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No. 2008/021

TO COUNTY ASSESSORS AND COUNTY CLERKS OF THE BOARD:

**CLARIFICATION OF ESCAPE ASSESSMENT PROCEDURES**  
**SECTIONS 531.8, 534, AND 1605**

This letter is in response to several questions regarding the correct enrollment procedures for escape assessments. Revenue and Taxation Code sections 531.8, 534, 1605, and 2611.6<sup>1</sup> govern the form and content of the *Notice of Proposed Escape Assessment*, *Notice of Enrollment of Escape Assessment*, and the tax bill. For total compliance with the statutory requirements, each of the sections must be reconciled or harmonized with the others.

**Section 531.8**

Prior to the actual enrollment of an escape assessment, a *Notice of Proposed Escape Assessment* must be mailed to the taxpayer. This notice is mandatory, and no escape assessment may be entered on the roll until 10 days after mailing the notice. As required by section 531.8, the notice must contain:

- The amount of the proposed escape assessments for each tax year involved; and
- The telephone number of the assessor's office to allow the taxpayer to contact that office regarding the proposed escape assessment.

**Section 1605(c)**

Section 1605(c) eliminates the need for mailing a separate *Notice of Enrollment of Escape Assessment* for Los Angeles County and those other counties where the county board of supervisors has adopted a resolution that allows a taxpayer to file an assessment appeal based upon receipt of the tax bill. For those counties, the tax bill serves as proper notice if the equalization language of section 534(c)(3) is incorporated into the tax bill.

<sup>1</sup> All statutory references are to the Revenue and Taxation Code unless otherwise designated.

The tax bill, the content of which is governed by section 2611.6, contains most of the information required by section 534. To fully comply with the requirements of section 1605(c) and section 534(c)(3), the following information must be included on the tax bill:

- The date the tax bill was mailed
- The assessee's right to appeal the assessment
- The assessment appeal filing period—specified as within 60 days of the date of mailing printed on the tax bill or the postmark date, whichever is later

**Section 534**

If a county has not adopted the provisions of section 1605(c), section 534 requires that a *Notice of Enrollment of Escape Assessment* must be mailed at the time of enrollment. The notice must include the following information:

- The date of mailing
- Information regarding the assessee's right to an informal review, and the right to appeal the assessment
- The assessment appeal filing period—specified as within 60 days of the date of mailing printed on the notice or the postmark date, whichever is later

There are no constraints on the time between the mailing of the *Notice of Proposed Escape Assessment* and the subsequent *Notice of Enrollment of Escape Assessment* or tax bill. If, however, the *Notice of Proposed Escape Assessment* is mailed within 90 days of the expiration of the period provided by statute for making the escape assessment, then that period is automatically extended 90 days.<sup>2</sup> Subsequent mailings of the *Notice of Proposed Escape Assessment* for the same assessment year do not establish any further extension.

The following table outlines the steps of the notification process:

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<sup>2</sup> Section 532.1.

STEP	COUNTY HAS NOT ADOPTED SECTION 1605(C)	LOS ANGELES COUNTY AND COUNTY HAS ADOPTED SECTION 1605(C)
1	Section 531.8 Notice of Proposed Enrollment Required	Section 531.8 Notice of Proposed Enrollment Required
2	Minimum 10-Day Delay Prior to Enrollment	Minimum 10-Day Delay Prior to Enrollment
3	Section 534 Notice of Enrollment Required	Section 2611.6 Tax Bill Which Includes the Language of Section 534(c)(3)
4	60-Day Appeal Filing Period Begins	60-Day Appeal Filing Period Begins
5	Section 2611.6 Tax Bill	—

**Assessment Appeal Filing Period**

An assessment made outside of the regular filing period is not effective for any purpose until proper notice is given. For that reason, an *Application for Changed Assessment (Application)* filed prior to receipt of the notice is invalid. The *Notice of Proposed Escape Assessment* is not a valid notice within the meaning of sections 534 and 1605. An *Application* filed solely upon receipt of a *Notice of Proposed Escape Assessment*, and filed prior to receipt of a *Notice of Enrollment of Escape Assessment* or a tax bill reflecting the escape assessment, is invalid because the escape has not yet been assessed.

Property Tax Rule 305.3 contains the provisions for filing an appeal following an audit, and specifies which documents will constitute a valid notice. Subsection (d) states, in pertinent part:

...The notice for purposes of filing an application shall be one of the following, depending on the conclusion(s) of the audit:

(1) Where an escape assessment is enrolled by the assessor, the notice shall be the tax bill based upon the results of the audit and resulting escape assessment(s) for counties of the first class or any county that has adopted a resolution pursuant to Revenue and Taxation Code section 1605, subdivision (c). If the county is not a county of the first class or has not adopted a resolution pursuant to Revenue and Taxation Code section 1605, subdivision (c), the notice of escape assessment pursuant to Revenue and Taxation Code section 534 shall serve as the notice.

(2) Where the assessor does not enroll an escape assessment resulting from the audit or when the escape assessment is enrolled but offset pursuant to Revenue and Taxation Code section 533, the assessor's written notification of the audit

results for the property, locations, and each year that were the subject of the audit as described in subsection (c) of this rule shall be the notice....

**Assessee's Appeal Rights**

If the assessor in a county other than Los Angeles and counties having adopted a section 1605(c) resolution fails to send or send timely the notice of enrollment of escape assessment required by section 534, the assessee's right of appeal is nonetheless preserved by section 1605(b)(1), which provides in part:

...If the taxpayer does not receive the notice of assessment described in Section 75.31 or 534 at least 15 calendar days prior to the deadline established...the party affected, or his or her agent, may file the application within 60 days of the date of mailing printed on the tax bill or the postmark therefor, whichever is later, along with an affidavit declaring under penalty of perjury that the notice of assessment was not timely received.

In summary, the 60-day assessment appeal filing period begins only after either (1) the *Notice of Enrollment of Escape Assessment* has been mailed or (2) the tax bill has been mailed.

We hope this letter serves to clarify the requirements of the various code sections involving the enrollment of escape assessments. If you have questions regarding this letter, you may contact Mr. Mike McDade at 916-445-3150 or at michael.mcdade@boe.ca.gov.

Sincerely,

/s/ David J. Gau

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DJG:mpm