

Local Government Programs and Services Division

Property Tax Postponement



BETTY T. YEE
California State Controller



**PROPERTY TAX POSTPONEMENT
PROGRAM OVERVIEW**

Property Tax Postponement

The State Controller's Office (SCO) administers the Property Tax Postponement (PTP) Program. This self-funded program allows eligible homeowners to postpone payment of property taxes on a primary residence.

The PTP Program returned in 2016 after being suspended by the Legislature in 2009.

In 2019-20 manufactured homes were added as an eligible property type.

In 2020-21 the income limit was raised to \$45,000 statewide. Going forward, the income limit will be adjusted annually based on the rate of inflation. In addition, the interest rate was lowered to 5% per year.

PTP Program Overview

Eligibility

To qualify, applicants must prove:

- Senior (at least 62), or blind, or disabled
- Own and occupy the property as principal place of residence
- At least 40% equity in the property and no reverse mortgage on the property
- Total household income does not exceed \$45,000
- Residence is not a houseboat/floating home

PTP Program Overview

Approved Applicants

- SCO makes payments for current-year property taxes on behalf of approved applicants directly to the county.
- Payments are sent via EFT or Warrant, and include the total amount of taxes requested for postponement.
- Approved accounts accrue simple interest at a rate of 5% per annum.
- A lien is recorded against the property until accounts are paid in full.

PTP Program Overview

Collection Triggers

- No longer principal residence
- Claimant dies (and no approved surviving spouse)
- Sells or transfers title to property
- Defaults on a senior lien
- Refinances
- Obtains a reverse mortgage
- SCO learns the postponement was granted in error

PTP Program Overview

Funding

- The program is designed to be self-funded through collections of existing accounts.
- The fund supports postponements and the costs of administering the program.
- For 2019-20, SCO had \$13.2 million to spend on new postponements (\$132,000 available to spend on Manufactured Homes).
- We spent just over \$4 million in 2019-20 (\$44,632 spent on Manufactured Homes).
- We have \$12.7 million to spend in 2020-21 (\$127,000 available to spend on Manufactured Homes).



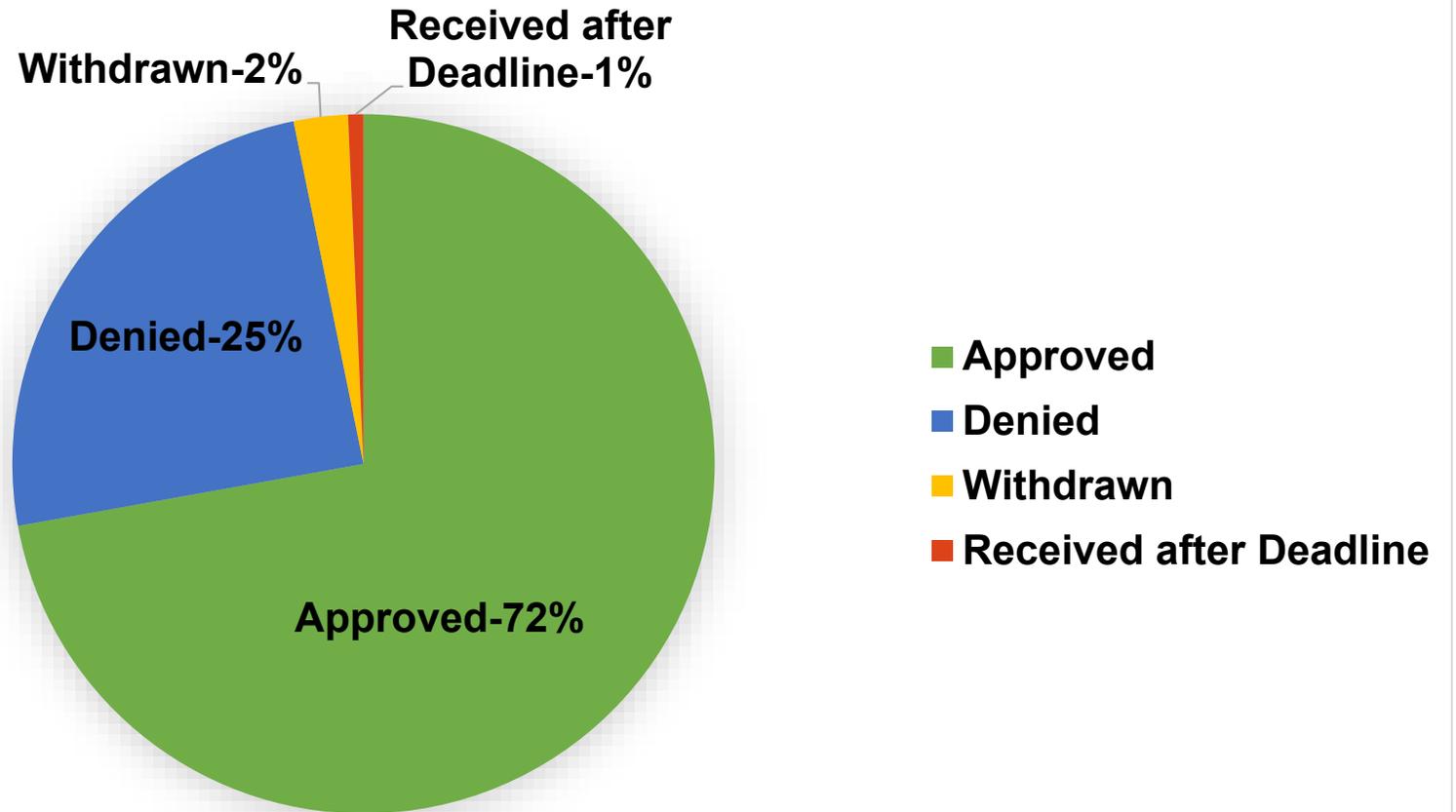
**PROPERTY TAX POSTPONEMENT
PROGRAM
2019-20 YEAR IN REVIEW**



2019-20 Year At a Glance

Status	Number of Applications	Dollar Amount
Paid	1130	\$4,060,329
Denied	386	\$1,336,364
Withdrawn	39	\$90,111
Received after February 10 th	11	N/A
Total Applications Received	1566	

