subject to the Power to Sell* ([SCO 8-02.1](#)) may be used when requesting the board of supervisors' approval of a sealed bid sale [§3692](#).

State Controller's Office sample form, *Authorization and Report of Sales*, ([SCO 8-03](#)) may be used as an attachment to form ([SCO 8-02](#)) to list the descriptions of the properties to be sold and the minimum price proposed for each property ([§3698](#)). Sample form ([SCO 8-03](#)) is a multipurpose form designed to eliminate duplicate information in preparation of approvals and reports required for the sale of tax-defaulted property.

### **8215. TAX SALE PROPERTY LIST FOR DISTRIBUTION**

In addition to the copy retained by the tax collector's office, a copy of the list of properties should be provided to the board of supervisors ([§3698](#)), each taxing agency, and the nonprofit organization that requested notification prior to July 31 of the current calendar year or within one year prior to the next scheduled sale ([§3700](#)).

### **8216. APPROVAL BY BOARD OF SUPERVISORS**

Board of supervisor approval of the tax sale is required in order for the tax collector to carry out the sale. The tax collector must transmit to the board of supervisors a notice with the following information:

- An intention to sell tax-defaulted property that is subject to sale at public auction. A public auction and a sealed bid sale may be included in a single notice to the board ([§3698\(a\)](#)).
- A description of the property to be sold ([§3698\(b\)](#)).
- The proposed minimum selling price for each property to be sold ([§3698\(c\)](#)).



## **Chapter 8000: Sale of Tax Defaulted Property**

If the tax collector intends to re-offer unsold properties at another sale within 90 days, the notice to the board of supervisors should indicate that any property remaining unsold may be reoffered within a 90-day period and that any new parties of interest will be notified ([§3692\(e\)](#)). See State Controller's Office sample form, *Request to Approve the (Public Auction or Public Internet Auction) Sale of Tax-Defaulted Property Subject to the Power of Sale* ([SCO 8-02](#)) for recommended language.

The board of supervisors may delete properties and approve sale of the remainder. Following approval, the board of supervisors may not delete, withdraw or withhold properties from the public auction, nor rescind its approval ([Attorney General Letter 1-23-40](#)).

### **8217. NOTICE OF SALE TO THE STATE CONTROLLER**

A notice of the proposed sale must be sent to the State Controller's Office at [propertytax@sco.ca.gov](mailto:propertytax@sco.ca.gov) 45 to 120 days prior to the date of the sale. The notice should indicate the date, time, and place of the sale ([§3700.5](#)). Also provide to the State Controller's Office the number of properties, and the name, phone number, and email address of a county contact. If there will be an internet public auction, provide the website address (URL). See State Controller's Office sample form, *Chapter 7 Notification*, ([SCO 8-05.5](#)) for an example of the notification format.

## **8220-8225 Public Auction and Sealed Bid: Notification of Sale**

### **8220. PARTIES OF INTEREST**

See manual section [8140-8146](#) for an overview of performing the parties of interest search and notification.

**NOTE:** The law requires the tax collector to make a “reasonable effort” to ascertain the names and last known addresses of parties of interest ([Jones v. Flowers](#) (2006) 126 S. Ct. 1708).

### **8221. NOTICE TO TAXING AGENCIES AND NONPROFIT ORGANIZATIONS**

Give notification of the tax sale to all taxing agencies having the right to levy taxes or assessments on the property and each city having jurisdiction over a property scheduled for the tax sale. The notification must occur at least 30 days before the date of the first published or posted notice of sale. A copy of the notice to the board of supervisors, along with board approval of the sale, must be included with the notification. For recordkeeping purposes, send the notification by registered or certified mail with a return receipt requested. The tax collector may proceed with publishing or posting the tax sale without waiting 30 days if written consent from each taxing agency is on file ([§3700](#)).

When a complete list of the properties to be offered at public auction is sent to each taxing agency, the properties subject to their jurisdiction may be specified.

The tax collector may notify nonprofit organizations that have requested notification either prior to July 31 of the current calendar year or within one year prior to the next scheduled tax sale. ([§3700](#)).

The tax collector has the option to send the notices to the taxing agencies and nonprofits electronically ([§3700](#)).

**8222. PUBLISHED NOTICE**

The tax collector shall, pursuant to [§3702](#), publish a notice of intended sale once a week for three successive weeks in the following:

- A newspaper of general circulation published in the county seat; and
- A newspaper of general circulation published in the public notice district where the property is situated.

If the same newspaper of general circulation is published in both the county seat and the public notice district, or if the publication of the notice of sale is made in a newspaper that is determined to be most likely to afford adequate notice of the sale, pursuant to [§3381](#), publication in that newspaper satisfies the requirements for publication.

If no newspaper is published in the county seat or in the public notice district, publication in the location which there is no newspaper may be made by posting notice in three public places in the county seat. The publication shall be started not less than 21 days prior to the sale ([§3702](#)).

If, in the judgment of the board of supervisors, any property to be sold will bring at auction less than the cost of publication in a newspaper, the publication of the notice of intended sale may be made in the same manner as if there were no newspaper published in the county seat or in the public notice district ([§3703](#)).

The following documents are State Controller's Office sample notices for public auctions and sealed bid sales:

- *Notice of Public Auction of Tax-Defaulted Property for Delinquent Taxes* ([Figure 9.5](#))
- *Notice of Public Internet Auction of Tax-Defaulted Property for Delinquent Taxes* ([Figure 9.5a](#))
- *Notice of Sealed Bid Sale of Tax-Defaulted Property for Delinquent Taxes* ([Figure 9.6](#))

If a notice of public auction or sealed bid sale is posted, the following are State Controller's Office sample forms for affidavit of posting:

- *Affidavit of Posting Notice of Public Auction of Tax-Defaulted Property for Delinquent Taxes* ([SCO 9-02](#))
- *Affidavit of Posting Notice of Public Internet Auction of Tax-Defaulted Property for Delinquent Taxes* ([SCO 9-02a](#))
- *Affidavit of Posting Notice of Sealed Bid Sale of Tax-Defaulted Property for Delinquent Taxes* ([SCO 9-02b](#))

**NOTE:** If the notice is published in a newspaper of general circulations (Gov. Code [§6020](#) et seq.), evidence of publication may be given by the affidavit of the printer of the newspaper (Code of Civ. Proc. [§2010](#)).

**8223. MAILING RECOMMENDATIONS**

All mailed notices returned by the postal service as undeliverable should be retained unopened as proof of mailing. Proof of mailing may be needed as court evidence. If envelopes are opened, it may be difficult to prove what notice was given, as the contents no longer remain sealed and intact.

**NOTE:** On occasion, the notice mailed to the last known assessee of record may be returned by the post office with the word "deceased" stamped on the envelope. The returned mail is not considered conclusive or an official determination of whether the assessee is deceased. Further investigation may be initiated, but is not required by statute. Only upon receipt of a certified death certificate is the tax collector required to take any action related to the probate process.

**8224. NOTICE TO BIDDERS: SEALED BID**

A notice of sealed bid sale and a bid form with the terms and conditions of the sealed bid sale printed on the reverse side should be mailed (by certified or registered mail, return receipt requested) to all eligible, potential bidders. Attaching a small plat map to the package is advisable.

The notices of sealed bid sale and the bid forms must be mailed to all eligible potential bidders at least 30 days prior to the date set for the sealed bid sale, not including the day of the sale ([§3692](#)).

The following documents are State Controller's Office sample notices for each type of sealed bid and a sample bid form:

- *Notice to Owners of Contiguous Property of Sealed Bid Sale of Tax-Defaulted Property* ([SCO 8-08](#))
- *Notice of Sealed Bid Sale of Partial Interest in (Oil, Gas, or Mineral) Rights to Appurtenant Property Owners* ([SCO 8-09](#))
- *Notice of Sealed Bid Sale of Complete and Undivided Interest in (Oil, Gas, or Mineral) Rights to Appurtenant Property Owners* ([SCO 8-10](#))
- *Bid Form* ([SCO 8-11](#))

**NOTE:** Ensure that the notice sent to each individual conveys an offer to purchase only those properties for which he or she is eligible.

**8225. NOTICE OF SALE TO THE INTERNAL REVENUE SERVICE (IRS)**

Upon discovery of an IRS lien, a notice of sale must be given, in writing, to the IRS. The notice must be sent by registered or certified mail or by personal service and must be received by the IRS not less than 25 days before the sale (26 U.S.C. [§7425](#), [Attorney General Opinion 12-21-79](#)). A sale may be voided if the IRS notice is not mailed to the district office of the IRS that has jurisdiction over the properties subject to the IRS tax lien.

Notification to the IRS regarding a tax sale of a property with an IRS lien can begin immediately after the board of supervisors approves the sale. It is recommended that notification to the IRS occur as close to the 25-day deadline as possible to avoid missing any filed liens.

The Secretary of the Treasury has the right to redeem from the purchaser, up to 120 days after the date of the sale, any property sold at a tax sale that has an IRS lien against it (26 U.S.C. [§7425\(d\)](#)).

For information on preparing the notice, please see [County Tax Sale Procedural Manual, Chapter I: Chapter 7 Tax Sales](#).

## 8230-8234 Public Auction and Sealed Bid: Pre-Notification and Post-Notification of Sale Circumstances

**8230. OBJECTION TO SALE BY TAXING AGENCY: PRESERVE LIEN**

**Objection by a Taxing Agency Solely to Preserve a Lien:** A taxing agency that is not also a revenue district may file this type of objection. The objection to the sale must be in the form of certified copies of a resolution adopted by the governing body of the taxing agency. The certified copies of the resolution must be filed with the tax collector and the board of supervisors prior to the date of the tax sale and serves only to preserve the

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agency's lien, as defined in [§3712](#), on a property that is sold. The tax collector is not required to withdraw the property from the sale.

**Objection by a Taxing Agency to Preserve a Lien and to Purchase a Property:** A taxing agency that is not also a revenue district **may** file this type of objection. The objection to the sale must be in the form of certified copies of a resolution adopted by the governing body of the taxing agency. The certified copies of the resolution and an application to purchase the property under a Chapter 8 tax sale must be filed with the tax collector and the board of supervisors prior to the date of the tax sale. This objection requires the tax collector to withdraw the property from the sale. Refer to the [County Tax Sale Procedural Manual, Chapter II: Chapter 8 Tax Sales](#), for comprehensive procedures.

**Objection by a Revenue District to Preserve a Lien and to Purchase a Property:** A taxing agency that is also a revenue district **must** file this type of objection. The objection to the sale must be in the form of certified copies of a resolution adopted by the governing body of the taxing agency. The certified copies of the resolution, an application to purchase the property under a Chapter 8 tax sale, and an executed proposed agreement must be filed with the tax collector and the board of supervisors prior to the date of the tax sale. This objection requires the tax collector to withdraw the property from the sale. Refer to the [County Tax Sale Procedural Manual, Chapter II: Chapter 8 Tax Sales](#), for comprehensive procedures.

