COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR

MARK J. SALADINO
TREASURER AND TAX COLLECTOR

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August 12, 2010

TO: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Mark J. Saladino
Treasurer and Tax Collector

SUBJECT: **AGENDA ITEM 52B - BOARD MEETING OF AUGUST 3, 2010**

This memorandum is in response to Agenda Item 52-B, adopted at your Board's meeting held on August 3, 2010, as follows:

> "Direct the Treasurer-Tax Collector to report back to the Board on whether it is possible to send a reminder notice in March that property taxes are due in April rather than the once a year notice that is sent each October."

Pursuant to State law, prior to November 1 of each year the Department of Treasurer and Tax Collector (TTC) mails an Annual Tax Bill for each assessed parcel to the mailing address on the tax roll. For the 2009-10 fiscal year, TTC mailed more than 2.3 million annual bills at a cost of approximately $1.25 million.

The first installment of annual property taxes must be paid not later than December 10. In January of each year, TTC sends a "Payment Activity Notice" to the owner of each parcel on the secured roll for which no payment or an insufficient payment was received. The Payment Activity Notice is not legally required, and is sent as a courtesy to remind taxpayers of the second installment delinquency date of April 10 and to give them an early warning that they have not satisfied their annual property tax obligations.

In January 2010, TTC mailed 191,412 Payment Activity Notices representing slightly more than 8% of all assessed parcels. Conversely, nearly 92% of all taxpayers paid the first installment of annual property taxes on time and in full without a reminder. One can reasonably assume that taxpayers fail to pay their taxes on time and in full for a variety of reasons. Some people have financial difficulties and can't afford to make payment, and some people just forget to pay the bill.

In June of each year, TTC sends a Delinquency Notice to the owner of each parcel on the secured roll whose annual property taxes were not paid in full. This mailed notice is a legal alternative to newspaper publication of the delinquent list, and notifies taxpayers that additional penalties and fees will be assessed if the annual taxes are not paid in full by June 30.

In June 2010, TTC mailed 179,082 Delinquency Notices representing approximately 7.6% of all assessed parcels. On July 1, 2010, annual property taxes remained unpaid on 126,886 parcels, representing approximately 5.4% of all assessed parcels. So by the end of the fiscal year nearly 95% of all taxpayers had fully satisfied their property tax obligations with the notices we already provide.

In order to provide additional service to senior citizens, or other taxpayers who may need help in handling their business affairs, TTC also has a "Third Party Notification" program. This program allows any taxpayer to designate a friend or relative to receive a copy of the official notices referred to above. The program has been well-received by the public, as several thousand taxpayers have signed up for it.

Prior to the payment deadline for each installment of annual property taxes, TTC sends a written press release to more than 120 media outlets. The press release reminds taxpayers of the upcoming payment deadline and specifies how a taxpayer can obtain a substitute bill or otherwise find out the amount due, and how payment can be made in person, by mail, through the internet, or by using our interactive voice response telephone system. The cost of preparing and mailing the press release is minimal. A copy of the March 2010 press release is attached for your information.

We estimate that the cost of mailing a postcard reminder notice to each taxpayer in March would be $950,000 – less than the cost of mailing the original bills in October, but still a significant expense. In light of the efficacy of our current

notification procedures described above, and the relatively small number of taxpayers who fail to pay the April installment on time for non-financial reasons (such as forgetfulness), TTC does not believe that the mailing of an additional reminder notice in March would be cost-effective.

Attachment

c: Executive Officer of the Board of Supervisors
Chief Executive Officer

NEWS

Treasurer and Tax Collector Mark J. Saladino

437 Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, CA 90012

March 31, 2010

FOR IMMEDIATE RELEASE

Mark J. Saladino, Los Angeles County Treasurer and Tax Collector, reminds property owners that the second installment of the 2009-2010 property taxes is now due and becomes delinquent if not paid by April 12, 2010. Normally, the delinquency date for the second installment of annual property taxes is April 10th. However, since April 10th falls on a Saturday this year, the new delinquency date becomes Monday, April 12th, the next business day. "To avoid late penalties, taxpayers should not wait until the statutory deadline; please pay early" says Treasurer Saladino.

To ensure proper processing of payments, make checks payable to the Los Angeles County Tax Collector and include the appropriate second installment payment stub marked "2" along with your payment. Substitute bills can be obtained from our office or the local Assessor's Office.

American Express, Master Card and Visa payments are accepted online and by telephone. No pre-registration is required; property owners can simply visit our website at http://ttc.lacounty.gov or call our toll-free telephone number 1(888) 473-0835. A **service fee** is charged by a third party vendor to utilize this service. When property owners have completed the transaction, a confirmation number will be provided as verification of the transaction.

Additionally, you can make an electronic check payment by going to the Treasurer and Tax Collector's website at http://ttc.lacounty.gov or the property tax web portal at http://lacountypropertytax.com. This online payment option is free. Once the online check payment is made, the taxpayer will receive a confirmation page which they can print for their records.

To determine the amount due on any parcel, log on to our website at http://ttc.lacounty.gov, or call our toll-free Los Angeles County Property Tax Information Line at 1 (888) 807-2111, if in Los Angeles County, where automated information is available 24 hours a day. If outside of Los Angeles County, call 1 (213) 974-2111.

Payments can be made in person at the following location:

Los Angeles County Treasurer and Tax Collector 225 North Hill Street, First Floor Los Angeles, California 90012	Office Hours: 8:00 a.m. to 5:00 p.m. Monday through Friday

Beginning April 1, 2010 through April 12, 2010, the Treasurer and Tax Collector personnel will also receive payments at the Lancaster branch of the Treasurer and Tax Collector's Office. Payments must be made by check or money order and accompanied by the payment stub. No cash payments can be accepted at this location. Taxpayers may also resolve tax problems and obtain substitute tax bills in addition to paying taxes.

Los Angeles County Treasurer and Tax Collector 335A East Avenue K-6 Lancaster, California 93535	Office Hours: 8:00 a.m. to 5:00 p.m. Monday through Friday