2019-20 PTP Program Statistics

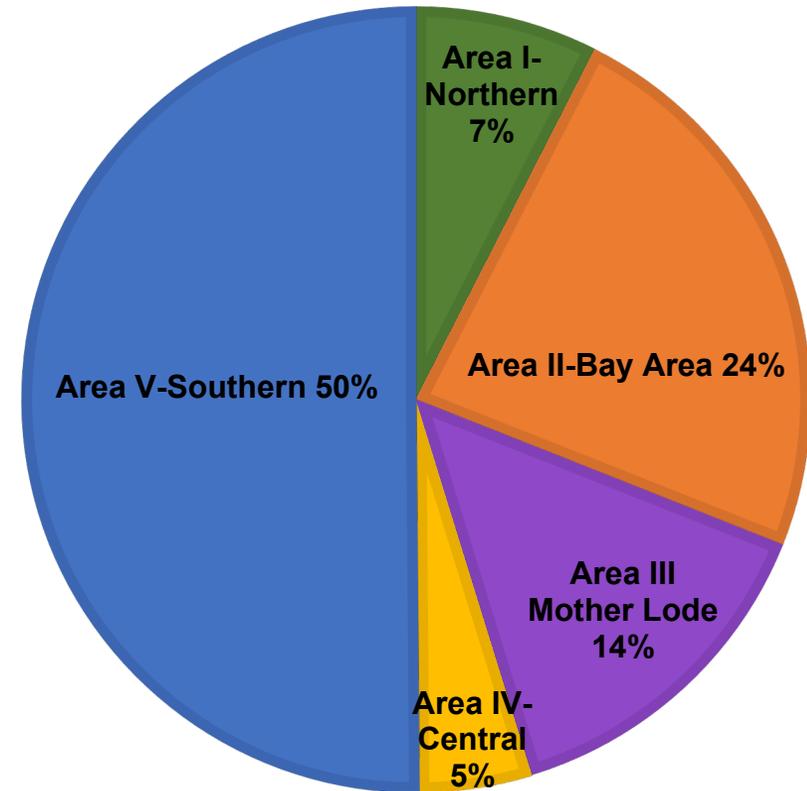


Total Applications Received-1,566

2019-20 PTP Program Statistics

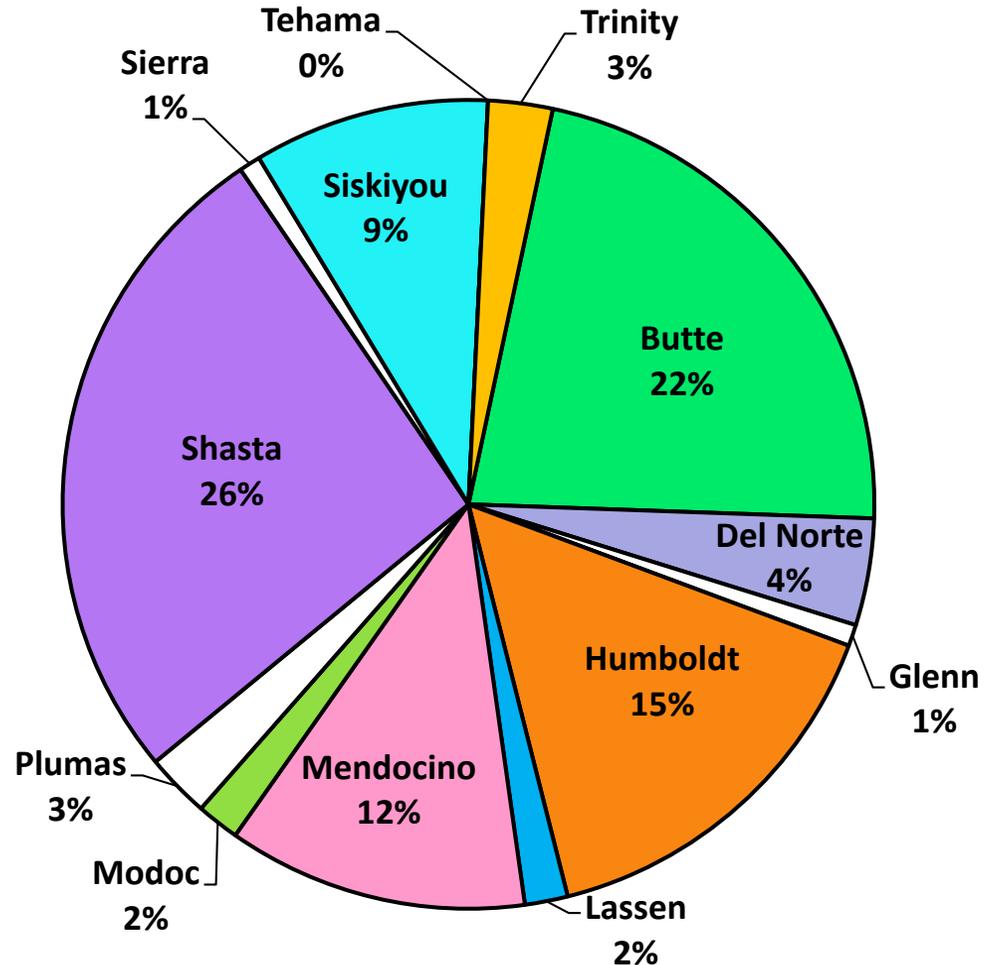
APPLICATIONS RECEIVED BY AREA

- Area I: 117 Applications
- Area II: 369 Applications
- Area III: 223 Application
- Area IV: 72 Applications
- Area V: 785 Applications