### **8231. CONSENT TO SALE BY TAXING AGENCY: CANCELLATION OF LIEN**

If a taxing agency does not file an objection to the sale before the date of sale, its liens are cancelled by the sale, and it is entitled to its proper share of the proceeds deposited in the delinquent tax sale trust fund ([§3695](#)).

### **8232. OBJECTION TO SALE BY TAXING AGENCY: PUBLIC PURPOSE**

Any eligible taxing agency, revenue district, or special district may file this type of objection. The objection, along with an application to purchase in accordance with Chapter 8 (commencing with [§3771](#)) for any property that is or may be needed for public use, must be completed and registered before the date of the first publication of the notice of intended sale. If the State, a city, a taxing agency, a revenue district, or a special district files an objection and application in compliance with ([§3695.4](#)), the tax collector must not proceed with the sale of the subject property. Refer to the [County Tax Sale Procedural Manual, Chapter II: Chapter 8 Tax Sales](#), for comprehensive procedures.

### **8233. OBJECTION TO SALE BY A NONPROFIT ORGANIZATION**

A nonprofit organization as defined in [§3772.5\(b\)](#) may file this type of objection. The objection must be registered before the date of the first publication or posting of the notice of intended sale pursuant to [§3702](#) and [§3703](#). If the nonprofit organization files an objection and application in compliance with this section and with any conditions of sale established pursuant to all appropriate Chapter 8 Tax Sale provisions of the Revenue and Taxation Code, the tax collector may not proceed with the sale of the property ([§3695.5](#)). Refer to the [County Tax Sale Procedural Manual, Chapter II: Chapter 8 Tax Sales](#), for comprehensive procedures.

**NOTE:** A taxing agency may not file a blanket objection to proposed sales but must take action in relation to each sale ([Attorney General Opinions 1-23-40](#) , [4-9-40](#) ).

### **8234. INTERNAL REVENUE SERVICE (IRS) REDEMPTION RIGHTS**

When a property on which the IRS holds a tax lien is sold at public auction, the United States has the right of redemption for 120 days from the date of such sale or for the period allowable for redemption under local law, whichever is longer (26 U.S.C. [§7425\(d\)](#); [§3712\(g\)](#)).

## 8240-8248 Public Auction and Sealed Bid: Pre-Sale Considerations

### **8240. RULES OF PUBLIC AUCTION**

The Revenue and Taxation Code sets forth no procedures or rules for conducting a public auction. The tax collector may establish rules or procedures deemed appropriate to achieve the effective sale of tax-defaulted properties. Suggested procedures are located in manual section [8250 et seq.](#)

### **8241. INFORMATION FOR PROSPECTIVE PURCHASERS**

Adequate publicity and readily available property and auction information may increase the number of bidders participating in the auction. Also, it may be helpful to provide the public a list of properties to be sold and assessor's maps prior to and at the public auction.

### **8242. QUESTIONS AND ANSWERS REGARDING CHAPTER 7 SALES**

A Frequently Asked Questions (FAQ) sheet about the public auction of tax-defaulted real properties and how to bid in the auction should be available to potential bidders. If an FAQ sheet is prepared, make it available in the tax collector's office and on the tax collector's and internet auction websites.

See the State Controller's Office [County Tax Sale Procedural Manual, Chapter I, Chapter 7 Tax Sales Appendix III](#) for a list of sample questions and responses for a public auction FAQ.

### **8243. TRUTH AND DISCLOSURE AT PUBLIC AUCTION**

If a particular condition, such as a hazard is affecting a property being offered for sale and it is known by the tax collector, this information should be disclosed to the potential bidders before the property is offered for sale.

Examples of conditions that should be disclosed include, but are not limited to, the following:

- The property has an IRS lien. Bidders should be informed that the IRS may exercise its right of redemption up until 120 days after the sale.
- A 1911 delinquent bond may affect the property and must be paid current, in addition to the purchase price of the property.
- The property is known to contain toxic agents and may constitute a chemical hazard.
- A taxing agency, in order to preserve its lien, has objected to the sale of the property.

### **8244. RECEIPTS**

A receipt for each property should be prepared in duplicate prior to the sale. See State Controller's Office sample form, *Receipt for Property Purchased at Tax Sale* ([SCO 8-06](#)).

### **8245. BIDDERS PRESENCE NOT REQUIRED: SEALED BID**

No oral bids may be received at a sealed bid sale. Therefore, the presence of bidders is not required. For a discussion of who is eligible to bid at a sealed bid sale, see manual section [8204](#)

### **8246. ASSISTANCE AT THE IN-PERSON AUCTION**

The tax collector or the collector's deputy shall conduct the sale ([§3706](#), [§3692.1](#)). The quantity of properties scheduled for sale should be used to determine the number of support staff necessary to carry out the sale. If

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there will be cash sales, adequate measures to secure the cash may be initiated at the tax collector's discretion.

### **8247. REDEMPTIONS**

The tax collector should make arrangements to accept all redemptions tendered before the close of business on the last business day prior to the commencement date of the tax sale ([§3707](#)). The tax collector may require that redemption payments made within a certain time before the tax sale be made in cash, money order, or cashier's check.

### **8248. RECEIPT OF REDEMPTION PAYMENT**

Any payment sent by U.S. mail or personal delivery service must be received in the tax collector's office prior to the close of business on the last business day prior to the commencement date of the tax sale. If the payment is not received by that time, the right of redemption terminates ([§3707](#)). If a redemption payment is received after the redemption deadline on property that is subsequently sold, the payment should be returned to the sender.

An authentic redemption payment received in the tax collector's office before the time prescribed by law overturns a subsequent sale. Therefore, all incoming mail and deliveries before an auction or other tax sale should be promptly screened. If time permits, the tax collector should verify with the bank that a redemption check will be honored. If the redemption check will not be honored by the bank, the person attempting to redeem a property is liable to the county for damages in addition to the amount owed, pursuant to Civil Code section [1719](#).

## **8250-8258 Public Auction: Recommended Sale Procedures**

### **8250. ANNOUNCEMENTS**

To facilitate the bidding process and ensure that bidders understand the terms and conditions of the sale, an announcement or an acknowledgment page can be made for the purpose of communicating the tax sale rules.

The terms and conditions may include information appearing in the published notice of sale pursuant to [§3704](#), as well as:

- A statement that no bid will be accepted for less than the minimum bid amount;
- Properties appearing on the list of properties offered for sale that have since been withdrawn from the sale, if any;
- Acceptable forms of payment (e.g., cash, cashier's checks, traveler's checks, personal checks, money orders, letters of credit, and electronic funds transfer) and that the conditions of payment are those specified by law ([§3693](#));
- Successful bidders will be required to pay a county transfer tax and cities may impose an additional tax ([§11911](#));
- A statement that bidding will start with the published minimum bid and will increase in increments determined by the auctioneer and will conclude when no bid is offered that is higher than the last bid acknowledged by the auctioneer ([§3706](#));
- A statement that bidders not completing payment may be pursued for collection and may be prohibited from participating in future sales for up to five years ([§3456](#)); and/or

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- A statement that if it is determined that a property sold at a county tax sale should not have been sold, pursuant to conditions defined in [§3731](#), the board of supervisors may rescind the sale with or without consent from the purchaser ([§3731](#)).

**NOTE:** At the discretion of the tax collector and with the approval of the board of supervisors, the auctioneer may announce that any remaining properties may be re-offered at the same sale for less than the initial minimum bid amount ([§3698.5\(c\)](#)).

### **8251. AUCTION PROCEDURES: IN PERSON AUCTION**

To ensure clear, consistent, and efficient standards in the presentation and sale of each property, we recommend the following procedures in the order listed.

Identify the property by providing a unique identification for every property. Include a property description, the Assessor's Parcel Number (APN), or both.

Before the floor is open to bids for a particular property, the auctioneer should announce any relevant property conditions that could burden the purchaser with additional costs. These conditions include:

- Known toxic agents on the property that may pose a possible hazardous waste problem;
- That a taxing agency has objected to the sale in order to preserve a lien ([§3695](#));
- Liens that may not be extinguished by the sale ([§3712](#)); and/or
- That the property has an IRS lien.

Following the announcements, the auctioneer should begin the bidding process for that property.

- Announce the minimum bid and the acceptable incremental increase for subsequent bids, and open the floor for bidding.
- When an individual raises a bid card or calls out a bid, identify the bid card number and repeat the bid amount so other bidders know the current bid.
- Repeat the bid and ask for the next highest increment until either another individual raises the bid or no one contests the bid.
- Conclude the bidding for each property when the last acceptable bid goes unchallenged or there is no bid.

### **8252. AUCTION PROCEDURES: INTERNET AUCTION**

During an internet auction, unless properties are staggered into groups or blocks, open and close the bidding on all properties at the same time.

Inform the winning bidders immediately by either electronic or regular mail. The communication should contain:

- A notice identifying and confirming the winning bid amount(s) and the corresponding property/properties; and
- Payment information (see manual section [8256](#) for detail on payment information).

**NOTE:** Bidding activity for internet auctions tends to be concentrated toward the end of the sale. As a result, it is recommended that lowering the required minimum bid amount on a property not yet receiving a bid occur in

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the last hour of the auction. Lowering the minimum bid amount only in the last hour of the auction will likely limit the number of properties auctioned at a lower bid amount.

**NOTE:** As internet auctions expand participation to bidders outside of the county, successful bidders may not be able to make payment in person or on the same day. The tax collector is authorized under [§3693.1](#) to extend payment of the balance up to 90 days.

### **8253. RECORDING BIDS**

For in person auctions, when bidding has concluded on a property, complete the following:

- Record the winning bid and the purchaser's name on a receipt, see State Controller's Office sample form, *Receipt For Property Purchased At Tax Sale* ([SCO 8-06](#)); and
- Inform successful bidders that they must pay the cashier immediately unless they have made prior arrangements.

**NOTE:** If payment is required immediately, it is at the tax collector's discretion as to whether each transaction must be completed before, or concurrently with, offering the next property. The tax collector may choose to wait until all bidding has concluded before collecting payments for the properties.

### **8254. RE-OFFER PROPERTY AT A LOWER BID AMOUNT**

If a property does not receive a bid before the close of auction, it is possible, with previous authorization from the board of supervisors, to re-offer the property for an amount less than the original minimum bid. The new minimum bid amount is set at the tax collector's discretion ([§3698.5\(c\)](#)).

