



COUNTY OF LOS ANGELES  
**TREASURER AND  
TAX COLLECTOR**

# Tax Sale 101

Sergio Marquez  
Assistant Operations Chief

Tax Sale, Secured Property Tax Division

February 2020

Monday, October 21, 2019 8:49:22 AM

ONLY CASH, CASHIER'S CHECKS AND BANK ISSUED  
MONEY ORDERS ARE ACCEPTED.

CHECKS MUST BE PAYABLE TO THE  
LOS ANGELES COUNTY TAX COLLECTOR

TWO PARTY CHECKS, PERSONAL CHECKS,  
BUSINESS CHECKS, AND NON-BANK ISSUED MONEY  
ORDERS WILL NOT BE ACCEPTED.

**INVESTIGATE  
BEFORE YOU BID**  
**ALL SALES ARE FINAL**

← EXIT →

# Overview

- Purpose of Tax Sale
- Qualifying Factors
- Chapter 7 Tax Sales
- Chapter 8 Agreement Sales
- Rescission of Tax Deed
- Excess Proceeds

# Purpose of Tax Sale

- Why do We hold Tax Sales?
  - Redemption (collect unpaid taxes, assessments, penalties, fees and costs)
  - Return to Revenue Generating Status

# Qualifying Factors

- 1. Property must be Tax Defaulted
- 2. Tax Collector must give proper notice
- 3. Property must be Subject to the Tax Collector's Power to Sell

# Tax Default

- Property Taxes:
  - Lien against property, as of the lien date, Jan 1, preceding the Fiscal Year levied.
  - Defaulted if delinquent on July 1.

# Notices and Publications

- The Tax Collector must give Notice. Why?
  - Due Process Rights of Property Owner
  - Revenue and Taxation Code (R&TC)



# ANNUAL Notices and Publications

- Notice of Impending Default – June 8
  - Three week publication
- Published Delinquent List – September 8
  - Two week publication



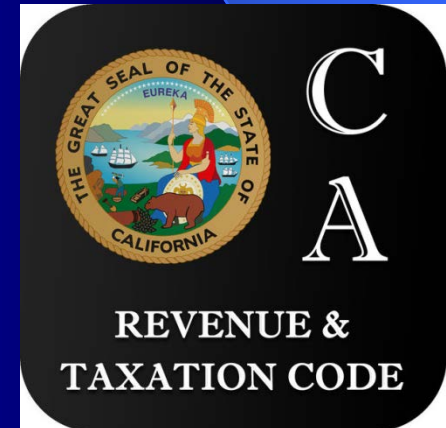
# Impending Power-to-Sell Notices and Publications

- Defaulted Taxes Approaching:
  - 5 or more years residential and agricultural
  - 3 or more years non-residential and commercial property
- Notice of Impending Power to Sell – June 8
  - Mailed notice
    - Registered/Certified Mail
    - Assessee of Record
  - Two week publication
- Courtesy Notice – March 1
  - Mailed notice



# Tax Collector's Power to Sell

- Notice of Power to Sell
  - Recorded after July 1
  - Not a Lien
- Time to Sell
  - Four years of becoming Power to Sell
  - Reoffer unsold every six year



# Tax Collector's Power to Sell Flow Chart - Example



# Chapter 7 Tax Sales

- Public Auction
  - In Person
  - Internet/Online
- Sealed Bid Sale/Auction
  - In Person (bidders need not be present)

# Chapter 7 Tax Sales Process

- Prepare
  - Property List
  - Terms and Conditions
- Minimum Bid
  - Redemption Amount – 1<sup>st</sup> offering
  - Reduced price – 2<sup>nd</sup> offering and Sealed Bid
  - Adjusted price – Welfare Exemption Property
- Sale File
  - Checklist of All Documents
  - Parties of Interest Search
  - BOS Approvals and Send Notice of Sale