AREA I – NORTHERN AREA

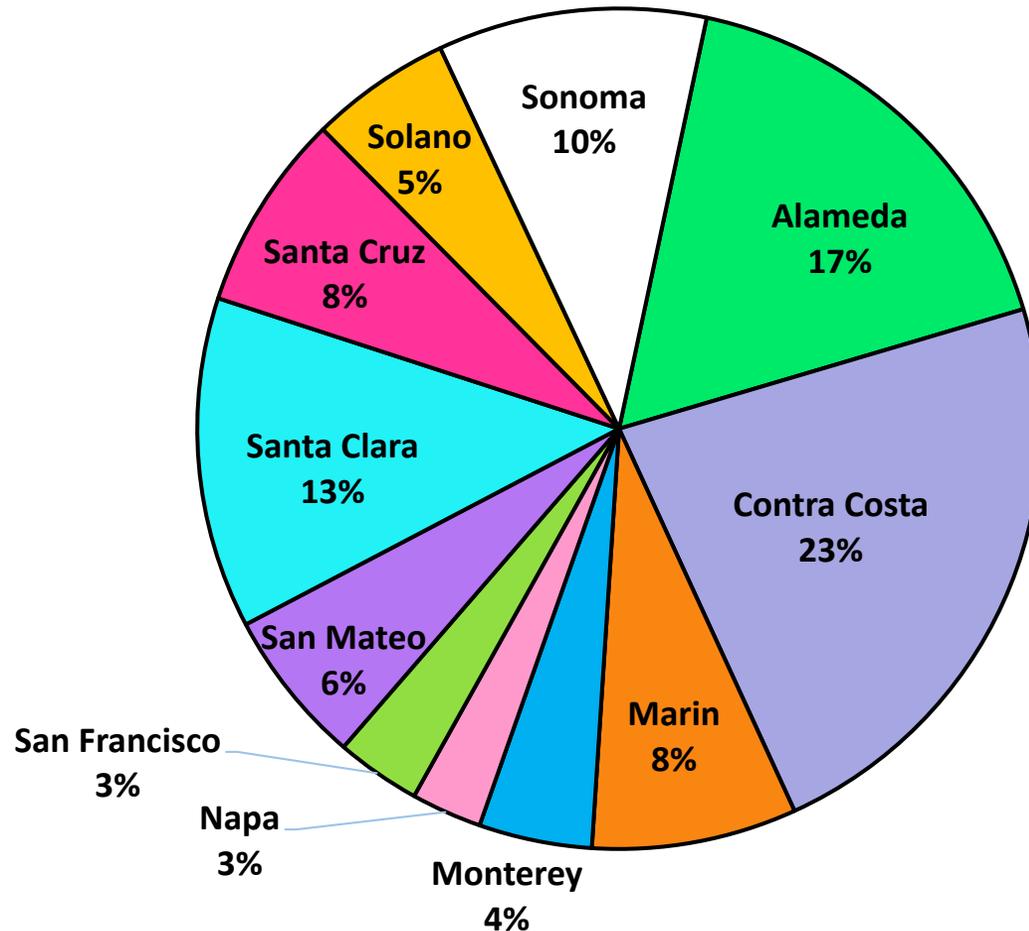
APPLICATIONS RECEIVED BY COUNTY



Butte	26
Del Norte	5
Glenn	1
Humboldt	18
Lassen	2
Mendocino	14
Modoc	2
Plumas	3
Shasta	31
Sierra	1
Siskiyou	11
Tehama	0
Trinity	3
Total:	117

AREA II – BAY AREA

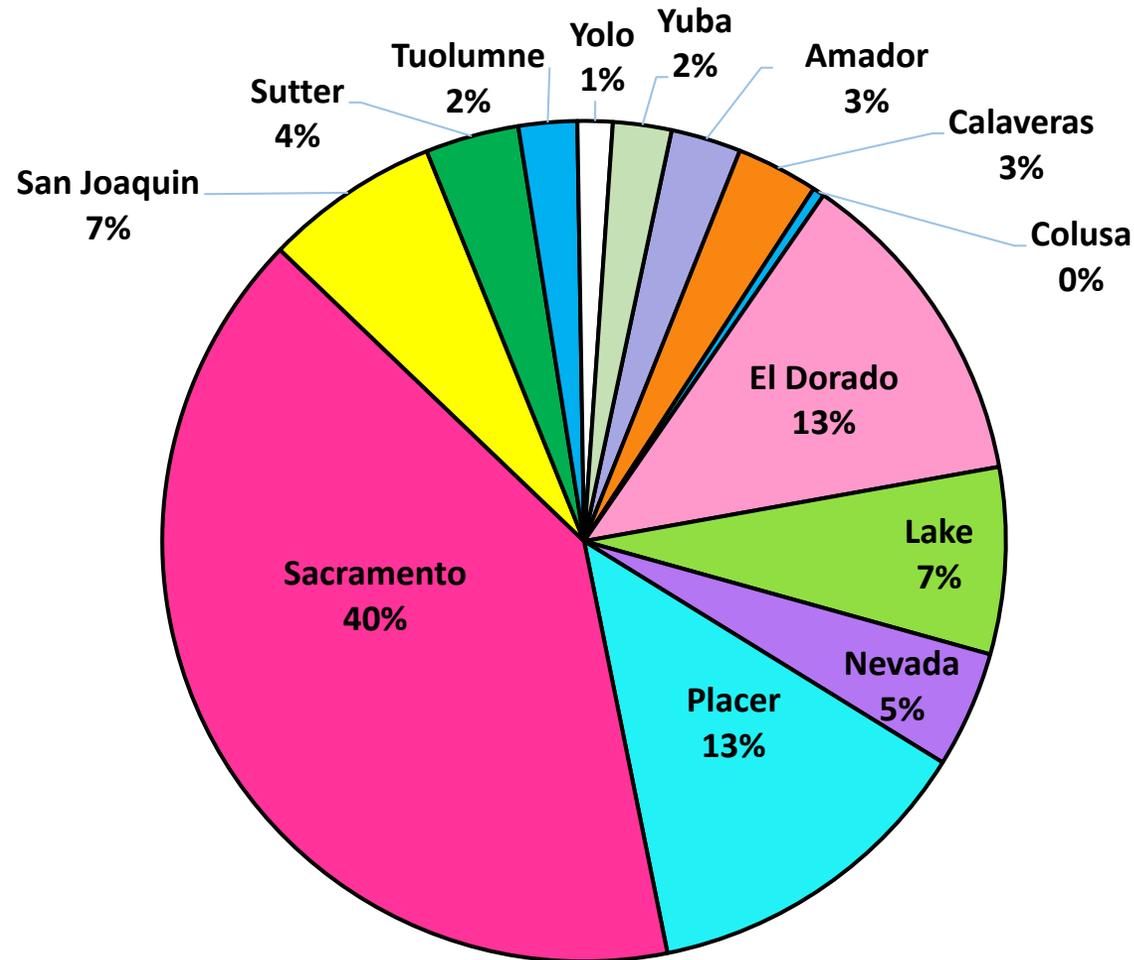
APPLICATIONS RECEIVED BY COUNTY



Alameda	63
Contra Costa	84
Marin	29
Monterey	16
Napa	10
San Francisco	12
San Mateo	22
Santa Clara	47
Santa Cruz	28
Solano	20
Sonoma	38
Total:	369

