



OSCAR VALDEZ
AUDITOR-CONTROLLER

CONNIE YEE
CHIEF DEPUTY AUDITOR-CONTROLLER

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

ASSISTANT AUDITOR-CONTROLLERS

MAJIDA ADNAN
RACHELLE ANEMA
ROBERT G. CAMPBELL

March 18, 2025

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

15 March 18, 2025

EDWARD YEN
EXECUTIVE OFFICER

PROPERTY TAX REFUNDS ADOPTION OF ORDINANCE TO ALLOW THE AUDITOR-CONTROLLER TO ISSUE PROPERTY TAX REFUNDS LESS THAN \$10,000 IN ACCORDANCE WITH NEWLY AMENDED REVENUE AND TAXATION CODE SECTION 5105 (ALL DISTRICTS - 3 VOTES)

SUBJECT

The Auditor-Controller (A-C) is seeking Board of Supervisor (Board) approval to adopt the attached ordinance, which would allow the A-C to issue refunds less than \$10,000 in accordance with California Revenue and Taxation Code (RTC) Section 5105.

IT IS RECOMMENDED THAT THE BOARD:

Approve the ordinance to amend Title 4- Revenue and Finance of the Los Angeles County Code, to add Section 4.64.170.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to expedite the payment of property tax refunds to taxpayers. On September 29, 2024, the Governor signed into law Assembly Bill (AB) 3134, which amends RTC Section 5105 where the board of supervisors must adopt an ordinance to authorize the A-C to issue property tax refunds less than \$10,000 to the owner of record without the need for the taxpayer to file a Claim for Refund (Claim) when the property has not changed ownership since the taxes to be refunded were levied. Eliminating the need for taxpayers to file Claims will allow the A-C to expedite the issuance of refunds and may reduce interest paid on property tax refunds. Currently, counties are required to pay the greater of 3% or the County's Pooled Apportionment rate from the date of the taxes to be refunded were paid until the A-C issues the refund. This interest period

currently covers the time it takes for a taxpayer to timely file a Claim for Refund (e.g., 6 months up to 4 years depending on the circumstances).

Eliminating the Claim for refunds less than \$10,000 will streamline the process connecting taxpayers with their money due, and the County will avoid interest accruing on property tax refunds where the filing of a Claim is delayed.

Implementation of Strategic Plan Goals

Adoption of the ordinance supports the Strategic Plan North Star 3: Realize Tomorrow's Government Today, Focus Area Goal F, Flexible and Efficient Infrastructure, Strategy i, Eliminate Time Tax: Eliminate administrative burdens experienced by our constituents and expedite refunds to property taxpayers.

FISCAL IMPACT/FINANCING

There is no cost associated with implementing the ordinance. There will be minimal impact to the County General Fund. Property tax refunds are issued to taxpayers when a valuation reduction occurs after the property taxes have been paid. Taxpayers are entitled to interest calculated at the greater of 3% or the County Pooled Apportionment rate on property tax refunds. Because the Treasurer and Tax Collector's return on investments (including property tax payments) is at the County Pooled Apportionment rate, the County would only experience a loss in paying interest when the County Pooled Apportionment rate is below 3%. Implementing this change will expedite the property tax refund issuance process and minimize this loss when the County Pooled Apportionment rate falls below 3%.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Recently amended RTC Section 5105 allows for the Board to authorize the A-C to issue refunds less than \$10,000 without a claim when the property has not changed ownership since the refunded taxes were levied. The attached ordinance approved by County Counsel would enable the enactment of RTC Section 5105 in Los Angeles County.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Implementation of the attached ordinance will streamline the A-C's ability to issue refunds covered under RTC Section 5105, and eliminate administrative burdens to our taxpayers.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors, return one stamped copy of the adopted Board letter to the Auditor-Controller's Executive Office.

The Honorable Board of Supervisors

3/18/2025

Page 3

Respectfully submitted,



OSCAR VALDEZ

Auditor-Controller

OV:CY:RA:KB

Enclosures

c: Jeffrey Prang, Assessor
Fesia A. Davenport, Chief Executive Officer
Dawyn R. Harrison, County Counsel
Edward Yen, Executive Officer, Board of
Supervisors
Elizabeth Buenrostro Ginsberg, Treasurer and
Tax Collector
Countywide Communications

ANALYSIS

This Ordinance amends Title 4 – Revenue and Finance of the Los Angeles County Code to add Section 4.64.170 to make California Revenue and Taxation Code section 5105 operative in Los Angeles County. The amendment will allow refunds of property taxes and assessments to the assessee of the property, or to the latest recorded owner as shown on the tax roll, without a claim for refund, subject to certain conditions set forth in the Ordinance. The amendment facilitates faster tax refunds to property owners, including in instances of emergencies such as the wildfires.

Very truly yours,

DAWYN R. HARRISON
County Counsel

By 

MICHAEL S. BUENNAGEL
Senior Deputy County Counsel
Government Services Division

MSB:eg

Requested: 1/27/2025

Revised: 2/21/2025

ORDINANCE NO. _____

An ordinance amending Title 4 – Revenue and Finance of the Los Angeles County Code, relating to issuance of refunds for property taxes or assessments.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 4.64.170 is hereby added to read as follows:

4.64.170 Conditional Refund of Property Taxes or Assessments

Without Claim for Refund.

Revenue and Taxation Code section 5105 is hereby made operative in Los Angeles County.

The Auditor-Controller may issue refunds of property taxes or assessments when authorized pursuant to article 1, chapter 5, part 9, of division 1 of the Revenue and Taxation Code, notwithstanding section 5097, to an assessee of the property for which the refund is authorized, or to the latest recorded owner of that property, as shown on the tax roll, without a claim for refund filed, if both of the following conditions are met:

A. There has been no transfer of the property during or since the fiscal year for which the taxes subject to refund were levied, and

B. The amount of the refund is less than ten thousand dollars (\$10,000).

[464170MBCC]