

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

504  
A



**FROM:** Don Kent, Treasurer-Tax Collector

**SUBMITTAL DATE:**

DEC 19 2013

**SUBJECT:** Rescission of Tax Deed to Purchaser of Tax-Defaulted Property, Sale No. TC196 Item 729, April 29, 2013. District 1/1 [\$186,852.08] Fund 10000-1400100000, 65010-1300100000, 65310-1300-100000, 65315-1300100000 & 65595-1400100000

**RECOMMENDED MOTION:**

1) Request that under the provisions of Section 3731, Revenue and Taxation Code, the Board of Supervisors rescind the tax sale of parcel number 936120008-9. 2) Direct the Tax Collector to prepare and execute a Rescission of Tax Deed to Purchaser of Tax-Defaulted property. 3) That the Tax Collector refund to the purchaser the purchase price of \$180,297.55 plus interest, as well as the current taxes paid in the amount of \$6,554.53. 4) Direct the County-Clerk Recorder to record the Rescission of Tax Deed without charge.

**BACKGROUND:**

Summary

Continued on Page two

  
\_\_\_\_\_  
Don Kent  
Treasurer-Tax Collector

FORM APPROVED COUNTY COUNSEL  
BY: Dale A. Gardner 12/19/13  
DATE

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 186,852.08	\$ 0.00	\$ 186,852.08	\$ 0.00	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
<b>SOURCE OF FUNDS:</b> 10000-1400100000, 65010-1300100000, 65310-1300-100000, 65315-1300100000 & 65595-1400100000				Budget Adjustment: N/A	
				For Fiscal Year: 2013-2014	

**C.E.O. RECOMMENDATION:**

APPROVE

BY:   
Karen L. Johnson

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

- Positions Added
- Change Order
- A-30
- 4/5 Vote

Prev. Agn. Ref.:

District: 1/1

Agenda Number:

3-42

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**  
**FORM 11: Rescission of Tax Deed to Purchaser of Tax-Defaulted Property, Sale No. TC196 Item 729,**  
April 29, 2013. District 1/1 [\$186,852.08] Fund 10000-1400100000, 65010-1300100000, 65310-1300-  
100000, 65315-1300100000 & 65595-1400100000

**DATE:** DEC 19 2013

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**BACKGROUND:**

**Summary (continued)**

On April 29, 2013 during the Tax Collector's online public auction of tax defaulted parcels the property described in the Tax Deed to Purchaser, attached hereto and incorporated by reference, was sold to Khatibi Aliasghar for \$180,099, plus Documentary Transfer Tax of \$ \$198.55.

In August 2013, the Clerk of the Board received a petition from the previous owners Michael P. & Lisa R. Zuccato, attached hereto and incorporated by reference, to the Board of Supervisors requesting a rescission of the tax sale for parcel 936120008-9. The petition requesting rescission is based on the claim that the applicants were not afforded notice of pending tax sale.

The Treasurer-Tax Collector complied with all State of California Revenue and Taxation Codes which included:

- Mailing current, delinquent and defaulted tax bills each year to the address provided on the deed
- 3 year defaulted publication in the newspaper
- 5 year power to sell publication in the newspaper
- Power to sell certified notice
  1. To the address on the deed
  2. Search of relevant telephone books (to accomplish this we use identity verification software)
- Parties of Interest Report ordered to locate additional parties of interest
- Tax sale certified notice
  1. To the address on the deed
  2. To any address found through address research while looking for other property owned in Riverside County by the same owner
  3. To any address on any payment made on this property since the owner acquired the property
  4. Search of relevant telephone books (to accomplish this we use identity verification software)
- Occupant letter (regular mail) mailed to the situs (property address) address
- Tax Sale Publication

In 2006 the United States Supreme Court decided Jones v. Flowers, 541 U.S. 220 (2006). In that case the Court held that a tax collector has to take further reasonable efforts if the tax collector learns that a mailed notice was not received. We received notice of this case from County Counsel in 2006 with suggestions on what additional steps we should implement in the tax sale process to be in compliance with not only the State Due Process but also the Federal Constitutional Due Process. The suggested additional steps were mailing a letter to the Occupant at the property address, however if there is no property address (land only), then a letter mailed to the mailing address of the last known owner. We implemented those suggested additional steps immediately.

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**DATE: DEC 19 2013**

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After receiving this petition we contacted surrounding counties to see what steps they were taking to try and locate owners of properties before selling property at a tax sale and discovered that Riverside County was doing more research and notifications than all counties contacted. Although we are doing more than other counties, after review of the Jones v. Flowers case it is county counsel's opinion that we should have posted a notice on the vacant land when we made the personal visit to this property. In the future when we make a personal visit, we will post even vacant land with a notice of tax sale.

Pursuant to Revenue and Taxation Code Section 3731, if it is determined that the property should not have been sold, the sale may be rescinded by the Board of Supervisors with the consent of the county legal advisor. Both the Tax Collector and County Counsel have agreed that the tax sale should be rescinded. The property will be subject to past due property taxes immediately if the rescission of sale is granted.

The purchaser, Kgatibi Aliasghar, has not consented to the rescission of tax sale. Pursuant to Revenue and Taxation Code Section 3731, if the written consent of the purchaser of the property or a successor in interest is not obtained, the sale may be rescinded by the Board of Supervisors if both the following conditions are met.

1. A hearing is scheduled before the Board of Supervisors
2. A notification is provided to the purchaser of the hearing scheduled before the Board of Supervisors.

The notice of hearing was mailed by certified mail to all interested parties, as required by law. Copies of all relevant notices issued in this matter together with proof of service are attached hereto and incorporated by reference.

**IMPACT ON CITIZENS AND BUSINESSES**

If this rescission is approved the taxes will need to be paid immediately. There is virtually no impact to the citizens and businesses of Riverside County.

**ATTACHMENTS (if needed, in this order):**

- A. Certified Notice to previous owner of Board Hearing
- B. Certified Notice to purchaser of Board Hearing
- C. Certified Green Cards to previous owner/purchaser
- D. Memorandum from Dale Gardner from County Counsel
- E. Petition to Rescind Tax Sale of Property
- F. Parties of Interest Report
- G. Tax Deed to Purchaser of Tax-Defaulted Property