AREA III – MOTHER LODE

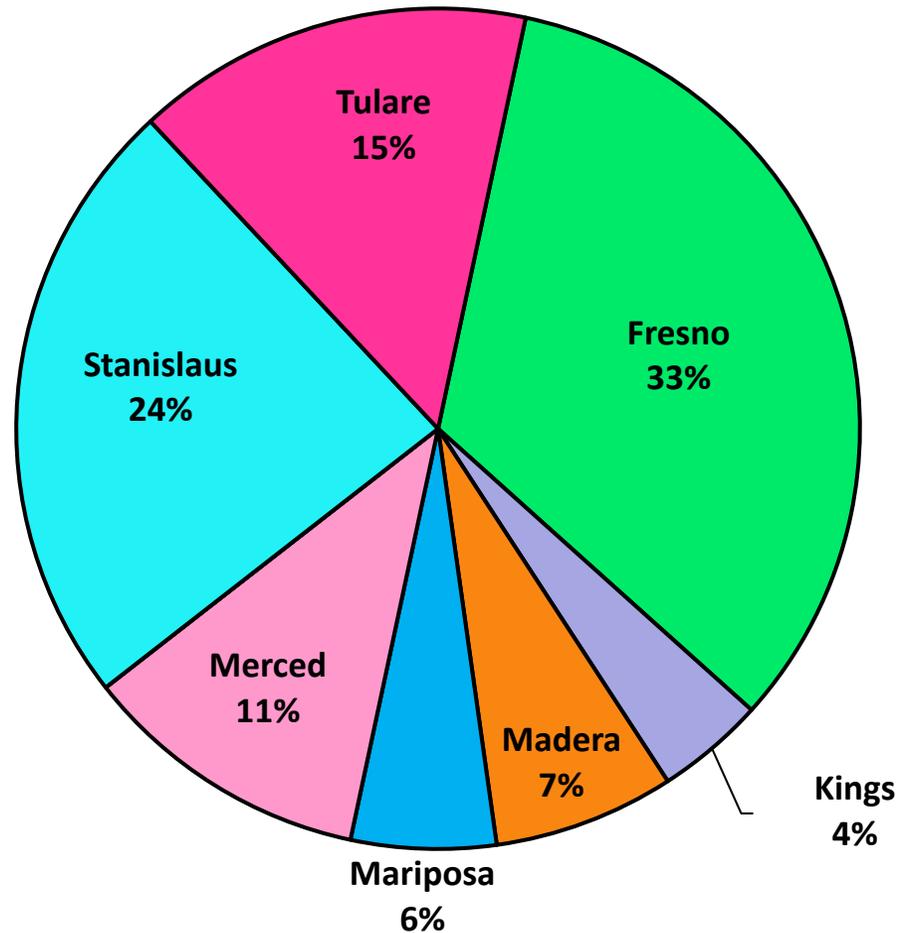
APPLICATIONS RECEIVED BY COUNTY



Alpine	0
Amador	6
Calaveras	7
Colusa	1
El Dorado	28
Lake	16
Nevada	10
Placer	29
Sacramento	90
San Joaquin	15
Sutter	8
Tuolumne	5
Yolo	3
Yuba	5
Total:	223

AREA IV – CENTRAL AREA

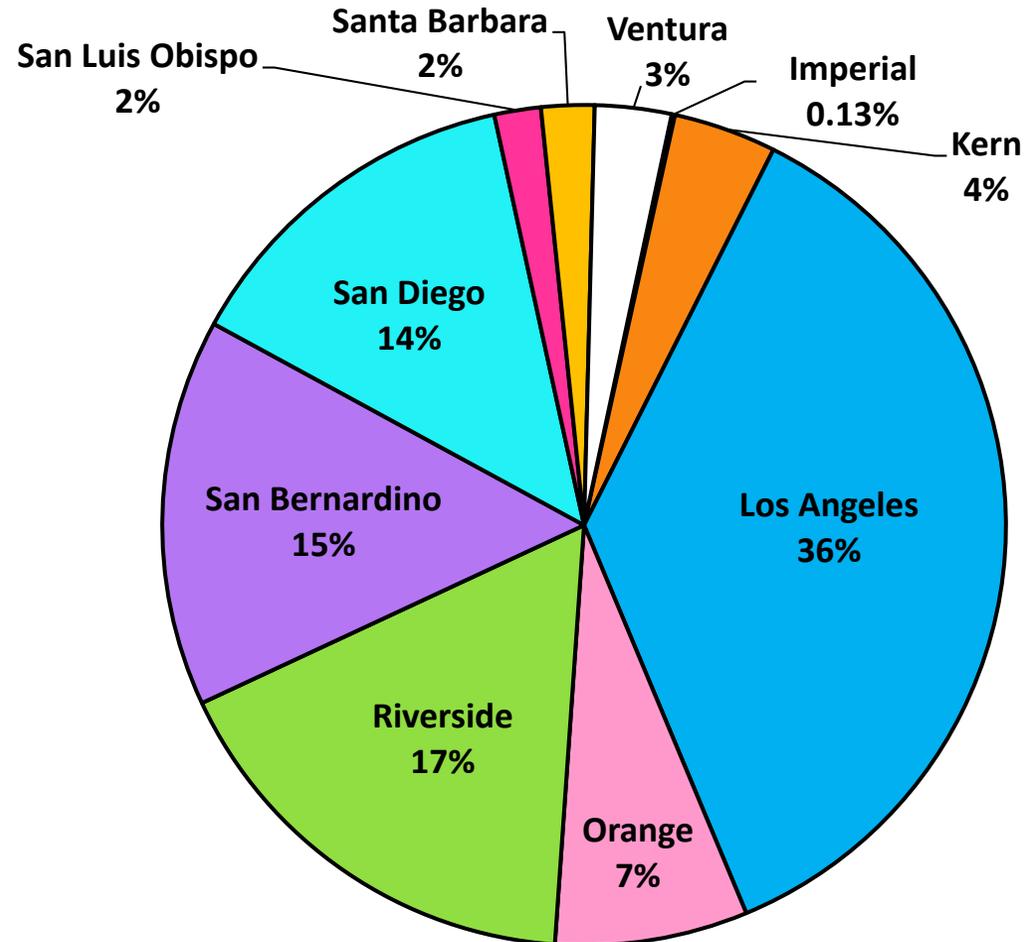
APPLICATIONS RECEIVED BY COUNTY



Fresno	24
Kings	3
Madera	5
Mariposa	4
Merced	8
Mono	0
San Benito	0
Stanislaus	17
Tulare	11
Total:	72