### **8255. CONTINUANCE OF SALE**

If there is not sufficient time to offer all properties that were scheduled for sale on a given business day, the auction may be continued to the next business day. At the end of the first day, announce that the sale will be continued on the following day.

### **8256. PAYMENT PROCEDURES**

Generally, payment should be collected at the conclusion of the auction. Payment information must be communicated immediately following the close of sale.

The following steps are required for each sale:

- Determine the transfer tax (copies of the tax-rate tables are available from the county recorder);
- Verify the manner in which the purchaser is to take title;
- Verify the purchaser's name, address, and where the tax bill is to be mailed;
- Collect the payment; and
- Provide a copy of the receipt to the successful bidder after collecting payment.

**NOTE:** For bids in which a purchase on credit was authorized, the purchaser must deposit \$5,000 or 10% of the minimum bid amount, whichever is greater ([§3693.1](#)). The remaining balance must be paid, at the tax collector's discretion, within 90 days from the date of the auction ([§3693.1](#)).

**NOTE:** Do not issue the purchaser a deed until the credit transaction has been completed.



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The preliminary change of ownership report, normally required by [§480.3](#) upon transfer of ownership, is not required after a tax collector's sale of tax-defaulted property. The information, given to the assessor pursuant to [§3716](#) and [§3811](#), is deemed to constitute compliance with this requirement ([§480.3\(c\)](#)).

### 8257. VOIDED SALES

If the highest bidder refuses or neglects to consummate the purchase, void the sale. The bidder forfeits his or her down payment made in a credit transaction, as well as any rights to the property. Provisions for seeking collection are provided in [§3456](#). Consult county counsel as to whether the tax collector's office should seek legal action against the bidder.

In the event a sale is voided, the assessee's right to redeem the property is revived ([§3707\(d\)](#)). The right to redeem is valid until the last business day prior to the commencement date of the next tax sale at which the property will be offered.

A tax collector has until January 1, 2029, the authority to offer a nonresidential commercial property to the next highest bidder if the highest bidder did not consummate the sale. Any other type of property for which the highest bidder did not consummate the sale may be brought to a subsequent public auction occurring more than one year after the date of the first auction; and, if the subsequent sale is again unconsummated, the property may then be sold to the next highest bidder ([§3693\(b\)\(c\)](#)).

**NOTE:** Under no circumstances may the property be awarded to the second highest bidder.

### 8258. POSTPONEMENT OF SALE

An auction, or any portion thereof, may be postponed for up to seven days by declaring, at the time and place originally fixed for the sale, the new time, date, and place ([§3706.1\(a\)](#)). No other notice need be given for a postponement of less than seven days. The right of redemption is automatically extended to the last business day prior to the commencement date of the rescheduled tax sale ([§3707](#)).

To postpone an auction for eight to 90 days, a declaration should be made and written notice of the postponement must be sent to the parties of interest ([§4675](#), [§3706.1\(b\)](#)).

In addition to providing written notice to the parties of interest, the tax collector must:

- Publish the notice of intended sale as outlined in [§3701](#); and
- Notify the State Controller of the postponement and of the new date, time, and location ([§3700.5](#)).

A notice of postponement may be published in a newspaper of general circulation in the county.

## 8260-8267 Sealed Bid: Recommended Sale Procedures

### 8260. GENERAL

Sealed bid tax sales do not engage individuals in active bidding; a sale may proceed regardless of the presence or absence of bidders. However, any eligible bidder who has submitted a qualified bid should be allowed to observe the proceedings.

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There are no current statutory or regulatory measures directing specific procedures for a sealed bid sale. A county may use procedures that are best suited to its needs. The following is a suggested strategy for conducting a sealed bid sale.

### **8261. OPENING OF BIDS**

The bids must remain sealed until the date and time of the sale. The bid reader is typically the tax collector or deputy tax collector.

Reject a bid if the bid form is not signed by the bidder, the bidder is not eligible to submit a bid, or the bid is received after the bid submittal deadline.

Properties that receive no bid may be re-offered at a future sale.

**NOTE:** Designating an official witness may alleviate the possibility of questions arising about the validity of actions during the sealed bid sale.

### **8262. MORE THAN ONE HIGHEST BIDDER: EXTENDED SALE**

If two or more bidders bid the same amount and it is the highest bid, the sale may be canceled or extended at the discretion of the tax collector. If the sale is extended, only those who were the highest bidders, bidding the same amount, may submit new sealed bids. Sealed bids are opened on a new date and at a time specified by the tax collector. The minimum bid at the extended sale is the amount of the highest bid at the original sale.

### **8263. RECORD OF BIDS**

All bids should be tabulated and a record prepared of the bids received.

### **8264. NOTICE TO SUCCESSFUL BIDDERS: RECEIPT**

The successful bidder should be given written notification that his or her bid has been accepted. See State Controller's Office sample form, *Receipt To Absentee Purchaser at Sealed Bid Sale* ([SCO 8-12](#)).

### **8265. NOTICE TO UNSUCCESSFUL BIDDERS**

Notify unsuccessful bidders within 15 days of the sealed bid sale, returning their checks with the notification.

### **8266. DEED TO PURCHASER**

After the successful bidder has been notified and the tax collector's office is in possession of the full payment for the sale, a deed to the property must be prepared, recorded, and issued to the purchaser. See manual section [8400](#) for the procedures necessary to prepare the deed to the purchaser. The deed should be vested according to the instructions of the purchaser.

The tax collector must execute a deed to the purchaser and immediately record the deed with the county recorder ([§3708](#), [§3708.1](#))

The *Preliminary Change of Ownership Report* (PCOR), normally required by [§480.3](#) upon transfer of ownership, is not required after a tax collector's sale of tax-defaulted property. The information, given to the assessor pursuant to [§3716](#) and [§3811](#), is deemed to constitute compliance with this requirement ([§480.3\(c\)](#)).

**8267. NOTICE OF POSTPONEMENT OF THE DATE OF SALE**

A public auction may be postponed for up to seven days by declaring, at the time and place originally fixed for the sale, the new time, date, and place ([§3706.1\(a\)](#)). No other notice need be given for a postponement of less than seven days.

To postpone a public auction or sealed bid for eight to 90 days, a declaration should be made and written notice of the postponement must be sent to the parties of interest ([§4675](#), [§3706.1\(b\)](#)).

In addition to providing written notice to the parties of interest, the tax collector must:

- Publish the notice of intended sale as outlined in [§3701](#); and
- Notify the State Controller of the postponement and of the new date, time, and location ([§3700.5](#)).

The right of redemption is automatically extended to the close of business on the last business day prior to the commencement date of the rescheduled tax sale ([§3707](#)).

## 8300-8303 Sale by Agreement: General Information

**8300. GENERAL PROVISIONS**

The State, taxing agencies, revenue districts, special districts, and nonprofit organizations are eligible to acquire tax-defaulted property without taking part in a public auction ([§3791.3](#), [§3791.4](#)). Under certain circumstances, they also may request that the tax collector withdraw property that is currently scheduled for public auction ([§3695](#), [§3695.4](#), [§3695.5](#)).

**NOTE:** When property is tax sold or tax deeded to a taxing agency, the taxing agency must be made a party to the agreement if the purchasing agency wishes to simultaneously acquire the interest of the taxing agency. Otherwise, the taxing agency retains an interest in the property equal in status to that acquired by the purchaser ([§3695](#), [§3792](#), [§3806](#)).

A taxing agency must have two or more years of delinquent taxes or assessments against the property in order to become a party to the agreement ([§3792](#)). In the absence of any delinquencies (occurring by non-assessment or by a subsequent redemption), the agency must be excluded as a party.

**8301. PURPOSE**

The agreement sale is designed to allow eligible taxing agencies or nonprofit organizations the opportunity to purchase tax-defaulted property for the purpose of public benefit and/or to offset the tax owed to them by using some other characteristic of the property for financial compensation.

**8302. EFFECT**

A sale under Chapter 8 terminates the right of redemption and conveys the property to the purchaser.

**8303. PROPERTIES ELIGIBLE FOR PURCHASE**

All or any portion of the tax-defaulted property subject to the tax collector's power to sell, including a right of way or other easement, may be purchased by an eligible taxing agency ([§3791](#)).

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If acquisition of a right of way or other easement would seriously impair the salability of the remaining interest, it is suggested that the tax collector encourage the purchasing agency to acquire the fee (entire) interest.

A nonprofit organization may purchase tax-defaulted residential or vacant property subject to the tax collector's power to sell only for the purpose of constructing low-income housing or rehabilitating property for low-income housing, dedication of land as open space, or otherwise using property to serve low-income persons ([§3772.5](#), [§3791.4](#)).

**NOTE:** The board of supervisors is not obligated to enter into a Chapter 8 agreement with any agency ([Attorney General Letter 6-21-48](#)).

## **8310-8313 Sale by Agreement: Eligible Purchasing Entities**

### **8310. GENERAL**

At any time after the tax collector records a notice of power to sell for a tax-defaulted property pursuant to [§3691](#), any eligible taxing agency, revenue district, city, special district, or nonprofit organization may submit a proposal to purchase the property ([§3773](#)).

### **8311. PUBLIC AGENCY**

The State, taxing agencies, revenue districts, and special districts are eligible to acquire tax-defaulted property without taking part in a public auction. Such entities also may request that the tax collector withdraw property that is currently scheduled for public auction if the agency provides compelling evidence that the tax-defaulted property is or may be needed for public use ([§3695.4](#)).

### **8312. TAXING AGENCY**

**Taxing Agency that is not also a revenue district:** The State of California, the county, or any district that assesses property for taxation purposes and levies taxes or assessments on the assessed property is included in this classification ([§121](#)). A taxing agency that is not also a revenue district may acquire tax-defaulted property if it needs the property for a public purpose.

A reclamation district for which the county treasurer acts as trustee is a taxing agency ([§3772](#)).

A taxing agency that assesses and collects its own taxes may enter into a pro rata agreement with the county for the purpose of property resale if that agency has been owed delinquent taxes or assessments for at least two years prior to the date of the agreement ([§3695](#), [§3791](#)).

**NOTE:** After an agency disposes of its tax deeded interest through a conditional sales agreement and transfer of possession, the agency is ineligible to acquire the property under Chapter 8 provisions, but it may buy the property at public auction ([Attorney General Letter 6-21-48](#)).

As used in Chapter 8, "taxing agency" also includes any city or taxing agency or revenue district whose taxes are collected by county officers and are included in the amounts for which the property was tax-defaulted. Entities with this status have all of the rights under Chapter 8 of a taxing agency to which property has become subject to sale for taxes ([§3773](#)).

