
CONSENT

Bill No: AB 1416
Author: Ta (R)
Amended: 6/27/25 in Senate
Vote: 21

SENATE REVENUE AND TAXATION COMMITTEE: 5-0, 6/25/25
AYES: McNerney, Valladares, Ashby, Grayson, Umberg

ASSEMBLY FLOOR: 74-0, 5/12/25 - See last page for vote

SUBJECT: Property taxation: redemption: permanent installment plan

SOURCE: Author

DIGEST: This bill provides that the one year deferment for property tax payments made on installment plans applies when the disaster-affected taxpayer has submitted an application for the installment plan, not just when the plan was already in existence.

ANALYSIS:

- 1) Provides that property taxes are due in two installments, the first on November 1 and the second on February 1, with delinquency for the second installment occurring on April 10.
- 2) Requires county tax collectors to begin imposing penalties for nonpayment of property taxes for each amount due, plus administrative charges, once taxes become delinquent.
- 3) States that a property becomes tax defaulted if a property owner does not pay the property taxes due in the current fiscal year before June 30.
- 4) Allows the tax collector to sell a residential property that has been in default for five years, or a commercial property after three years in default, unless the Board of Supervisors sets a five-year period for commercial property.

- 5) Permits taxpayers to elect to pay delinquent amounts in installments at any time prior to 5 p.m. on the last business day prior to the date when the tax collector obtains the power to sell the property.
- 6) Provides that while the installment plan is in effect, the property cannot be subject to the power to sell.
- 7) Allows a tax collector of any county that is proclaimed by the Governor to be in a state of emergency, or disaster due to a major misfortune or calamity, to defer for a period of one year payments under an installment plan, so long as:
 - a) The installment plan was already in existence at the time deferral is requested by the assessee or the agent of the assessee.
 - b) The assessee or the agent of the assessee can establish to the satisfaction of the tax collector that the assessee incurred substantial disaster damage in connection with their property as a result of the disaster.
 - c) The assessee or the agent of the assessee files an application for deferral with the tax collector on or before September 1 of the following fiscal year.
 - d) The assessee is not receiving any other relief relating to the disaster
- 8) Contains an obsolete definition for “substantial business losses.”

This bill:

- 1) Provides that the one year deferment for installment plan payments applies when a taxpayer has submitted an application for the installment plan, not just when the plan was already in existence.
- 2) Deletes the obsolete definition for “substantial business losses.”

Background

Installment plans can cover multiple years of defaulted taxes, which can be repaid over as much as five years. Once entered into, taxpayers must meet their ongoing property tax obligations to maintain the plan. The tax collector cannot sell the property while the installment plan is in effect. However, if all payments are not made on or before the dates prescribed, the property may become subject to a power of sale in the same manner as if no election to pay delinquent taxes in installments had been made. Deferment provisions affected by this bill only apply when a taxpayer applies by September 1st of the fiscal year following the election to pay delinquent obligations on an installment plan. To be eligible, the assessee

cannot receive any other relief relating to the disaster; however, the statute does not specify which forms of relief render an assessee ineligible

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

SUPPORT: (Verified 6/30/25)

Howard Jarvis Taxpayers Association

OPPOSITION: (Verified 6/30/25)

None received

ARGUMENTS IN SUPPORT: According to the author, “According to the author, “during an emergency, the last thing a homeowner wants to do is return to their home being sold because their request was not acknowledged. AB 1416 would fix this oversight to ensure all Californian’s homes are safe, including homes of disaster victims.”

ASSEMBLY FLOOR: 74-0, 5/12/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Sharp-Collins, Solache, Soria, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Bennett, Hart, Lee, Schultz, Stefani

Prepared by: Colin Grinnell / REV. & TAX. / (916) 651-4117
6/30/25 11:03:29

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