AREA V – SOUTHERN AREA

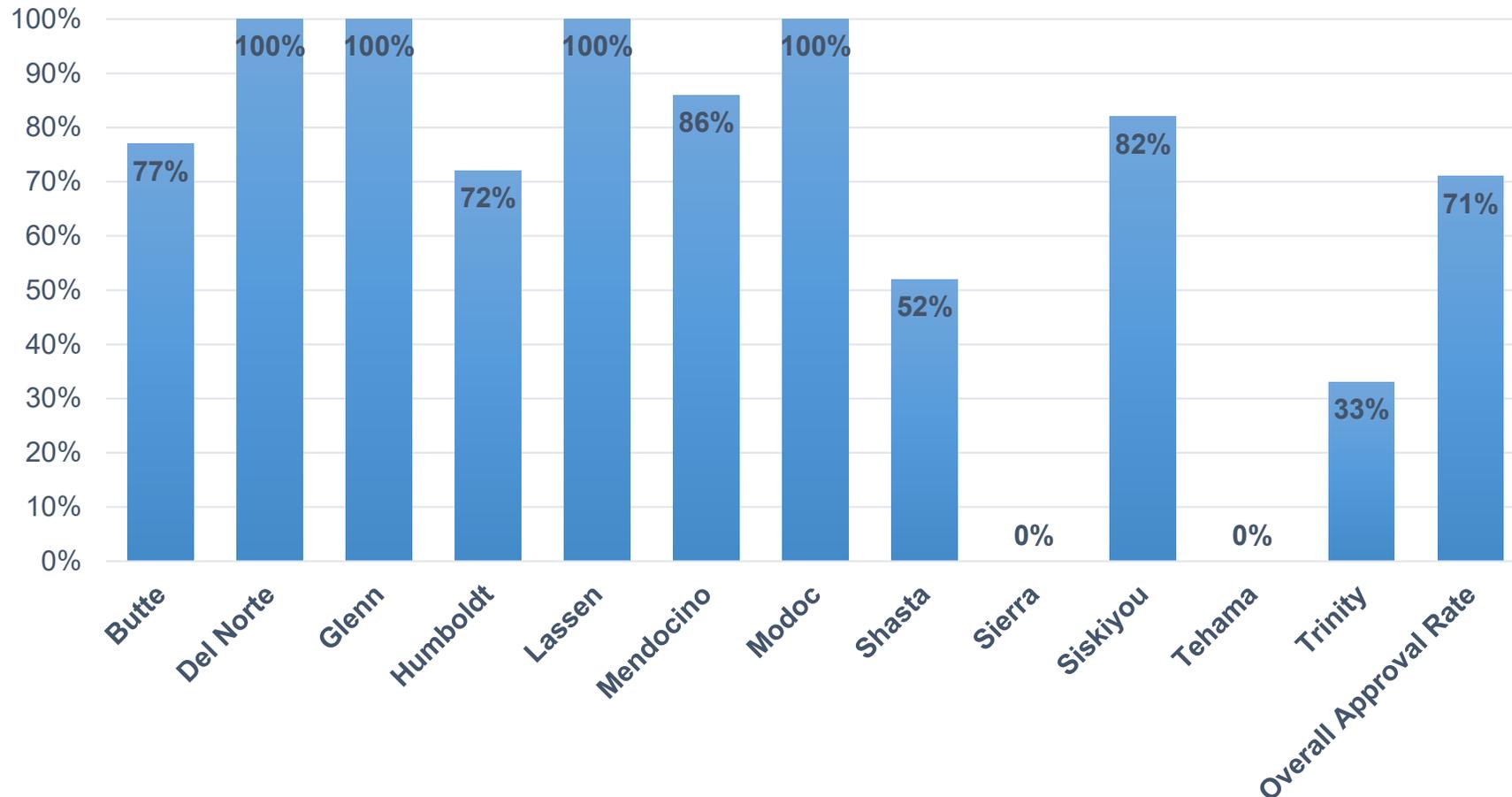
APPLICATIONS RECEIVED BY COUNTY



Imperial	1
Inyo	0
Kern	31
Los Angeles	285
Orange	58
Riverside	133
San Bernardino	117
San Diego	107
San Luis Obispo	14
Santa Barbara	16
Ventura	23
Total:	785

2019-20 PTP Program Statistics

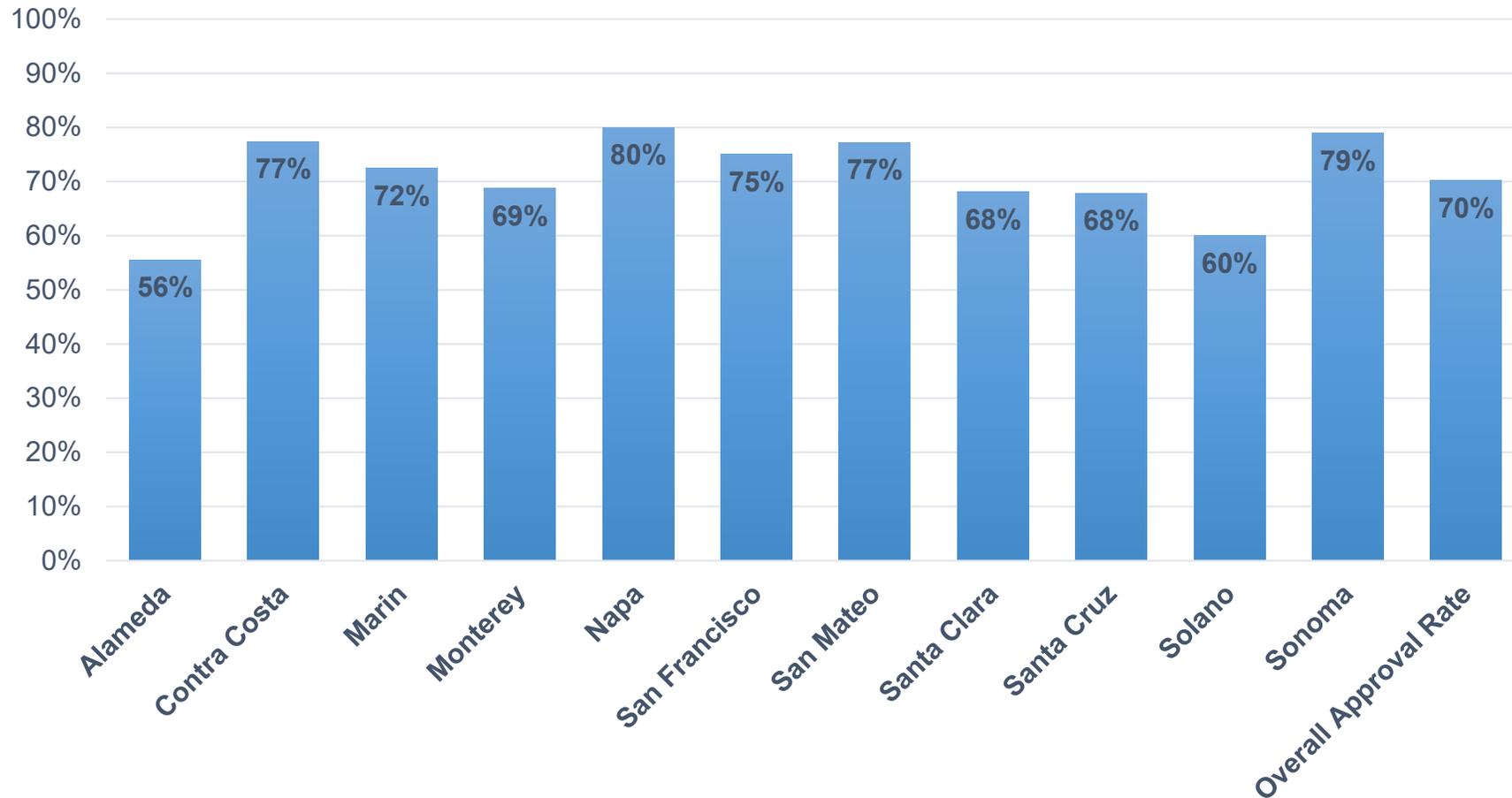
Area I – Approval Rate 71%



Butte	20 of 26
Del Norte	5 of 5
Glenn	1 of 1
Humboldt	13 of 18
Lassen	2 of 2
Mendocino	12 of 14
Modoc	2 of 2
Plumas	2 of 3
Shasta	16 of 31
Sierra	0 of 1
Siskiyou	9 of 11
Tehama	0 of 0
Trinity	1 of 3
Total:	83 of 117