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**Taxing Agency that is also a revenue district:** A revenue district may acquire tax-defaulted property subject to sale by the tax collector under an agreement, if the revenue district's taxes levied on the property are collected by county officers ([§3791.3](#)).

**NOTE:** A city that is also a revenue district is considered a taxing agency ([§121](#), [§122](#)).

**Special Districts:** "District" or "special district" means an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries (Gov. Code [§56036](#)). Special districts may be eligible to purchase property, but may have jurisdictional boundaries to consider. The county's Local Agency Formation Commission (LAFCo) (Gov. Code [§56300](#)) should have documentation related to the jurisdiction of a special district, as well as whether a given agency fits into this category.

**NOTE:** Pursuant to [§3792](#), "If property tax-defaulted for more than five years has been sold for taxes for two or more years or has been deeded for taxes to two or more taxing agencies, they may make a joint agreement with the board of supervisors under this article. The joint agreement may provide for the conveyance of all or any interest in the property to one of them or to any combination of them."

### **8313. NONPROFIT ORGANIZATIONS**

A nonprofit organization may purchase property only for the purposes of constructing or rehabilitating property to rent or sell to low-income persons, dedicating vacant land for open space, or otherwise using the property to serve low-income persons ([§3791.4](#)).

The nonprofit organization must be incorporated in the State of California ([§3772.5\(b\)](#)). In addition, the nonprofit organization must be incorporated for the purpose proposed in its application to the county and allowed by Chapter 8 tax sale statutes ([§3791.4](#)). Nonprofit organizations incorporated for one or more of the following purposes are eligible to apply to purchase tax-defaulted property by a Chapter 8 sale agreement if they are incorporated to acquire:

- Single-family or multi-family dwellings for rehabilitation and sale or rent to low-income persons;
- Vacant land for construction of residential dwellings for sale or rent to low-income housing;
- Property to rehabilitate or construct a facility for use to serve low-income persons; or
- Vacant land to be dedicated to public use.

"Rehabilitation," as defined in Health and Safety Code section [17920\(f\)](#), means repairs and improvements to a substandard building to correct the deficiencies noted ([§3772.5](#)).

"Low-income persons" is defined in Health and Safety Code section [50093](#).

**NOTE:** A nonprofit organization incorporated as a church, a general philanthropy organization, or a nonprofit with other charitable purposes is qualified to purchase through Chapter 8 proceedings only if a purpose outlined in its articles of incorporation papers meets the criteria for a nonprofit to participate in a Chapter 8 tax sale agreement.

## 8320-8325 Sale by Agreement: Purchase Application – Initial Information Requirements

### **8320. GENERAL INFORMATION**

The sale by agreement process begins with the submission of an application to the county by a purchasing entity. In order for the county to begin its initial review and assessment as to whether the entity is eligible to purchase a particular property under a Chapter 8 sale by agreement, certain information about the entity and the property must be submitted with the application.

### **8321. PURCHASER INFORMATION**

The application must include the name of the organization and whether it is a nonprofit organization or public agency.

If the applicant is a public agency, the specific type of agency (e.g. State, county, revenue district, etc.) must be listed on the application.

### **8322. PURCHASING INFORMATION**

If the property is currently approved to be sold at a Chapter 7 tax sale, the applicant must submit to the county an objection letter to the sale.

The purpose of the purchase must be described by the purchasing entity. Depending on the purchasing entity, the purpose may be:

- To preserve a lien;
- For a public purpose;
- For low-income housing;
- For another use to serve low-income persons; or
- To preserve open space.

### **8323. PROPERTY INFORMATION**

The application must include the county where the property(s) is located and the Assessor's Parcel Number for each property.

### **8324. ACKNOWLEDGEMENT**

The signature of the purchasing entity's authorized officer and the date of the signing must be included on the application.

### **8325. NONPROFIT APPLICATION: ADDITIONAL DOCUMENTATION**

In order for a nonprofit organization to be eligible to purchase property under a Chapter 8 agreement sale, its articles of incorporation filed with the California Secretary of State's Office must include the proposed use of the property. Therefore, a copy of the nonprofit organization's articles of incorporation should be included with the application submittal ([§3772.5\(b\)](#)).

## 8330-8331 Sale by Agreement: Purchase Agreement – Information Requirements

### 8330. GENERAL INFORMATION

A Chapter 8 tax sale agreement must be approved by the board of supervisors ([§3794.3](#)). Multiple properties may be consolidated into one purchase agreement. The agreement may provide for either the purchase of, or for an option to purchase, the tax-defaulted properties. An option to purchase is limited to a period of three years ([§3794](#)).

**NOTE:** “Executed” means that the signatures and titles of all authorizing officials appear on the agreement. The signatures of all attestants, their respective titles, and the seal of their individual offices must be included.

**NOTE:** An “exhibit” containing the legal description of the property to be sold should be attached to the agreement. See sample form, *Agreement to Purchase Tax-Defaulted Property: Exhibit A*, [SCO 8-14](#) .

### 8331. COMPONENTS OF AN AGREEMENT

**Date of Agreement:** This is the date on which the purchasing agency and county board of supervisors agreed to the purchase. The date on the first page of the agreement should match the date from the County board of Supervisors Resolution or Minute Order approving the sale.

#### **Name of County**

**Purchase Entity:** The name of the purchasing agency should be entered on the agreement form in the same manner in which the agency is to acquire the title to the property. It is recommended that the taxing status of the agency be shown directly after the name of the agency. For example:

- The State of California, acting by and through its Department of General Services, as a taxing agency;
- The City of Watsonville, a municipal corporation, as a taxing agency; and
- The Sacramento County Flood Control District, as a Revenue District.

**NOTE:** When two agencies are entering into a joint purchase agreement, the names of both purchasing agencies must be listed. The names of the purchasers may be entered on an exhibit page if the space provided for the name of the purchaser is too small. A reference to the exhibit page should be noted on the agreement.

**Cost of Giving Notice:** The cost of giving notice of the agreement sale must be paid by the purchasing agency ([§3800](#)). This includes the cost of publication and the cost of mailing the notice to the last assessee and the parties of interest.

**Purchase Price:** The agreement must include the amount that is to be paid for the property.

If a taxing agency has objected to the sale pursuant to Chapter 7, [§3695](#) or [3695.4](#), the sale price must be equal to the minimum bid that was approved by the board of supervisors.

If a taxing agency that is also a revenue district has objected to the sale pursuant to Chapter 7, [§3695](#) or [§3695.4](#), the purchase price must not be less than the minimum bid approved by the board of supervisors.

## Chapter 8000: Sale of Tax Defaulted Property

If the property has not been authorized for sale pursuant to Chapter 7, the purchase price may be negotiated between the purchasing agency and the board of supervisors. However, the price may not be less than the amount needed to redeem, plus costs ([§3793.1](#)).

**NOTE:** If the property has been offered for sale at least once and no bids were received, the tax collector may, with the approval of the board of supervisors, offer the property at a minimum price that he or she deems appropriate ([§3793.1](#)).

**Purchase Price Payment Date:** To minimize questions concerning a person's right of redemption when the purchase price has not been paid, the acquiring agency should tender full payment at the time the agreement is to be effective. Fourteen days is recommended as a standard timeframe in which the purchasing entity must pay the purchase price plus costs.

If the purchasing agency fails to pay within the agreed timeframe, the deed to the purchasing agency should not be executed and the right of redemption is restored to the last assessee or the successor in interest.

The board of supervisors may permit a nonprofit organization to purchase property or a property interest by installment payments. If installment payments are permitted, the terms and conditions for the payments should be included as part of the agreement ([§3793.1](#)).

**Distribution of Proceeds Statement:** When a taxing agency, as defined by [§3791](#), objects to the sale of tax-defaulted property that is subject to sale by the tax collector, the agency is not entitled to share in the distribution of the sale proceeds ([§3695](#)). Therefore, the following statement must be added to the agreement form:

*“...that said PURCHASER will not share in the distribution of the payment required by this Agreement.”*

**NOTE:** A revenue district may be precluded from sharing in the distribution of proceeds under certain conditions. The board of supervisors may set terms and conditions to any agreement [§3793](#). If the board of supervisors concludes that the purchase price for the property is insufficient to cover the amount of delinquent taxes, the revenue district may be precluded from sharing in the proceeds. See manual section [8500](#) et seq. for information on the distribution of sale proceeds.

**Other Conditions:** A subparagraph may be added to the agreement to provide for any conditions that the board of supervisors imposes regarding conveyance and use of the property by the acquiring agency. A condition may be imposed that the property be used by the purchasing agency for a public use ([§3793](#), [§3805](#)). See manual section [8350](#) regarding terms of agreements.

**Other Taxing Agencies Interest in Property:** If an agency chooses not to participate in the agreement, its interest remains against the property and the agency will not share in distribution of the proceeds. If the property that is to be acquired by the purchasing agency is subject to the tax sold or tax deeded interest of a taxing agency, the following statement to that effect may be added to the agreement:

*“ that the PURCHASER is acquiring the interest of \_\_\_\_\_ in said property, which has been sold for taxes, for two or more years (or has been deeded for delinquent taxes and/or assessments) of said (taxing agency, or city if it is not also a revenue district).”*

This statement may be added when a taxing agency that is giving up its interest in the property wishes to participate in the agreement sale. In giving up its interest in the property, the taxing agency is eligible to share in the sale proceeds to satisfy its lien against the property.



## 8340-8346 Sale by Agreement: Purchase Agreement – Execution Requirements

### **8340. GENERAL INFORMATION**

All sales by agreement must be approved by the board of supervisors ([§3794.3](#)). See State Controller's Office sample form, *Request to Approve the Chapter 8 Tax Sale of Tax-Defaulted Property Subject to the Power of Sale*, ([SCO 8-02.2](#)).

Every Chapter 8 tax sale agreement must be executed by each party to the agreement.

### **8341. PURCHASE BY A CITY, TAXING AGENCY, OR REVENUE DISTRICT**

When property is purchased by a city, taxing agency, or revenue district the parties to the agreement are:

- The governing body of the entity; and
- The board of supervisors; with
- The approval of the State Controller.

### **8342. PURCHASE BY THE STATE**

When property is purchased by the State, the parties to the agreement are:

- The director of General Services on behalf of the purchasing agency, or the agency if authorized by law to purchase on its own behalf; and
- The board of supervisors; with
- The approval of the State Controller.

**NOTE:** If the property to be purchased is within the boundaries of a city, the city must agree to the selling price ([§3775](#)).

### **8343. PURCHASE BY A COUNTY**

When property is purchased by a county, the parties to the agreement are:

- The board of supervisors on behalf of the purchasing agency within the county (e.g., the county flood control district, parks and recreation district, etc.); and
- The board of supervisors for the county at large; with
- The approval of the State Controller.