**2019B PRE AUCTION REVIEW CHECK LIST**

Item No. 591 Parcel No. 2041-012-015

Researcher: MARISA AGUAYO

Title Report (DATE) 2/15/19 Changes: Yes  No

Other Title Report (DATE) \_\_\_\_\_ Changes: Yes  No

Bankruptcy No  Yes  Valid Bankruptcy  Invalid Bankruptcy  Date Rec'd \_\_\_\_\_

Vacant Land  HOK/SSA  IMP  Assessed Value \$2,523 Date Rec'd \_\_\_\_\_

Assessor Title Difference (ATD) No  Yes  Referred to Assessor \_\_\_\_\_ Response Date \_\_\_\_\_

Tax Lien Records/Verified Parcel Number No  Yes

Master Maps No  Yes  Contiguous Maps No  Yes  GIS No  Yes

NDA Mailed to: \_\_\_\_\_

Site Address VAC Green Card Rec'd \_\_\_\_\_ Returned Envelope Rec'd \_\_\_\_\_

Mailing Address VAC Green Card Rec'd \_\_\_\_\_ Returned Envelope Rec'd \_\_\_\_\_

Payment History: \_\_\_\_\_ Payment Draw-off Year to STPTS No  Yes

1. Statement of Prior Taxes in File \_\_\_\_\_ copy of check \_\_\_\_\_ (no later than 5 years)

2. Last Redemption Payment Yr. \_\_\_\_\_ copy of check \_\_\_\_\_ (no later than 5 years)

3. Last Secured Payment Yr. \_\_\_\_\_ copy of check \_\_\_\_\_ (no later than 5 years)

STR Name Search (YES)  (NO)

Account Name Search (YES)  (NO)

STR Documentation in File:  LD  BD  ON  SD  SP  Other \_\_\_\_\_

Auction No: 2019- (N7) 2020- (N7) 2018- (N7) 2017- (N7) 2016- (N7) 2015- (N7) 2014- (N7)

Field Visit: No  Yes ( ) Date of Field Visit: \_\_\_\_\_ Copy Enclosed: Yes ( ) No ( )

Social Worker Visit No  Yes ( ) Date of Field Visit: \_\_\_\_\_ Copy Enclosed: Yes ( ) No ( )

Correspondence/Referral Received: Yes \_\_\_\_\_ No  Response Date: \_\_\_\_\_

Previous File(s) Combined No \_\_\_\_\_ Yes

Other/Comments own page connection


Reviewer(s): Marisa Aguayo RA Date: 4/15/19

Ramon Rosales RR Date: 4-15-19



# Notice of Auction and Personal Contact

- Notice of Auction (NOA)
  - 45 to 120 Days Prior to Sale
  - Certified Mail
  - Parties of Interest
  - Right of Redemption
- Three week Newspaper Publication
- Personal Contact (TTC or Agent)
  - 10 to 120 Days Prior to Sale
  - Sheriff Deputies
  - Joint Task Force (Social Workers)
    - DCBA
    - APS (WDACS)