2019-20 PTP Program Statistics

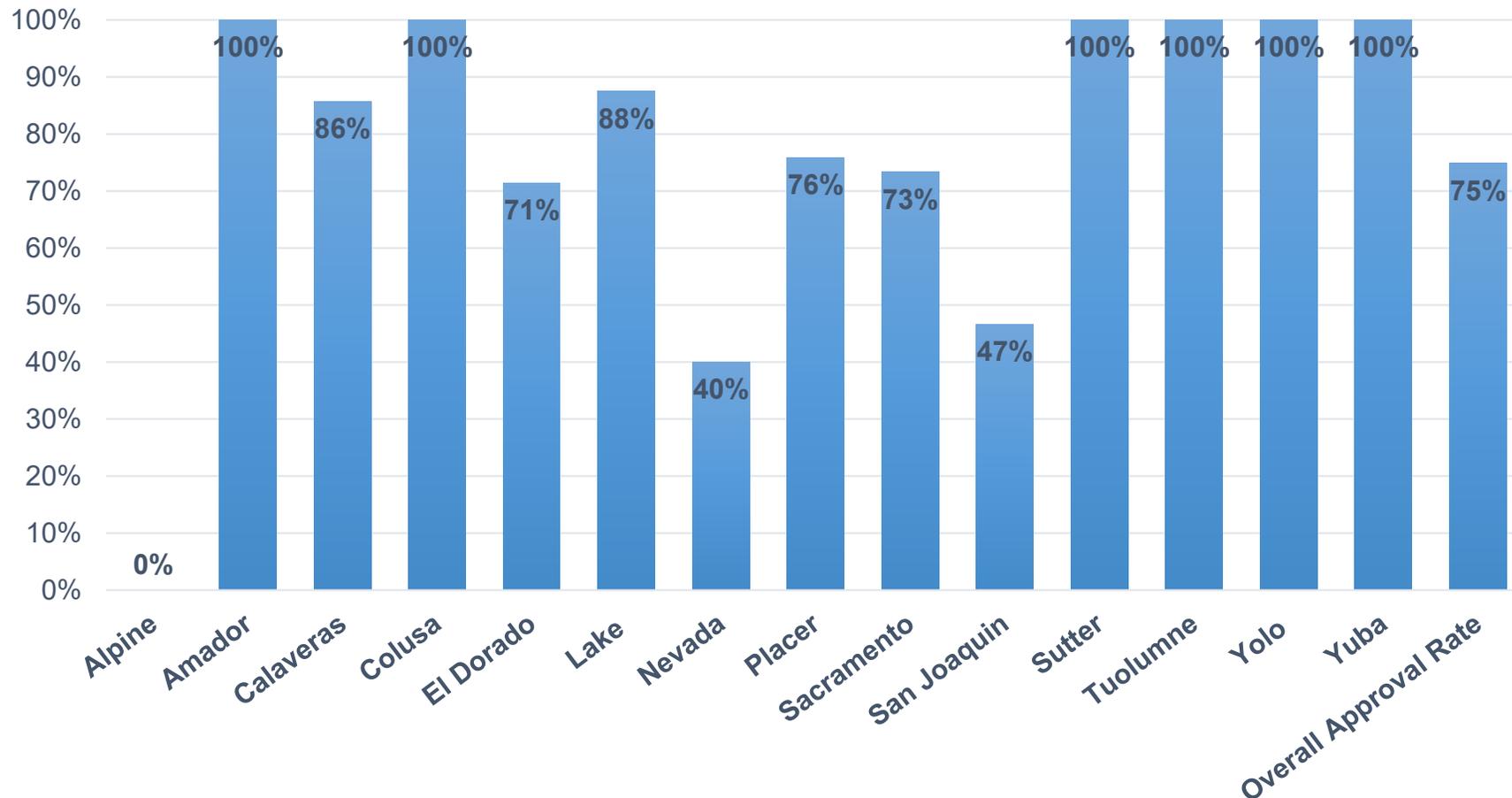
Area II – Approval Rate 70%



Alameda	35 of 63
Contra Costa	65 of 84
Marin	21 of 29
Monterey	11 of 16
Napa	8 of 10
San Francisco	9 of 12
San Mateo	17 of 22
Santa Clara	32 of 47
Santa Cruz	19 of 28
Solano	12 of 20
Sonoma	30 of 38
Total:	259 of 369

