



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: March 13, 2018

Subject: Claim for Refund Pace Hinton Veterans Exemption 2009

**RECOMMENDATION(S):**

1. GRANT eighty-five percent (85%) of the portion of the claim filed by Lanita Pace and Keith A. Hinton that relates to payment of the second installment of 2009 property taxes;
2. DENY remainder of the claim filed by Lanita Pace and Keith A. Hinton; and
3. AUTHORIZE and DIRECT the Auditor-Controller to refund eighty-five percent (85%) of monies paid for second installment of 2009 property taxes in the approximate amount of \$658.65, plus interest at the statutory rate if applicable.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **03/13/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Diane Burgis, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 13, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stacey M. Boyd, Deputy

Contact: Beth Grose, (925)  
313-7463

cc: Robert Campbell, County Auditor-Controller

### FISCAL IMPACT:

The cost of ad valorem property tax refunds is shared among the County's jurisdictions pursuant to a statutory formula. The County's portion of the refund in the amount of approximately \$65 will be paid from the County General Fund.

### BACKGROUND:

On June 26, 2017, the Assessor's Office received a claim for exemption of property taxes relating to a residential property located at 1026 Ventura Street, Richmond, CA, APN 523-014-011-2 (the "Property"). The claimants, Lanita Pace and Keith A. Hinton, sought exemption of the Property from ad valorem property taxes for tax years 2009 through 2016 based on Hinton's entitlement to the exemption as a disabled veteran. [Cal. Const., art. XIII, sec. 3(o); *see also* Cal. Rev. & Tax. Code, §§ 205, 205.5.]

Based on the exemption claim and the information provided, the Assessor's Office granted the claim for tax years 2010 through 2016, which resulted in a refund for these years. [Cal. Rev. & Tax. Code, § 4831.1.] However, the Assessor's Office was unable to apply the exemption for tax year 2009 because the law does not permit the Assessor's Office to make corrections to the roll that relate to the disabled veteran's exemption more than eight years after the date of the assessment being corrected. [Rev. & Tax. Code, § 4831.1, subd. (a).]

On January 25, 2018, Claimants submitted a claim for a refund for tax year 2009 with the Board of Superiors. An eight year statute of limitations for claims for refunds runs from the date that the taxes, which are sought to be refunded, are paid. Here, Claimants paid the property taxes in two installments. Because the first installment of 2009 property taxes was paid more than 8 years before the claim was made on January 25, 2018, the claim as it relates to that payment is untimely. [Cal. Rev. & Tax. Code, §§ 276, 5097(a)(4).] However, the second installment of 2009 property taxes was paid less than 8 years before the claim was made on January 25, 2018. As such, the portion of the claim for refund relating to the payment of the second installment of property taxes is timely. [Cal. Rev. & Tax. Code, § 5097(a)(4).] For this reason, the Board of Supervisors may order a refund of the second installment of property taxes for tax year 2009

Property tax refunds ordered by the Board are paid by the Auditor-Controller. [Rev. & Tax. Code, § 5101.] The refunded amount will accrue interest until paid. [Rev. & Tax. Code, § 5151.] Claimants are only eligible for an 85 percent refund of the second installment of 2009 property taxes because the claim for exemption was not timely filed. [Cal. Rev. & Tax. Code, §§ 276, subd. (a)(2).]

The claim was also processed as a claim under the Government Claims Act. On February 27, 2018, the claim was denied as untimely under that Act.

### CONSEQUENCE OF NEGATIVE ACTION:

Failure to take the recommended action may prevent Claimants from realizing savings due to their entitlement to a partial property tax refund for 2009 and might increase the County's exposure to litigation.