	<b>COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR</b> Kenneth Hahn Hall of Administration 225 North Hill Street, Room 130, Los Angeles, California 90012 Telephone: (213) 974-2045 Fax: (213) 980-3948 tfc.lacounty.gov and lacountypropertytax.com	Board of Supervisors HILDA L. SOLIS First District MARK RIDLEY-THOMAS Second District SHEILA KUEHL Third District JANICE MAHN Fourth District KATHRYN BARGER Fifth District
<b>KEITH KNOX</b> ACTING TREASURER AND TAX COLLECTOR	<b>AUGUST 28, 2019</b>	
000001-000001 APPR. 001 1-0000-029964 0000000000	<b>SALE: 2019A</b> ITEM NUMBER: 7	MAPBOOK 2006 PAGE 025 PARCEL 003
ISS: STOP 5021RM 4052 LOS ANGELES, CA 90012		TOTAL AMOUNT DUE IF PAYMENT IS RECEIVED BY 09 30 19 <b>\$2,400.56</b> IF PAYMENT IS RECEIVED BY 10 18 19 <b>\$2,411.14</b>
<small>Detach top portion and return with your payment</small>		
<b>OFFICIAL NOTICE OF AUCTION</b> <b>THE TAX COLLECTOR WILL SELL YOUR PROPERTY AT PUBLIC AUCTION</b>		
Pursuant to Revenue and Taxation Code Section 3691, my office will sell your property at a public auction to recoup unpaid secured property taxes unless you pay the total amount due by 5:00 p.m. Pacific Time, Friday, October 18, 2019. If you are not the owner of the property as described, or do <b>NOT</b> have a legal interest in the property, you may disregard this notice.		
<b>AUCTION INFORMATION</b>		
1. Place of sale:	FAIRPLEX LOS ANGELES COUNTY FAIRGROUNDS 1101 W. MCKINLEY AVE., BLDG.#7, POMONA, CA 91768	
2. Date and time of sale:	OCTOBER 21, 2019 THRU OCTOBER 22, 2019 9:00AM (PT)	
3. Place of follow-up sale:	WWW.BID4ASSETS.COM/LOSANGELES	
4. Date and time of follow-up sale:	DECEMBER 7, 2019 THRU DECEMBER 10, 2019 3:00PM (PT)	
5. Minimum bid:	\$2,570.00	
6. Owner of record:	MOORE, RON W	
7. Address of property:	VACANT LOT	
8. Description and/or address of the property to be sold at public auction:	LICENSED SURVEYOR'S MAP AS PER BK 25 PG 28 OF LS LOT 3 BLK 16	
<b>INFORMACIÓN ADICIONAL</b> Si desea obtener información adicional sobre este aviso o si necesita la información traducida en español, por favor llame al (213) 974-2111 entre las 8:00 a.m. y 5:00 p.m. Tiempo Pacífico, de lunes a viernes, excluyendo los días festivos del Condado de Los Angeles.		
If this property is part of an active bankruptcy proceeding, this notice shall constitute a "notice of deficiency" pursuant to 11 U.S.C. Section 362(b)(9)(B) and therefore does not violate the automatic stay under 11 U.S.C. Section 362(a). Continue making payments to an appointed bankruptcy trustee pursuant to a court order. My office will continue to send notices to the property owner, and all processes will continue up to the last business day of redemption prior to a scheduled sale. We will remove any property that is part of an active bankruptcy from the auction.		
We are sending this notice to every person in the County of Los Angeles who has a similar name to ensure that the legal owner of the property receives notification, and all lien holders who are known to have legal interest in the property.		
<b>MORE INFORMATION ON REVERSE</b>		

# Joint Task Force – Field Visit



# In-Person Public Auction

- Newly power to sell properties
- Public auction held in October
- In-person registration
- Deferred-payment - 30 days to payoff
- Unpaid - forfeit deposit
- Unsold property 90-day re-offer
  - last day of in-person – half price
  - follow-up online auction - costs



# Online Public Auction

- Properties previously offered and not sold
- Online bid sale – 3 days
- Registration online
- Payoff – 3 days
- Unpaid-forfeit deposit



# Sealed-Bid Auction

- Property rendered unusable by size, location, or any other condition.
  - Corrections to roll
  - Augment owner land (bracket request)
- Interest letters
- Bidder Packets
- Mail result to bidders



# Chapter 8 Agreement Sale

- Purchase of tax-defaulted property by:
  - Public or Taxing Agency or Nonprofit Organization  
“Eligible Entity”



# Eligible Entities

- Public Agencies – State, Counties, cities, taxing agencies, revenue districts, special districts, and other state agencies.



# Eligible Entities

- Nonprofit Organizations – Articles include
  - Build or rehabilitate single-family or multi-family dwellings for sale or rent to low-income persons, or for other uses to serve low-income persons; or dedicate vacant land for public use.