2019-20 PTP Program Statistics

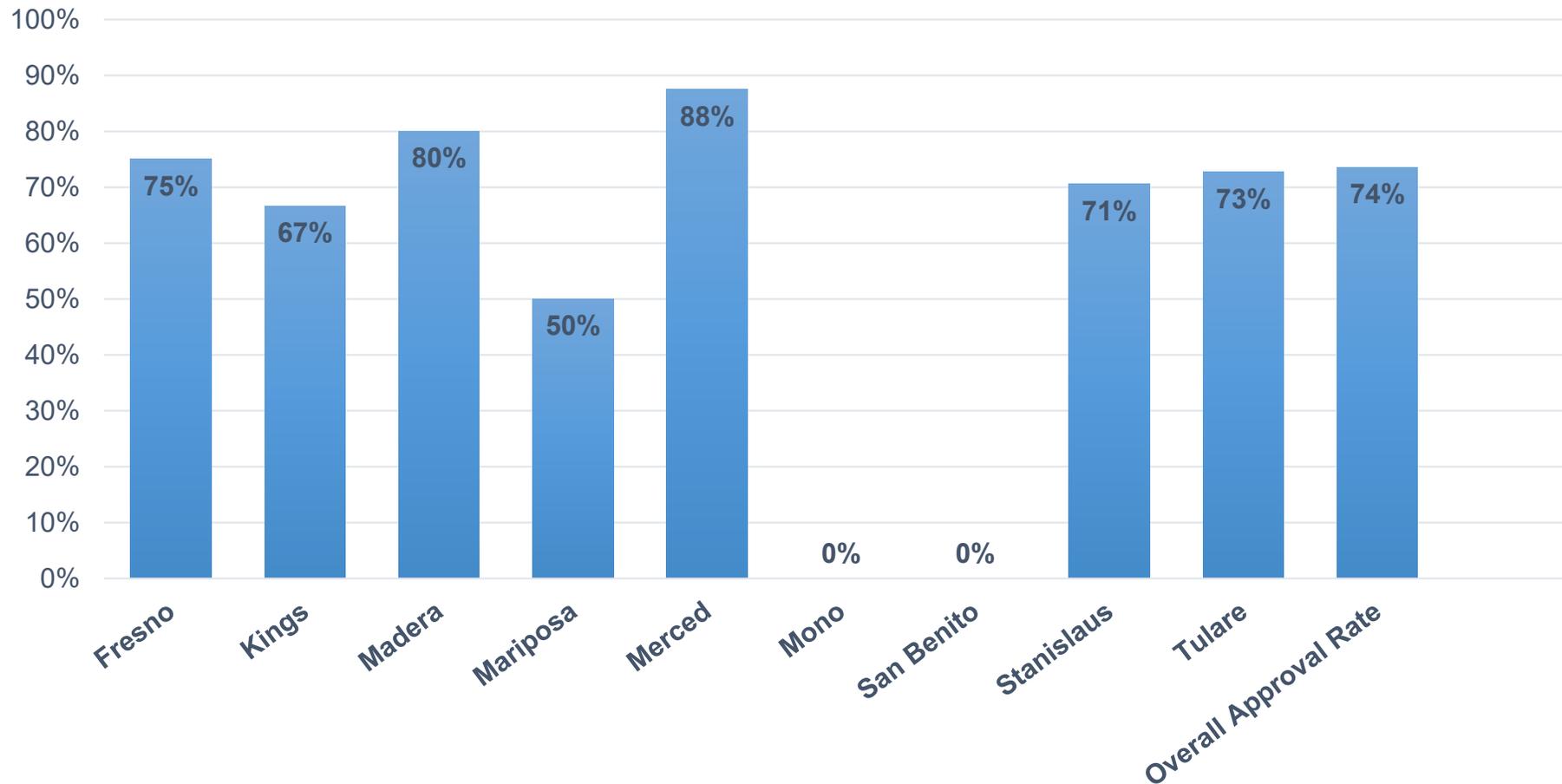
Area III – Approval Rate 75%



Alpine	-
Amador	6 of 6
Calaveras	6 of 7
Colusa	1 of 1
El Dorado	20 of 28
Lake	14 of 16
Nevada	4 of 10
Placer	22 of 29
Sacramento	66 of 90
San Joaquin	7 of 15
Sutter	8 of 8
Tuolumne	5 of 5
Yolo	3 of 3
Yuba	5 of 5
Total:	167 of 223

2019-20 PTP Program Statistics

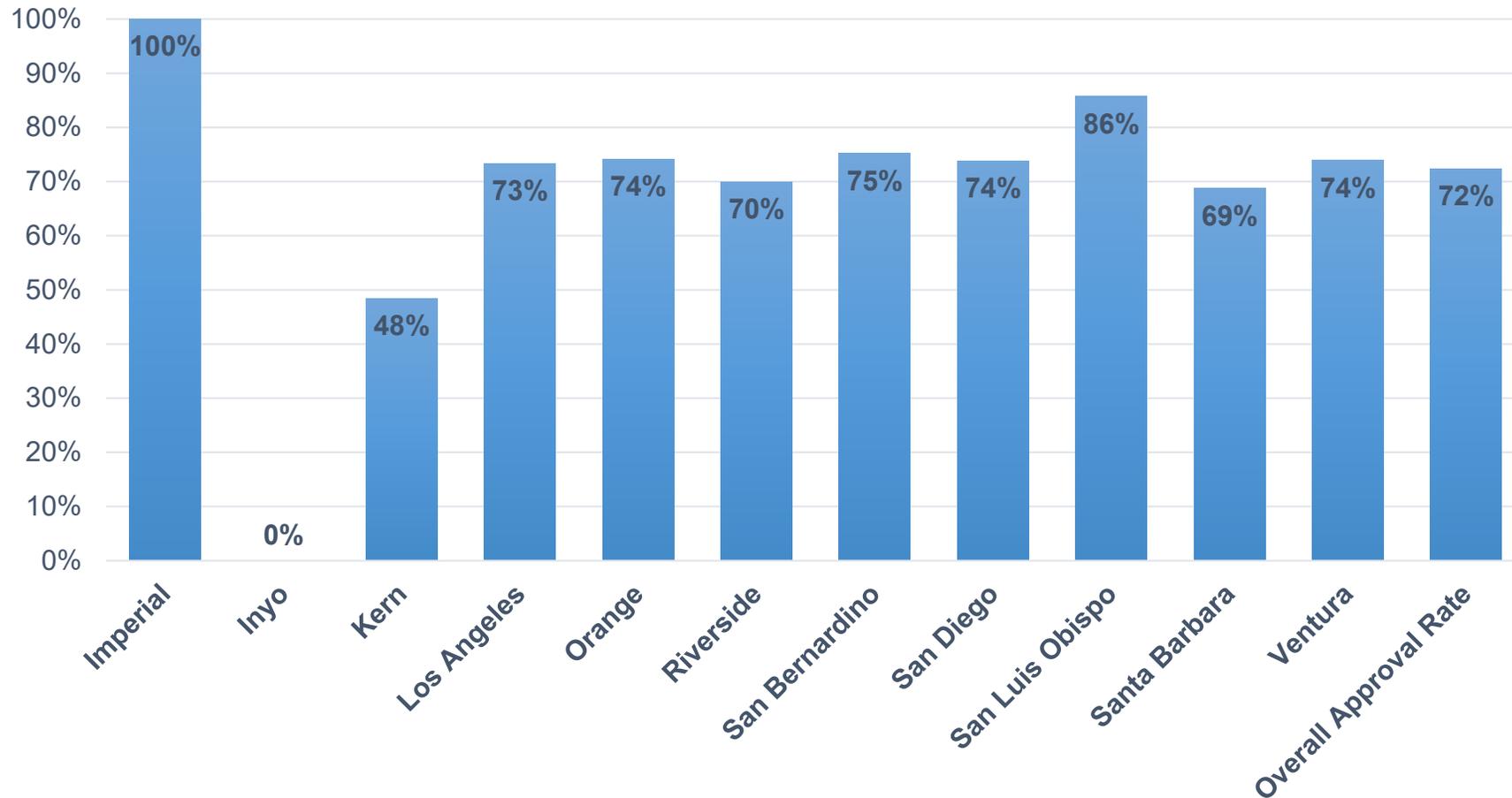
Area IV – Approval Rate 74%



Fresno	18 of 24
Kings	2 of 3
Madera	4 of 5
Mariposa	2 of 4
Merced	7 of 8
Mono	-
San Benito	-
Stanislaus	12 of 17
Tulare	8 of 11
Total:	53 of 72

2019-20 PTP Program Statistics

Area V – Approval Rate 72%



Imperial	1 of 1
Inyo	-
Kern	15 of 31
Los Angeles	209 of 285
Orange	43 of 58
Riverside	93 of 133
San Bernardino	88 of 117
San Diego	79 of 107
San Luis Obispo	12 of 14
Santa Barbara	11 of 16
Ventura	17 of 23
Total:	568 of 785

PTP Program Application Statistics

4-year Comparison

Status	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Paid	812	899	1,023	1,130
Denied	417	425	332	386
Withdrawn Applications	34	21	33	39
Received after Deadline	12	15	6	11
Total Applications Received	1,275	1,360	1,393	1,566