**NOTE:** If the property to be purchased is within the boundaries of a city, the city must agree to the selling price ([§3775](#)).

### **8344. PURCHASE BY A NONPROFIT ORGANIZATION**

When property is purchased by a nonprofit organization, the parties to the agreement are:

- The nonprofit organization, which must be incorporated in California ([§3772.5](#)); and
- The board of supervisors; with

- The approval of the State Controller.

### **8345. SIGNATORIES**

The signatories to the agreement are:

- The purchasing agency, which should complete the agreement prior to the tax collector's acceptance for submittal to the board of supervisors;
- The county, through the chair of the board of supervisors, attested to by the clerk or by a deputy clerk of the board, and the clerk's seal on the document;
- Other taxing agencies consenting to the sale; and
- The State Controller ([§3795](#)).

**NOTE:** When a taxing agency has tax sold or tax deeded interest in the property (manual section [8300](#)), the following statement must be added to the agreement:

*“The undersigned taxing agency agrees to the terms and conditions of this agreement and understands that the PURCHASER is acquiring the interest of said taxing agency in said property. The undersigned hereby certifies that he/she is authorized to sign for said agency.”*

Attest: \_\_\_\_\_

By: \_\_\_\_\_  
Taxing Agency (seal)

**NOTE:** When the State or a county is the purchaser of property located within a city, the city must consent. The governing body of the city is merely agreeing to the purchase price and may not object to the sale in order to halt the sale of the property ([§3775](#)).

### **8346. FACSIMILE SIGNATURES**

The use of a facsimile signature by the chair of the board of supervisors is acceptable on a Chapter 8 agreement. A facsimile signature has the same effect as a personal signature ([§168](#), Gov. Code [§25103](#), manual section [1061](#)).

## **8350-8352 Sale by Agreement: Terms and Conditions**

### **8350. TAXING AGENCY PROVISIONS**

A Chapter 8 agreement may include the following provisions:

- More than one tax-defaulted property that is subject to the tax collector's power to sell without regard to the properties' boundaries ([§3793](#));
- The purchase or option to purchase may be for the entire fee interest, a right of way, or an easement ([§3791](#));
- Either the purchase of or an option (limited to three years ([§3794](#))) to purchase tax-defaulted properties ([§3791](#));

## **Chapter 8000: Sale of Tax Defaulted Property**

- The sale of various portions at various prices and on various terms and for an option to purchase any remaining portion;
- The board of supervisors and the taxing agency may arrange for the payment of an amount, in lieu of taxes, while the property is in public ownership and rented, leased, or sold on contract by the taxing agency ([§3791.5](#)); or
- Notwithstanding any other provisions of law, the terms may include, but are not limited to, a condition that the property be used by the purchasing agency for a public purpose ([§3805](#)).

See State Controller's Office sample form *Agreement to Purchase Tax-Defaulted Property*, ([SCO 8-13](#)).

### **8351. NONPROFIT ORGANIZATION PROVISIONS**

A nonprofit organization may purchase property under the provisions of Chapter 8 of the Revenue and Taxation Code only for the purposes of constructing or rehabilitating property to rent or sell to low-income persons, dedicating vacant land for open space, or otherwise using the property to serve low-income persons ([§3791.4](#)).

The board of supervisors is empowered to establish conditions of sale, including reporting, to ensure rehabilitation within a reasonable time and maximum benefit to low income persons. These conditions include, but are not limited to, compliance with the jurisdiction's consolidated plan or community development plan ([§3795.5](#)).

Articles of incorporation, approved by the California Secretary of State, must clearly state that the organization's formation is for an express purpose allowed under Chapter 8 statute.

If residential property will be acquired for rehabilitation and sold or rented as low-income housing or rehabilitated for another use to serve low-income persons, then the purchaser or the county must obtain from the local building, health, fire, and/or code enforcement department documentation that the building is categorized as substandard pursuant to Health and Safety Code section [17920.3](#) ([§3772.5\(c\)](#)). The documentation may be included as part of the purchase agreement and may be in the form of a report or letter from the appropriate local department.

See State Controller's Office sample form *Agreement to Purchase Tax-Defaulted Property (NONPROFIT)*, ([SCO 8-15](#)).

### **8352. ENFORCEMENT OF TERMS**

The board of supervisors may impose any terms and conditions it deems necessary as part of the agreement sale.

## **8360-8363 Sale by Agreement: Authorization to Sell Requirements**

### **8360. GENERAL**

In order to receive State Controller authorization, the tax collector must submit certain documents depending on the type of the sale. See State Controller's Office [County Tax Sale Procedural Manual, Chapter II: Chapter 8 Tax Sales, Section 9: State Controller's Authorization](#) for a listing of required documents to submit given the type of sale and proposed purchaser.

**8361. CHAPTER 8 TAX SALE PACKAGE TO STATE CONTROLLER**

An executed copy of the Chapter 8 tax sale agreement, including all supporting documents, must be forwarded to the State Controller for review ([§3795](#)).

**8362. STATE CONTROLLER APPROVAL**

If the agreement is approved, the State Controller will:

- Approve the agreement and return the agreement package to the tax collector ([§3795](#)); and
- Direct the tax collector to publish notice of the agreement. See State Controller's Office sample form *Notice of Agreement to Purchase Tax-Defaulted Property* ([Figure 9-7a](#) or [Figure 9-7b](#)), ([§3796](#)).

**8363. STATE CONTROLLER DENIAL**

If the agreement is not approved, the State Controller will return the agreement package to the tax collector, with a denial statement. The statement will identify the basis of the denial. A new or modified agreement package may be submitted to the State Controller's Office for review ([§3795](#)).

## 8370-8373 Sale by Agreement: Notification Provisions and Requirements

**8370. PUBLISHED NOTICE BY TAX COLLECTOR**

Upon receipt of the authorization from the State Controller, the tax collector shall publish a notice of the agreement ([§3796](#), [§3798](#), [§3798.1](#)). See manual section [9700](#) and manual section [9710](#) for the publishing and posting requirements for an agreement.

**8371. NOTICE TO PARTIES OF INTEREST**

See manual section [8140](#) to manual section [8146](#) for an overview of performing the parties of interest search and notification.

**8372. PAYMENT OF COSTS**

Any costs incurred in giving notice must be paid by the purchasing agency ([§3800](#)).

**8373. AFFIDAVIT OF NOTICE**

An affidavit must be filed in the office of the tax collector showing that the notice of agreement has been given as prescribed ([§3801](#)). If the notice is published in a newspaper of general circulations (Gov. Code [§6020](#) et seq.), evidence of publication may be given by the affidavit of the printer of the newspaper (Code of Civ. Proc. [§2010](#)). If the notice is not published in a newspaper, the tax collector's affidavit must include the places of posting ([§3798](#)). See State Controller's Office sample form, *Affidavit of Posting Notice of Purchase by Agreement* ([SCO 9-04](#)). Recordation of the affidavit is not required.

## 8380-8383 Sale by Agreement: Consummation Provisions and Requirements

### **8380. EFFECTIVE DATE**

The sale by agreement effective date must be 21 days or more after the first publication of the *Notice of Agreement to Purchase Tax-Defaulted Property* ([§3802](#)). The right to redeem property terminates when the agreement becomes effective. The agreement is null as to property redeemed ([§3803](#)). See manual section [9702](#) for setting the date of notice publication in conjunction with the effective date of the agreement.

### **8381. DEED TO PURCHASER**

After the agreement is effective, the tax collector shall, without charge, deed the eligible property to the purchasing entity if the agreement provides that no payment is to be made by the purchaser (pro rata agreements) or the agreed price has been paid ([§3804\(a\)](#)).

The tax collector shall promptly deliver the deed to the county recorder for recordation. The recorder shall record the deed and prepare necessary conformed copies without charge ([§3804\(b\)](#)). (See manual section [8400](#) to manual section [8436](#) for a discussion of how to prepare the deed to the purchaser.)

When the deed is recorded, a duplicate copy or conformed copy must be sent to the State Controller ([§3804](#)).

**NOTE:** Chapter 8 pro rata agreements occur when the acquiring agency pays no money to the county at the time of acquisition. The proceeds of the sale are not pro-rated among all agencies, including the county, until after the acquiring agency has resold the property.

### **8382. SPECIAL DEED PROVISIONS**

The deed must specify “any condition deemed necessary to effect compliance with the agreement, including but not limited to, a condition that the real property be used by the taxing agency or nonprofit organization for the public use specified in the agreement” ([§3805\(c\)](#)).

No special conditions may be imposed in the deed unless they are also contained in the agreement with the purchasing agency.

### **8383. EFFECT OF DEED**

The deed conveys the same title to the acquiring agency as does a deed to a private purchaser obtaining property at a public auction ([§3806](#)).

A deed issued upon resale under the provisions of a Chapter 8 pro rata agreement conveys a like title to a private purchaser ([§3806](#)).

**NOTE:** The pro rata agreement conveys no title to the acquiring agency, except for the purpose of resale. However, property in the agency's possession would be held by it in a proprietary capacity subject to administration by the agency during such ownership.

## 8400-8401 Deed to Purchaser: General Information

### 8400. ACCURACY

Accurate preparation of deeds reduces the number of successful challenges to their validity. The tax collector should review the accuracy of all deeds—especially dates, amounts, and legal descriptions—before they are signed.

### 8401. EXECUTION OF DEED TO PURCHASER

**Chapter 7 Tax Sales:** Upon receipt of the full purchase price, including collection on any negotiable paper, a deed to the purchaser must be executed and recorded ([§3708](#), [§3708.1](#)).

**Chapter 8 Tax Sales:** Once payment has been made in compliance with the terms of the agreement, the tax collector must promptly deliver the deed to the purchaser and to the county recorder for recordation. In addition, a conformed copy of the deed must be sent to the State Controller's Office. The recorder must record the deed and prepare the necessary conformed copies without charge ([§3804](#)).

The execution date of the deed to the purchaser must be the date the property is actually sold or the effective date of a Chapter 8 agreement, even though the deed is usually acknowledged and recorded later.

## 8410-8416 Deed to Purchaser: Contents

### 8410. GENERAL

The deed to the purchaser is used to convey tax-defaulted property that is subject to sale under Chapter 7 sales (public auctions and sealed bid sales) and Chapter 8 sales (agreements with public agencies or nonprofit organizations).

### 8411. DEED TO PURCHASER CONTENTS: CHAPTER 7 TAX SALES

In addition to the usual provisions of a deed conveying real property, the deed conveying Chapter 7 tax sale property must also include the following information ([§3710](#)):

- That the legally levied taxes on the subject property were duly declared to be in default and were a lien on the property;
- That the tax collector, pursuant to a statutory power of sale, has sold the property;
- The name of any taxing agency that has formally objected to the sale;
- The name of the purchaser, the date the property was sold, and the sale price; and
- That the property is therefore conveyed to the purchaser according to law.

