

Date of Hearing: May 5, 2025

ASSEMBLY COMMITTEE ON REVENUE AND TAXATION

Mike Gipson, Chair

AB 1416 (Ta) – As Introduced February 21, 2025

Majority vote.

SUBJECT: Property taxation: redemption: permanent installment plan

SUMMARY: Adds a requested installment plan to pay delinquent property taxes to the existing authorization allowing deferral of payment after a disaster.

EXISTING LAW:

- 1) Provides that all property is taxable unless otherwise provided by the California Constitution or the laws of the United States. (California Constitution, Article XIII, Section 1.)
- 2) Requires property owners to pay their property tax bills on real property in two installments, which become delinquent on December 10 and April 10, respectively, and subject to penalties. (Revenue and Taxation Code (R&TC) Sections 2617 and 2618.)
- 3) Authorizes a property owner to elect to pay delinquent taxes in installments, as specified. (R&TC Section 4217.)
- 4) Authorizes a tax collector, for a county that is designated by the Governor to be in a state of emergency or disaster due to a major misfortune or calamity, to defer for a one year period payments pursuant to an installment plan, subject to certain restrictions, including that the installment plan already be in existence at the time the deferral is requested by the property owner. (R&TC Section 4222.5.)

FISCAL EFFECT: Pending

COMMENTS:

- 1) The author has submitted the following statement in support of this bill:

During an emergency, the last thing a homeowner wants to do is return to their home being sold because their request was not acknowledged even though they requested to have their tax delinquency made into a payment program. AB 1416 would fix this oversight to ensure all Californian's homes are safe.

- 2) Committee Staff Comments:

- a) *This bill:* As currently drafted, this bill would allow an installment plan that has been requested by a property owner to benefit from the existing authorization to defer installment plan payments after a disaster. Property taxes which have not been paid in the required amount by December or April 10th, as applicable, are considered delinquent.

Upon delinquency, a property owner may redeem the property by paying the full amount of unpaid tax liability and any associated penalties, costs, fees, and interest. A property owner may request that the unpaid property taxes be redeemed through an installment plan. This plan allows the property owner to make periodic payments on the delinquent amount. After a disaster, a county tax collector may defer these periodic payments for an installment plan already, but only if the plan is already in existence. This bill would provide that the installment plan may be requested, rather than in existence, to benefit from the deferral after a disaster authorization.

REGISTERED SUPPORT / OPPOSITION:**Support**

None on file

Opposition

None on file

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