

SECURED PROPERTY TAXES TAX DEFAULTED PROPERTIES

How do properties become “Subject To Power To Sell”?

Upon the failure of the property owner to meet the payment obligation of his or her property tax by the final due date, usually June 30 of each year, the Treasurer and Tax Collector sends the property owner a notice of impending sale followed by a Notice of Auction.

The default opens a 5 years waiting period for residential property and 3 years for non-residential commercial property during which the delinquent taxes, interest, and penalties accumulate until redeemed.

At the end of the 5 years for residential property and 3 years for non-residential commercial property, if the tax remains unredeemed, the Treasurer and Tax Collector has the power to sell the property.

What is the notification process of properties that are subject to power to sell?

Before the sale, notification is required to be sent to the assesse of record and any other party of interest, informing them of the Treasurer and Tax Collector's power and intent to sell the property for nonpayment of taxes.

After the Treasurer and Tax Collector has met all of his statutory requirements, he may exercise his authority to sell the property. The sale must be conducted no sooner than 45 days after notification by registered mail of all ascertainable recorded parties of interest.

What happens after the sale of tax defaulted property?

Upon completion of the sale, the Treasurer and Tax Collector files reports with the County Recorder, County Assessor and the State Controller to address the transfer of title and distribution of proceeds from the sale. For one year following the auction sale the Treasurer and Tax Collector must respond to issues concerning challenges to the validity of the sale and excess proceeds claims.

How can I keep my property from being sold at the public auction?

All defaulted taxes must be paid in full prior to the date of the public auction. Only cash or cashier's checks are accepted when redeeming tax defaulted property.

If I can not pay the full amount, can I make installment payments and still keep my property from being sold at the public auction?

NO, if property is not FULLY redeemed, it will be eligible for sale at the public auction. Residential properties with defaulted taxes for more than five years and non-residential commercial properties with defaulted taxes for more than three years are not eligible for the installment plan.

Source: Los Angeles County Treasurer Tax Collector