See State Controller's Office sample form, *Tax Deed to Purchaser of Tax-Defaulted Property* ([SCO 8-19](#)).

**NOTE:** If only a portion of the interest in the property was subject to sale, such as for surface rights, mineral rights, or timber rights, the description on the deed to the purchaser must describe only that portion of the interest.

**8412. DEED TO PURCHASER: CHAPTER 8 TAX SALES**

In addition to the usual provisions of a deed conveying real property, the deed conveying Chapter 8 sale by agreement property must include the following information ([§3805](#)):

- That the property was subject to a power of sale pursuant to [§3691](#) for nonpayment of taxes that had been legally levied and were a lien on the property;
- The name of Purchaser; and
- Any conditions deemed necessary to effect compliance with the agreement.

See State Controller’s Office sample form, *Tax Deed to Purchaser of Tax-Defaulted Property* ([SCO 8-19](#)).

**8413. SPECIAL PROVISIONS FOR CHAPTER 8 TAX SALE DEEDS**

The deed shall specify “...any condition deemed necessary to effect compliance with the agreement including, but not limited to, a condition that the real property be used by the taxing agency or nonprofit organization for the public use specified in the agreement” ([§3805](#), [§3791.4](#))

No special conditions may be imposed in the deed unless they are also contained in the agreement with the purchasing entity.

**8414. FACSIMILE SIGNATURE**

Documents that require the signature of the tax collector under any provisions in Division 1 of the Revenue and Taxation Code may be executed with a facsimile signature in lieu of the tax collector’s personal signature. A facsimile signature has the same legal effect as a personal signature when executed in conformity with the provisions [§168](#), manual section [1061](#), manual section [7130 et seq.](#), manual section [8346](#).

**8415. RECORDATION, FEE, TRANSFER TAX**

Upon execution and after payment of any negotiable paper ([§3452](#)), the tax collector must record the deed. The recording fees must be paid from proceeds of the sale ([§3708.1](#), Gov. Code [§27361](#)). The transfer tax collected at the sale must be paid to the county recorder at the time of recordation ([§11922](#)). A preliminary change of ownership statement need not be filed ([§480.3](#)).

Following recordation, the tax collector shall send a conformed copy of the deed to the Controller ([§3804](#)).

**NOTE:** Some cities throughout the State collect a transfer tax on real property for which the purchaser is billed by the city after the recordation of the tax deed to the purchaser.

**8416. EFFECT OF RECORDATION DATE**

The date of recordation of the deed when delivery occurs ([§3708.1](#)) and the time and date when title is conveyed to the purchaser.

## 8420-8426 Deed to Purchaser: Conveyance of Title

### 8420. GENERAL INFORMATION

The tax deed conveys title to the purchaser free of all prior encumbrances of any kind, except federal liens and those liens enumerated in [§3712](#) ([§3806](#) see NOTE).

When one person holds a tax title (deed to the purchaser) from the tax collector and another person has tax title from an irrigation district, neither tax title has priority and the purchasers are considered to own the property as tenants in common. Each has an undivided one-half interest, subject to a lien in favor of each, against the entire property in the amount each paid for their respective interest (*Cate v. Bourzac*, 74 Cal. App. 2d 422; [§3713](#)).

**NOTE:** When tax-defaulted property is sold pursuant to the provisions of a Chapter 7 or 8 sale, any annual installment payments of taxes or special assessments that become payable upon the secured roll after the date of the sale are the purchaser's responsibility ([§3712\(a\)](#)).

A sale does not remove the lien of taxes or assessments collected by another taxing agency, or by the county treasurer, when such taxing agency gives its consent to the sale and those amounts are not included in the amount necessary to redeem the property ([§3712\(c\)](#)). This includes an assessment collected for the Improvement Bond Act of 1911.

If the Internal Revenue Service is not properly notified (manual section [8225](#)), the title remains subject to the federal tax liens against the former owner that attached prior to the sale. See *California Department of Tax and Fee Administration's, Law Guides*, annotations to [§2192.1](#) as to priority rules of the federal tax lien.

### 8421. PARITY OF TITLE

"Parity of title" means that a purchaser becomes a co-tenant when a property is subject to a final tax deed or deed(s) of all taxing agencies ([§3713](#)).

The final tax deed or deeds of all taxing agencies are declared to be on a parity with each other, regardless of when the levy or assessment was made, and regardless of when the final tax deeds are issued. Taxing agencies are counties, cities, a city and county, irrigation districts, reclamation districts, and other taxing agencies that annually levy, assess, and collect (or cause to be collected) taxes or assessments upon real property within the State.

### 8422. CONCLUSIVE EVIDENCE

The duly acknowledged or proved deed is conclusive evidence, except against actual fraud, of the regularity of all proceedings from the assessment of the assessor to the execution of the deed, both inclusive ([§3711](#)).

See *California Department of Tax and Fee Administration's, Law Guides*, annotations to [§3711](#) as to matters on which the deed is not conclusive evidence.

### 8423. STATUTE OF LIMITATION: CHAPTER 7 TAX SALE

The validity of a county tax collector's deed to a purchaser or any proceedings leading up to such deed can be challenged in a court only if both the following conditions are satisfied ([§177](#), [§3725](#)):

- The person commencing the proceeding has first petitioned the board of supervisors pursuant to [§3731](#) within one year of the date of the execution of the tax collector's deed; and



## **Chapter 8000: Sale of Tax Defaulted Property**

- The proceeding is commenced within one year of the date the board of supervisors determines that a tax deed sold under this part should not be rescinded pursuant to [§3731](#).

A defense based on the alleged invalidity or irregularity of any proceeding instituted under this chapter can be maintained only in a proceeding commenced within one year after the date of execution of the tax collector's deed or within one year of the date the board of supervisors determines that a tax deed sold under this part should not be rescinded pursuant to [§3731](#), whichever is later ([§3726](#)).

### **8424. EFFECT OF CHAPTER 8 TAX SALE DEED**

The deed conveys the same title to the acquiring agency as does a deed to a private purchaser obtaining property at a public auction. A deed issued upon resale under the provisions of a Chapter 8 pro rata agreement conveys a like title to a private purchaser ([§3806](#)).

**NOTE:** The pro rata agreement conveys no title to the acquiring agency, except for the purpose of resale. However, property in the agency's possession is held by it in a proprietary capacity subject to administration by the agency during ownership.

### **8425. SPECIAL CIRCUMSTANCE: CONSOLIDATED DEED**

More than one property purchased by the same party may be consolidated on a single deed if the properties are contiguous ([Attorney General Letter 11-13-50](#)).

### **8426. SPECIAL CIRCUMSTANCE: DEED TO PUBLIC AGENCY**

Any deed conveying title to an agency, any state, territory, or political subdivision of the United States shall be exempt from taxation ([§11922](#)).

## **8430-8436 Deed to Purchaser: Corrected or Duplicate Deed**

### **8430. AUTHORITY**

If a deed to the purchaser contains a clerical error or a misstatement of fact, then a corrected deed must be issued by the tax collector and recorded without charge with the county recorder. The new deed must contain a statement of reasons for its issuance and, as far as practical, must be identical to the original, except where corrected ([§3708.5](#), [§3804.2](#)).

In the case of property sold pursuant to Chapter 8 agreement, the tax collector must send a conformed copy of the new deed to the State Controller ([§3804.2](#)).

Upon sufficient proof, a deed may be issued at a later date if one was never issued, or a duplicate may be issued if the original has been lost and never recorded (also see [§175](#) and [§3708](#) for situations requiring issuance of a deed to the purchaser, and [§4378](#) for presumed redemption).

### **8431. APPROVAL**

The tax collector has the authority to issue a corrected deed without seeking approval from any other governmental officer.

**8432. TIME LIMITATION**

There is no time limit within which a corrected or duplicate deed may be issued.

**8433. FORM**

A corrected or duplicate deed should be the same as the original deed with the following information added:

- Execution date;
- Items corrected;
- The statement of reason for issuance;
- The name of the tax collector (if changed); and
- Acknowledgment and recording information.

**8434. REASON FOR ISSUANCE**

Below the property description on the deed, a statement should be included giving the reason for issuance of the corrected or duplicate deed and the date on which the original was issued. The new deed must carry the date on which it is issued. Following is an example of a suggested statement:

This deed is issued to replace/correct a deed issued \_\_\_\_\_ (sale date) by \_\_\_\_\_ (the tax collector's name at the time the original deed was issued), which \_\_\_\_\_ (was never recorded and is presumed lost/was in error as to, etc.).

**8435. MARKING "CORRECTED DEED"**

If corrected, the deed must be clearly marked as corrected. It must also show the recordation date of the original deed.

**8436. RECORDING**

The tax collector must have the corrected deed recorded. The recorder should make no charge for this recording ([§3691.4](#), [§3804.2](#), [Gov. Code §27383](#)).

## 8500-8501 Distribution of Tax Sale Proceeds

**8500. ORDER OF PRIORITY**

With the exception of the recording fee paid to the recorder by the tax collector ([§3719](#)), the proceeds of Chapter 7 and Chapter 8 sales are to be deposited in the indicated funds and distributed by the auditor in the following order of priority ([§3719](#), [§3808](#)).

- The amount of the cost of advertising the sale shall be deposited in the county general fund ([§3719](#), [§4673](#)).
- The balance remaining is deposited in the delinquent tax sale trust fund ([§3719](#)) and distributed from the fund as follows:

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- A fee of \$1.50 for all or any portion of each separately valued property of Tax-Defaulted property sold is distributed to the State ([§4672](#)).
  - If the balance in the delinquent tax sale trust fund is less than \$1.50 prior to distribution of the state fee, the State receives the balance.
- A county sale fee of \$150 for all or any portion of each separately valued tax-defaulted property sold is distributed to the county general fund ([§4672.1](#)). If the proceeds from the sale are not sufficient to cover the county sale fee, the fee is reduced accordingly. The state fee must be satisfied in full before any of the proceeds are distributed for the county sale fee ([§4672](#)).
- An amount to reimburse the county for its cost of mailing notices to parties of interest is distributed to the county general fund ([§4672.2](#)).
- The tax collector shall be reimbursed for the cost of the actual and reasonable costs incurred for personal contacts ([§4672.3](#)).
- A distribution is made to any qualifying special assessment districts that precedes distribution of redemption amounts to other entities. This distribution shall be made as a pro rata share to each assessment fund in an amount equal to the proportion the assessment due each fund to the total amount of taxes and assessments necessary to redeem the property at the time of sale ([§4673.1\(a\)\(1\)](#)).
- The remaining balance of the proceeds are to be distributed to the State Controller for the outstanding balance of any property tax postponement ([§4673.1\(a\)\(3\)](#)).
- Amounts required to redeem the property as of the time of sale are satisfied from the sale proceeds after satisfaction of the preceding amounts. The amounts required to redeem include amounts necessary to redeem property from a sale to any taxing agency entitled to share in the proceeds, including the redemption fee of \$15 distributed pursuant to [§4656.5](#).
- If the tax-defaulted property is redeemed prior to the proposed sale, but after the county has incurred notice or publication costs pursuant to [§3702](#) in connection with a notice of intended sale, a fee may be collected to reimburse for those costs.
- If property is redeemed within 90 days of the proposed sale, a fee of \$150 may be collected to reimburse the county for the costs incurred in preparing to conduct the sale ([§4112\(a\)\(3\)](#)).
- Current taxes, assessments, and the applicable penalties and costs that may have accrued up to the time of sale are satisfied from the proceeds of the sale if any remain after satisfaction of the amounts required to redeem. In the case of sales completed between March 1 and July 1, current taxes and assessments are limited to the fiscal year in which the sale occurs, after January 1. The purchaser should be billed for the first full fiscal year of ownership, even though he or she did not own the property on the lien date ([§3712\(a\)](#); [§4673.1\(b\)](#)).