# Chapter 8 Sale Process Scheduled for Auction

- Eligible Entities are notified of upcoming tax-defaulted auctions 30 days prior to publication of each auction
- Eligible Entities file objection and application to purchase

# Chapter 8 Sale Process Not Scheduled for Auction

- How do Eligible Entities Learn of Available Properties?
- Chapter 8 Web Portal of Power to Sell Properties
  - Year round access
  - Updated weekly
- Eligible Entities file request and application to purchase

# Chapter 8 Sale Process Approvals

## Nonprofits


- LACDA
- County Counsel
- TTC
- Board of Supervisors
- State Controller

## Public Agencies

- County Counsel
- TTC
- Board of Supervisors
- State Controller

# Notice of Sale

- Notice of Sale (NOS)
  - 45 to 60 Days Prior to Sale
  - Registered/Certified Mail
  - Parties of Interest
  - Right of Redemption
- Three week Newspaper Publication

 **COUNTY OF LOS ANGELES**  
**TREASURER AND TAX COLLECTOR**

Kenneth Hahn Hall of Administration  
225 North Hill Street, Room 130, Los Angeles, California 90012  
Telephone: (213) 974-0871 Fax: (213) 690-3648  
tts.lacounty.gov and lacountypropertytax.com

Board of Supervisors  
HILDA L. SOLIS  
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Second District  
SHEILA KUEHL  
Third District  
JANICE HAHN  
Fourth District  
KATHRYN BARGER  
Fifth District

JOSEPH KELLY  
TREASURER AND TAX COLLECTOR

June 20, 2019

LOS ANGELES CA 90036

**NOTICE TO PARTIES OF INTEREST OF TAX-DEFAULTED PROPERTY**  
**ASSESSOR'S IDENTIFICATION NUMBER: 4410-013-014**

Our records indicate you may have a legal interest in the property described below. The Los Angeles County Board of Supervisors has made an agreement for the sale of this property with the Tongva Land Preservation Corporation, a nonprofit organization, named in the agreement. The State Controller approved the purchase agreement for the sale of this property. **The agreement will become effective on August 12, 2019 at 5:01 p.m.** A copy of the agreement is on file in the Office of the Board of Supervisors.

**THE RIGHT OF REDEMPTION WILL TERMINATE ON August 12, 2019 at 5:00 p.m., THE EFFECTIVE DATE OF SALE AT THE CLOSE OF BUSINESS ON THE 21ST DAY AFTER THE FIRST PUBLICATION.**

Enclosed is the Statement of Prior Year Taxes indicating the redemption amount of \$398,451.60 if paid by June 30, 2019. Thereafter, the redemption amount will increase to \$407,662.52 through August 12, 2019, the effective date of the agreement. We only accept cash, cashier's check and bank issued money orders for the redemption of this property and must receive payment no later than 5:00 p.m. on the effective date of August 12, 2019.

**Last Assessee Name:** RAMIREZ, E G  
**Description of property:** TRACT # 1719 LOTS 202 AND LOT 203  
**Situs:** VACANT LOT

If the property was damaged, and not substantially repaired, within the last five years due to a local, state, or federally declared disaster, it may not be eligible for sale until it has been tax-defaulted for five years from the date of the disaster. If this property falls into this category, contact the Tax Collector's Office immediately at (213) 974-0871. Documentation may be requested by the tax collector showing that the property was damaged as a result of a declared disaster and the date the damage occurred.

**RIGHTS OF PARTIES OF INTEREST AFTER THE SALE**

If you are a party of interest, as defined in Section 4675 of the Revenue and Taxation Code, you have the right to file a claim for proceeds, pursuant to law, in excess of the liens and costs required to be paid from the proceeds.

If you have questions concerning redemption, the proposed sale of the property, or your right to claim excess proceeds, please contact the Tax-Defaulted Property Section at (213) 974-0871.

