



*County of Nevada ~
Office of the Treasurer & Tax Collector*

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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: February 23, 2021

TO: Honorable Board of Supervisors

FROM: **Tina M. Vernon, Treasurer & Tax Collector**

SUBJECT: Letter in support of SB 219 (McGuire) Property Taxation: delinquent penalties and costs: cancellation: public health orders

RECOMMENDATION: Sign the letter of support

FUNDING: None

BACKGROUND:

We all know how COVID 19 has had and continues to have an impact on so many. When it relates to taxes, State and Federal tax deadlines were extended, but property tax deadlines remained untouched due to cash flow issues that local governments would face should this date be extended. In order to accommodate individuals that were impacted financially by the COVID 19 pandemic and due to the lack of authority in state code to allow for waiver of penalties due to financial stress, Governor Newsom issued Order N-61-20 which authorizes Tax Collectors to provide penalty relief for a specified time period (through May 2021) to taxpayers that are experiencing and can document a financial impact due to COVID 19. SB 219 picks up where the executive order ends, by addressing any future payment deadlines that pass during a shelter-at-home order. This bill reflects the experience of a crisis and puts that experience into action. SB 219 represents the needed statutory improvement to ensure that our local governments can prospectively be best positioned and prepared to function in an uninterrupted fashion during a lengthy emergency, and yet be nimble enough to help individuals in their time of hardship. SB 219 will provide a critical new tool to county tax collectors by amending the statute to relieve the requirement that tax collectors assess penalties on taxpayers who have been unable to pay their taxes timely due to an economic hardship caused by a shelter-at-home order.

My office has been on the frontlines since March 2020, doing whatever we could within the law to assist taxpayers and business owners that have been impacted financially by this pandemic. Maneuvering through the Governor's order was difficult as it was vague and left more questions than answers, resulting in Tax collectors around the State applying the order in various ways. My office chose to implement the order in the most flexible way in order to help those who were truly in need. To date, we have processed and approved over 500 penalty waivers related to COVID 19 from March 2020 to current day and we continue to see waivers coming in daily. The total amount of penalty relief that has been given to date is \$126,000. Looking forward, should SB 219 be adopted, County Tax Collectors around the state will be able to



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accommodate these types of situations without the need for State assistance and will be able to implement guidelines around the waiving of penalties most suited to their communities.

With your letter in support, we hope to carry this legislation to adoption so we may continue to support our local taxpayers in times of need. Thank you for your assistance in this venture.

Item Initiated and Approved by: Tina M. Vernon

Submittal Date: February 10, 2021