**NOTE:** If the proceeds are insufficient to satisfy the total amount necessary to redeem a property at the time of the sale, the proceeds are distributed on a pro rata basis, as determined by the county auditor, in accordance with [§4673.1](#).

**NOTE:** For the purposes of this section, current taxes means taxes that are a lien on property, but which are not included in the amount of defaulted taxes except that, between a lien date and the time in the same calendar year when property is declared to be tax-defaulted, the taxes becoming a lien on this lien date in such

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calendar year are not current taxes. Current taxes are paid from the proceeds of sale, if sufficient proceeds remain.

As a general rule, the outstanding current-year taxes and assessments should be paid from the sale proceeds, if the proceeds are sufficient. This conveys property to the purchaser free and clear of all liens.

### **8501. DEFINITION OF TAXES AND ASSESSMENT FOR PURPOSE OF DISTRIBUTION**

Taxes include all liens determined by the application of ad valorem tax rates that were, at the time of tax default, included in the amount necessary to redeem the property ([§4671](#)).

Assessments include all liens other than taxes that were, at the time of tax default, included in the amount necessary to redeem the property and included in the amount necessary to redeem the property from sale to any taxing agency entitled to share in the proceeds ([§4671.3](#)).

## **8510-8516 Distribution of Tax Sale Proceeds: Excess Proceeds**

### **8510. GENERAL INFORMATION**

Excess proceeds are proceeds remaining after satisfaction of all of the amounts distributed pursuant to [§4672-§4672.2](#) and [§4673.1](#), and which may be claimed by parties of interest in the property ([§4674](#)).

Excess proceeds are retained in the delinquent tax sale trust fund for a period of one year following the date of recordation of the tax deed to the purchaser of the property. During the one-year period, the excess proceeds may be claimed by any party of interest in the property at the time of the sale ([§4675](#)) in the following order of priority:

- First, valid lienholders of record prior to recordation of the tax deed to the purchaser, in the order of their priority; and
- Then, any person with title of record to all or any portion of the property prior to recordation of the tax deed to the purchaser.

The board of supervisors shall determine the information and proof deemed necessary to establish a claimant's rights and priority to any excess proceeds ([§4675\(d\)](#)).

If the board of supervisors has been petitioned to rescind the tax sale and the board's decision is that the sale should not be rescinded, then excess proceeds may not be distributed until at least one year.

**NOTE:** If the person petitioning the board of supervisors has commenced a proceeding in court pursuant to [§3725](#), the excess proceeds may not be distributed until issuance of a final court order ([§4675\(e\)\(2\)\(B\)](#)). The proceeding must commence within 90 days after the date of the board of supervisors' decision or the county officer to whom the board delegated authority ([§4675\(g\)](#)).

### **8511. NOTICE OF RIGHT TO CLAIM EXCESS PROCEEDS**

When the amount of excess proceeds exceed \$150, the county is required to provide a notice of rights to claim the excess proceeds. If the last known address of a party of interest cannot be obtained, the county must publish notice of the right to claim excess proceeds in a newspaper of general circulation in the county.

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Publication is not required if the cost to publish is equal to or greater than the amount of the excess proceeds ([§4676](#)).

**Mailed Notice:** Within 90 days after the sale, the tax collector should send, by registered or certified mail, a written notice of the right to claim excess proceeds to the last known mailing address of each party of interest, as defined in [§4675](#) and [§4676](#). See State Controller's Office sample form, *Notice of Excess Proceeds From the Sale of Tax-Defaulted Property* ([SCO 8-20](#)). A claim form may be included with the mailed notice. See State Controller's Office sample form, *Claim for Excess Proceeds* ([SCO 8-21](#)).

**Published Notice:** If the last known address of a party of interest cannot be obtained, the notice of the right to claim excess proceeds should be published. Publication is not required if the cost to publish is equal to or greater than the amount of the excess proceeds ([§4676](#)). See State Controller's Office sample figure, *Notice to Parties of Interest of Right to Claim Excess Proceeds From the Sale of Tax-Defaulted Property* ([Figure 9.8](#)).

### 8512. OBTAINING NAMES AND ADDRESSES OF PARTIES OF INTEREST

A reasonable effort must be made to obtain the names and last known mailing addresses of parties of interest, see manual section [8140](#).

### 8513. REIMBURSEMENT FOR NOTICE COSTS

The cost of obtaining the names and last known addresses of parties of interest and of mailing or publishing the notices required is deducted from the excess proceeds and distributed to the county general fund ([§4674](#), [§4676\(b\)](#)).

### 8514. ASSIGNMENT OF INTEREST IN EXCESS PROCEEDS

After the property has been sold by the tax collector, the parties of interest in the property at the time of the sale may assign their interest on a dated, written instrument. The written instrument must explicitly state that the right to claim the excess proceeds is being assigned and that each party to the assignment has made full disclosure of all facts relating to the value of the right being assigned. This disclosure requirement applies to former lien holders ([§4675\(a\)](#)) and to persons who would be vested with title ([§4675\(b\)](#)).

If any person or entity in any way acts on behalf of, or in place of, any party of interest with respect to filing a claim for any excess proceeds, proof must be submitted with the claim that the amount of excess proceeds has been disclosed to the party of interest. The claim must show that the party of interest has been advised of his or her right to file a claim for excess proceeds on his or her own behalf. Any attempted assignment not complying with these requirements has no effect. Excess proceeds may be distributed only to those parties who have filed a claim ([§4675](#)).

**NOTE:** The county may require any proof deemed necessary to establish the claimant's interest in the property. This could include the requirement that the claimant obtain and provide a title report to the county. The tax collector should contact the county legal advisor if there are questions regarding the propriety of any claim for excess proceeds.

### 8515. BOARD OF SUPERVISORS MAY DELEGATE AUTHORITY

The board of supervisors of any county may, by resolution, authorize any county officer to perform on its behalf any act required or authorized to be performed under [§4675.1](#).

The resolution must specify administrative rules and procedures concerning any act performed under the authorization.

**8516. DISTRIBUTION OF EXCESS PROCEEDS NOT CLAIMED BY LIENHOLDER(S)**

Any proceeds remaining following distribution of excess proceeds pursuant to [§4675](#) may be transferred to the county general fund ([§4674](#)).

## 8520-8523 Distribution of Tax Sale Proceeds: Teeter Plan

**8520. GENERAL INFORMATION**

The Teeter Plan is an alternative method of distribution of tax sale proceeds that was first introduced in an article entitled, "Let's Look at the Machinery," published in the *Tax Digest* of January 1949, by D.M. Teeter, the auditor of Contra Costa County.

Teeter said that the existing distribution system was cumbersome and complicated and it did not permit an apportionment of taxes to any fund until the actual collection of taxes occurred. He proposed allowing each fund involved to be credited with the full amount of the levied tax as soon as such amount was determined; the aggregate cash on hand in the county treasury would then be available to meet the drafts drawn on any of the funds. A statutory accounting procedure would be set up in connection with the system.

Teeter's proposal resulted in the addition of Chapter 3, consisting of [§4701-§4716](#), inclusive, to Part 8 of Division 1 of the Revenue and Taxation Code in 1949 (Stats 1949 Chapter 1370).

**8521. PURPOSE, ADOPTION, AND DISCONTINUANCE**

The purpose of this method is to provide an alternative procedure for the distribution of property tax levies on the secured roll made by counties on their own behalf or as the tax-levying and tax-collecting agency for other political subdivisions. The object is to accomplish a simplification of the tax-levying and tax-apportioning process and an increased flexibility in the use of available cash resources ([§4701](#)).

This procedure may be placed in effect in any county by resolution of the board of supervisors. The resolution must be adopted no later than July 15 of the fiscal year for which it is first to apply, and it remains in effect until the board orders its discontinuance ([§4702](#)).

**NOTE:** For the 1993-94 and 1994-95 fiscal years only, the procedure may be placed in effect in any county by a board of supervisors resolution adopted not later than October 15 of the relevant fiscal year, and remain in effect unless otherwise discontinued.

**8522. DISTRIBUTION OF AMOUNTS RECEIVED FOR REDEMPTION**

After the amounts prescribed by [§4656.5](#) are apportioned to the State, amounts received for the redemption of tax-defaulted property shall be distributed as follows:

- Any amounts levied but not apportioned to funds at the time of levy, and any redemption penalties collected on those amounts, shall be distributed to funds as prescribed in Chapter 1c (commencing with [§4656](#)), except that assessments not apportioned previously shall be distributed to the funds for which they were levied ([§4710\(a\)](#)).
- Any amounts that were apportioned to funds at the time of the levy shall be distributed to the apportioned tax resources accounts. The pro rata share of redemption penalties or interest collected on any amounts levied, but not apportioned to funds at the time of levy, shall be distributed to the

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respective funds; the balance of the redemption penalties or interest, together with delinquency penalties, shall be apportioned to the tax losses reserve fund ([§4710\(b\)](#)).

- Amounts collected as costs shall be distributed to a restricted county fund, to be allocated only for the following purposes ([§4710\(c\)](#)):
  - Updating and improving information with respect to delinquent taxes;
  - Redemption systems;
  - Monthly settlements with the auditor, pursuant to [§4108](#); and
  - Collection of taxes by the tax collector.

When amounts are collected as redemption fees, \$5 shall be distributed to the State for deposit in the General Fund and \$10 shall be deposited in the county's general fund. The total amount collected on the secured tax roll shall be entered on the secured taxes receivable accounts ([§4710](#)).