Agreement Number 2791 1

# Sale is Consummated

- Effective Date of Sale
  - 5:01 PM on 21<sup>st</sup> day of publication
- Send demand for payment
- Record Tax Deed to Purchaser and
  - Public Agencies – Certificate of Acceptance
  - Nonprofits – Agreement and deed restrictions
- Low-income housing projects, R&TC requires nonprofit organization to abide by all deed restrictions and monitored by LACDA up to 30 years

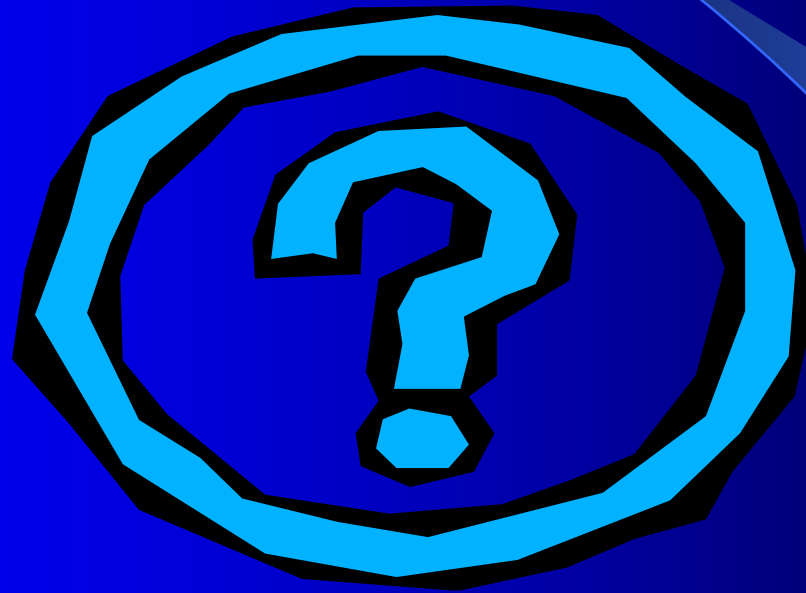
# Rescission of Tax Deed

- Hearing/Proceeding based on invalidity or irregularity
- Chapter 7 Sale
  - Petition Board of Supervisors for Hearing
  - One year from execution of tax deed
  - Concurrence to rescind
    - Notice to Petitioner and Purchaser
    - Rescission of tax deed
  - No Concurrence
    - Schedule hearing – and send notice
    - Hearing officer decision sent to Board to uphold or deny
    - Notice to Petitioner and Purchaser
    - Rescission of tax deed
- Chapter 8 Sale
  - Proceeding can only be commenced within one year after the execution of the instrument
  - Court order

# Excess Proceeds

- Over \$150 in Excess Proceeds
  - Notice of rights to claim
  - Within 90 days of the sale
  - Certified mail
  - Parties of interest
- Claim up to one year from recordation of tax deed
- Amount based on recorded interest
  - Lienholder amount secured
  - Ownership percentage





QUESTIONS?

# Contact us:

Treasurer and Tax Collector  
Tax Collections Branch  
Secured Property Tax Division  
225 N. Hill Street, Room 130  
Los Angeles, CA 90012

(213) 974-2045

[auction@ttc.lacounty.gov](mailto:auction@ttc.lacounty.gov)

[ch8@ttc.lacounty.gov](mailto:ch8@ttc.lacounty.gov)

[excessproceeds@ttc.lacounty.gov](mailto:excessproceeds@ttc.lacounty.gov)



# FOR REFERENCE

## Revenue and Taxation Code Sections

- Tax Default
  - R&TC Section 3436
- Pre-sale Notices and Publications
  - R&TC Section 2609 to 2610.5
  - R&TC Sections 3351 to 3385
- Tax Collector's Power to Sell
  - R&TC Section 3691 to 3691.6
- Chapter 7 Sales
  - R&TC Sections 3692 to 3724
- Chapter 8 Sales
  - R&TC Sections 3771 to 3841
- Rescission/Proceeding
  - Ch 7 - R&TC Section 3725 to 3731.1
  - Ch 8 – R&TC Section 3809

# FOR REFERENCE

## Revenue and Taxation Code Sections

- Excess Proceeds
  - R&TC Sections 4674 to 4676
- Right of Redemption terminates
  - R&TC Section 3707
- Redemption
  - R&TC Section 4101 to 4116
- Decedent owner – Notice to Public Administrator
  - R&TC Section 4986.6
- Interest paid on Rescission of Tax Deed
  - R&TC Section 5151