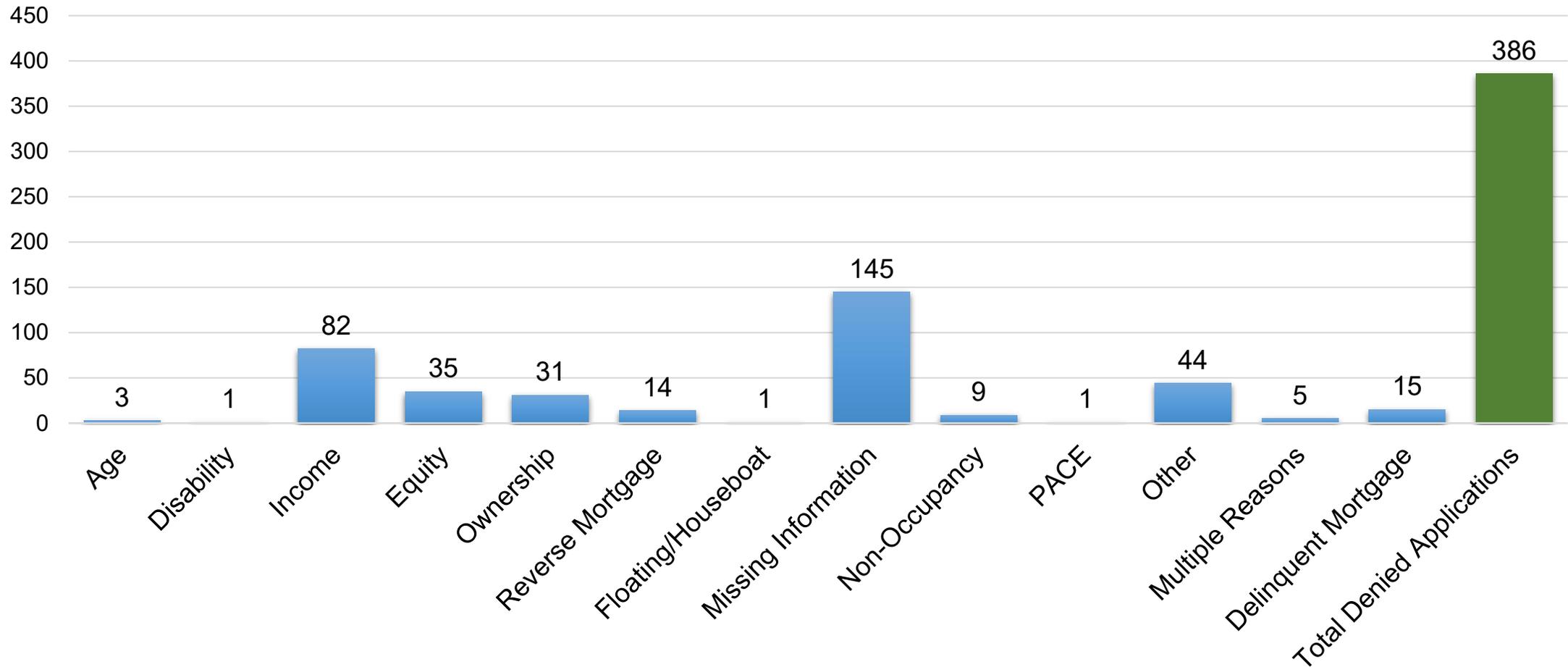
2019-20 PTP Program Statistics

Typical Approved Applicant by Area

	Age	Household Income	Equity	Current Market Value	Postponement Amount
AREA I	70	\$16,207	89%	\$273,022	\$2,230
AREA II	74	\$18,943	88%	\$779,357	\$4,613
AREA III	70	\$19,116	85%	\$351,994	\$2,830
AREA IV	73	\$16,850	82%	\$246,946	\$1,780
AREA V	72	\$18,866	87%	\$568,107	\$3,724

2019-20 PTP Program Statistics

Denied Applications



2019-20 Program Statistics: Manufactured Homes

Status	Number of Applications (Manufacture Homes)	Number of Applications (Total)
Paid	35	1130
Denied	49	386
Withdrawn	1	39
Received after February 10 th	0	11
Total Applications Received	85	1566

2019-20 Filing Period in Review

- Applications processed in first-come, first-served order by postmark date.
- Average processing time for final determination was 6-8 weeks.
- Typical correspondence with applicant included acknowledgement letter, missing information letter, phone call(s), approval/denial letter, and payment confirmation letter.
- Reports and payments were sent to counties once a month via Electronic Funds Transfer (EFT) or Warrant beginning November 2019.
- Counties canceled any delinquent penalties, costs, fees, and interest accrued if an approved applicant filed timely with SCO.
- SCO recorded Notices of Lien against all approved accounts.



PTP POLICY REVIEW



PTP Policy Review

Property Assessed Clean Energy (PACE) Loans

- SCO cannot pay for PACE loans.
- If an applicant with PACE is approved, a payment will be issued to the county for the current year installments minus the PACE amount.
- The applicant is responsible for paying the PACE portion of the current year taxes directly to the County Tax Collector's Office.
- If a payment is not received by June 30th, the payment must be returned to SCO.

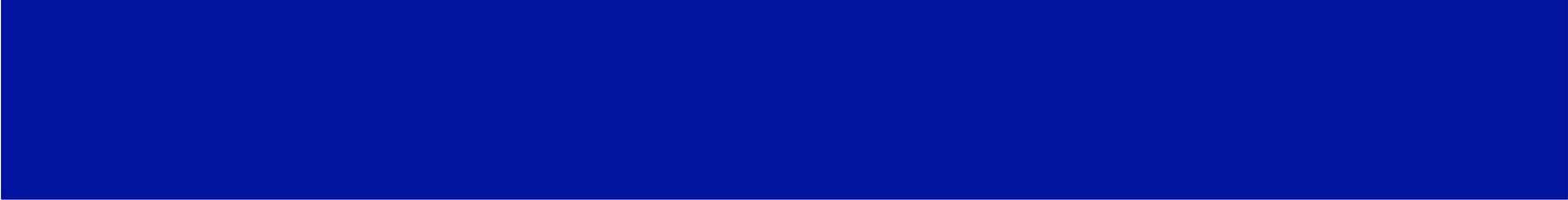
PTP Policy Review

Defaulted Taxes & Power to Sell

- Applicants with defaulted taxes and power to sell are still eligible to apply for postponement, but will be approved on a case-by-case basis.
- Manufactured homeowners cannot have defaulted taxes.
- PTP cannot pay for defaulted taxes. Only current year taxes are eligible for postponement.

Refunds

- All refunds should be made directly to the applicant within 60 days.



LOOKING AHEAD



Annual Program Timeline

Month	Program Function
July	Determine dollar amount available for postponements in upcoming filing period
August	SCO reconciliation with county tax collectors and assessors
September	Application release and release of County Guide
October 1 – February 10	Filing Period
November – June	Payments to County Tax Collectors

What's Next?

- Filing period began October 1st
- First county status report to be sent in mid-October
- Payments to counties will begin in November and will continue on a monthly basis.

Contact Information

Property Tax Postponement

800-952-5661

(Option 4: Counties)

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