### 8523. DISTRIBUTION OF PROCEEDS FROM A TAX SALE

The proceeds from the sale of tax-defaulted property that are deposited in the delinquent tax sale trust fund shall be distributed according to and commencing with [§4671](#). However, the taxes and assessments that constitute the amounts required to redeem the tax-defaulted property shall be distributed as follows:

- The amount available for distribution shall be prorated on the basis of those taxes and assessments between apportioned levies and un-apportioned levies.
- The pro rata share for un-apportioned levies must be prorated between the amount of tax levies and the amount of assessment levies. The pro rata share for un-apportioned tax levies shall be distributed to funds on the basis prescribed in Chapter 1.3 (commencing with [§4671](#)). The pro rata share for un-apportioned assessment levies shall be distributed to the assessment funds on the basis prescribed in [§4710\(a\)](#).
- The pro rata share for apportioned levies shall be distributed to the tax losses reserve fund.

The amount cancelled by the sale must be entered on the secured taxes receivable accounts. Any canceled amounts that were apportioned at the time of levy in the manner authorized by Revenue and Taxation Code Chapter 3 of Part 8 of Division 1 shall be entered on the apportioned tax resources accounts, and this cancellation shall be borne by the tax losses reserve fund ([§4711\(c\)](#)).

Additional information pertaining to excess proceeds distribution is located in [§4701-§4717](#).

## 8600-8605 Cancellations and Refunds: Under Court Determination

### 8600. CHAPTER 7 SALES

A proceeding based on an alleged invalidity or irregularity of any proceeding pertaining to a public auction or sealed bid sale can be commenced or maintained in a court only if both of the following conditions are satisfied:

- The petitioner has first petitioned the board of supervisors pursuant to [§3731](#) within one year of the date of the execution of the tax collector's deed; and

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- The proceeding is commenced within one year of the date the board of supervisors determines that a tax deed sold under this part should not be rescinded pursuant to [§3731](#) ([§3725](#)).

**EXCEPTION:** Code of Civil Procedure sections [351-358](#) allows limitations or extensions of deadlines for filing or completing civil actions based on conditions such as a defendant being out of state, the death of a person against whom actions may be brought, and various disabilities and conditions, including those underage, with severe mental illness, or who are imprisoned. The time during which the condition applies does not count toward the time limit for bringing a proceeding under [§3725](#).

However, when a refund is due a purchaser of a tax certificate, the holder who received all or any part of the amount paid by the delinquent assessee is not obligated to make any refund or repayment of any amount to the purchaser, the county, or any other person.

The tax collector may use amounts on deposit in the Tax Certificate Redemption Fund to make the refund, but only to the extent that those amounts were paid to the holder of the applicable tax certificate ([§3729](#)).

### **8601. CHAPTER 8 AGREEMENT OR DEED**

A proceeding or a defense based on an alleged invalidity or irregularity of any agreement or deed executed under and pursuant to the provisions of Chapter 8 must be commenced or maintained within one year after the execution of the instrument ([§3809-§3810](#)).

**EXCEPTION:** Code of Civil Procedure sections [351-358](#) allow limitations or extensions of deadlines for filing or completing civil actions based on conditions outlined in manual section [8600](#) and does not count toward the time limit for bringing a proceeding under [§3809](#).

However, when a refund is due to a purchaser of a tax certificate, the holder who received all or any part of the amount paid by the delinquent assessee shall not be obligated to make any refund or repayment of any amount to the purchaser, the county, or any other person.

The tax collector may use amounts on deposit in the Tax Certificate Redemption Fund to make the refund, but only to the extent that those amounts were paid to the holder of the applicable tax certificate ([§3729](#)).

### **8602. AFTER DESTRUCTION OF ROLLS**

Proceedings, defenses, or cross-complaints based on rights or claims established by a purchaser's deed from the tax collector, if such interests do not appear in the abstract list, cannot be maintained or asserted after destruction of the original or delinquent tax rolls.

**EXCEPTION:** A claim is not barred if the purchaser's deed from the tax collector was on record at the time of destruction of the rolls or within one year after the date of the deed, whichever is later. If such actions are barred, the grantee's only recourse is to seek a refund, pursuant to [§3729](#), within one year after the claim is barred ([§4379](#)).

### **8603. COURT ORDER**

Before a court holds any tax deed issued under Chapter 7 or Chapter 8 procedures void, the court must, in accordance with [§3728](#):

- Determine the amount required to redeem in full had the purported sale not been held (this redemption amount should be determined for the month in which the court makes the request); and



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- Order the former owner or other party of interest to pay the redemption amount in full within six months.

### 8604. IF UNPAID

If a payment as specified in the court order is not made within six months, the court does not hold the tax deed void but orders the tax collector to issue a new tax deed to the original grantee (purchaser) or his/her successor ([§3728-§3728.1](#)).

The tax collector then issues the deed, as prescribed in [§3728.1](#).

### 8605. REFUND AFTER JUDGMENT OF COURT

If a court holds that a tax deed is void, the purchaser is entitled to a refund from the county. The county refunds the part of the purchase price that is in excess of the amount the purchaser has previously been reimbursed for taxes, penalties, and costs by the former assessee or the successor in interest ([§3729\(a\)](#)).

The refund shall be made in the same manner as an overpayment of tax, except that the claim must be presented within one year after the judgment becomes final ([§3729](#)).

However, when a refund is due to a purchaser of a tax certificate, the holder who received all or any part of the amount paid by the delinquent assessee shall not be obligated to make any refund or repayment of any amount to the purchaser, the county, or any other person. The tax collector may use amounts on deposit in the Tax Certificate Redemption Fund to make the refund, but only to the extent that those amounts were paid to the holder of the applicable tax certificate ([§3729\(b\)](#)). See manual section [1610](#) and manual section [1620 et seq.](#) for the procedure for refund of overpayments of taxes.

## 8610-8615 Cancellations and Refunds: Other Invalid Sales

### 8610. RESCISSION OF TAX SALE BY THE BOARD OF SUPERVISORS

When a tax deed to a purchaser of property is recorded and it has been determined that property sold by the tax collector pursuant to a Chapter 7 or Chapter 8 sale should not have been sold, the sale may be rescinded. The rescission of the sale may be by the county board of supervisors with the written consent of the county's legal advisor and the purchaser of the property or a successor in interest in the property that is not a bona fide purchaser for value, pursuant to [§3731\(a\)](#).

The sale may not be rescinded if:

- The property has been transferred or conveyed by the purchaser to a bona fide purchaser for value; and/or
- The property has become subject to a bona fide encumbrance for value subsequent to the recordation of the tax deed.

When the board of supervisors has rescinded the sale, the purchaser or a successor in interest is entitled to a refund after the execution of a rescission of the tax deed to the purchaser or a successor in interest. The refund to the purchaser or a successor in interest should be made in the same manner as a refund of any overpayment of taxes ([§3731\(c\)](#)).

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The holder of a tax certificate who received all or any part of the amount paid by the purchaser or a successor in interest shall not be obligated to make any refund or repayment of any amount to the purchaser, the delinquent taxpayer, the county, or any other person. The tax collector may use amounts on deposit in the Tax Certificate Redemption Fund to make the refund, but only to the extent that those amounts were paid to the holder of the applicable tax certificate ([§3731\(e\)](#)).

**NOTE:** Written consent is not necessary when the tax deed to the purchaser is being cancelled because the purchaser gave the tax collector negotiable paper that has been dishonored ([§2509](#)); see manual section [8615](#).

### 8611. PREPARATION AND EXECUTION OF THE RESCISSION

A sale may be rescinded by the county board of supervisors with the written consent of the county legal advisor and the purchaser of the property or a successor in interest of the purchaser ([§3731\(a\)](#)); see manual section [8610](#). The tax collector shall prepare a *Rescission of Tax Deed to Purchaser of Tax-Defaulted Property*. See State Controller's Office sample form ([SCO 8-22a](#)).

The rescission is executed and signed by both the tax collector and the purchaser or a successor in interest, with the approval of the board of supervisors. The signatures of the purchaser or a successor in interest and the tax collector are acknowledged by the county clerk, another county official, or a notary public without charge, pursuant to Civil Code section [1181](#) and [§168.5](#).

If the purchaser or a successor in interest refuses to give written consent to rescind the sale of the property, the tax collector may use an alternative procedure to settle a potentially controversial case without filing a lawsuit.

If written consent is not obtained, the board of supervisors may rescind the sale under the circumstances specified in [§3731\(a\)](#), if both of the following conditions are met:

- A hearing is scheduled before the board of supervisors; and
- A notification is provided to the purchaser of the property or a successor in interest.

The notice sent to the purchaser of the property or a successor in interest must include the following information:

- Date, time, and place of the hearing;
- Description of the sold property;
- Reason(s) for rescinding the sale; and
- A statement that a refund will be issued to the purchaser or a successor in interest for the purchase amount, plus interest ([§3731\(b\)\(2\)\(A\)](#)).

The notification must be sent to the last known mailing address of the purchaser of the property or a successor in interest, not less than 45 days prior to the date of the hearing, by registered or certified mail with return receipt requested ([§3731\(b\)\(2\)\(B\)](#)).

The tax collector shall prepare a *Rescission of Tax Deed to Purchaser of Tax-Defaulted Property*. See State Controller's Office sample form ([SCO 8-22b](#)).

### 8612. FORM AND CONTENT

For an example of a rescission of tax deed, see State Controller's Office sample form, *Rescission of Tax Deed to Purchaser of Property* ([SCO 8-22a](#) or [SCO 8-22b](#)).

**8613. RECORDATION OF THE RESCISSION OF TAX DEED**

The tax collector shall record the rescission of the tax deed with the county recorder, without charge ([§3731\(d\)](#)) (Gov. Code [§27361.3](#)).

**8614. EFFECT OF THE RESCISSION OF TAX DEED**

When the rescission is recorded, the tax deed becomes null and void, as though never issued, and all provisions of law relating to tax-defaulted property apply to the property ([§3731\(d\)](#)).

## 8700 Limitation upon Actions: General Information

**8700. CURATIVE ACTS DEFINED**

“Curative acts” are those enacted to cure the unintentional omission or irregularity of some act or performance required by statute that extends from the assessment of property on through to the deed to the purchaser.

[§24](#) applies to statutory requirements intended to guide fiscal officers and promote the orderly conduct of their business as distinguished from those requirements that protect private rights ([Ryan v. Byram, Cal. 2d, 596, 604](#));

[§613](#) cures mistakes of owner's name in the assessment but may not extend to publications that fail to recite correctly the assessee's name ([Henderson v. De Turk, 164 Cal. 296](#)).