



# COUNTY OF ORANGE TREASURER-TAX COLLECTOR

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## INSTALLMENT PAYMENT PLAN OF REDEMPTION (5 YEAR PLAN) For Delinquent Secured Property Taxes

Pursuant to California Revenue and Taxation Code section 4216, any person may elect to pay delinquent taxes in installments at any time prior to the deadline of 5:00 p.m. on the last business day of the fifth fiscal year after the property originally became tax-defaulted, and prior to the property becoming subject to the Tax Collector's Power to Sell. To initiate a payment plan for delinquent taxes, you must do the following:

1. Complete, sign and submit this form to the Tax-Collector's office with payment prior to the deadline.
2. Pay at least 20% of the total redemption amount plus the set-up fee of \$25.00. Acceptable forms of payment include certified check/money order payable to the "County of Orange", or cash. No personal checks will be accepted for the initial payment.

To remain in good standing on the installment plan, you must pay at least 20% of the redemption amount, plus all interest and current year taxes due, by April 10<sup>th</sup> of each year. Personal checks payable to "County of Orange" are accepted for subsequent payments. A notice will be mailed to you each March showing the minimum amount due. If you do not receive this notice prior to April 1<sup>st</sup>, please contact our office or visit our website at [ocgov.com/octaxbill](http://ocgov.com/octaxbill) for the amounts due on your payment plan and any current year taxes outstanding. Failure to receive the reminder notice does not provide a basis for delayed payment, waiver of interest or penalties or reinstatement of a defaulted payment plan.

### Defaulted Taxes:

Each fiscal year that follows the start of the plan, the total amount paid toward the installment plan must be equal to or greater than 20% of the original redemption amount, plus all interest that has accrued on the unpaid balance. The unpaid balance of your installment plan, plus accrued interest, may be paid in full at any time before the fifth and final payment is due. Payments made while on the payment plan are not refundable. The property will not become subject to the Treasurer-Tax Collector's Power to Sell, and the right of redemption will not cease, as long as payments are made according to the terms of this payment plan.

### Current Taxes:

To maintain the plan in good standing, all current taxes and penalties due each fiscal year must be paid in full no later than April 10<sup>th</sup>. The second installment of any Supplemental property tax bill that becomes delinquent after April 10<sup>th</sup> must not be delinquent on June 30<sup>th</sup>.

### Interest:

The taxpayer must make payments of 20% or more of the original defaulted amount plus accrued interest. Interest at the rate of 1.5% accrues on the first day of each month following the preceding payment.

### Refunds:

The Treasurer-Tax Collector will apply any refund, for any tax year, due to the assessee and related to the tax-defaulted property on an installment plan of redemption. The refund applied will be treated like any other payment that is made during the payment plan. Payments made on the plan are not refundable.

### DEFAULTING THE TERMS OF THE INSTALLMENT PAYMENT PLAN OF REDEMPTION:

Failure to pay the minimum due or failure to pay current taxes each year on or before April 10<sup>th</sup> will result in a defaulted installment plan. If the plan defaults, a new plan may not be re-started in the same fiscal year in which it defaulted. In addition, all penalties and interest will be re-calculated from the original date of default as if no plan was ever started. This may result in a substantial increase in the amount of prior year delinquent taxes outstanding.

If eligible, an installment plan of redemption can be initiated after July 1<sup>st</sup> of the fiscal year following the year the plan defaulted. The "defaulted amount" (money previously paid while on the payment plan) cannot be used to start a new payment plan. That amount will be deducted from the balance due after the initial 20% has been applied. An installment plan of redemption CANNOT be re-started if the property has become subject to the Power to Sell (i.e. five or more years have elapsed since the original default date).

**IMPORTANT NOTE:** *Establishment of an Installment Plan will not stop a foreclosure action by a mortgage holder or holder of a Deed of Trust. It is the taxpayer's responsibility to notify the mortgage company or financial institution that a payment plan has been established. In addition, a payment plan does not preclude a parcel from being foreclosed upon for delinquent debt service obligations under the Improvement Bond Act of 1915 and/or the Mello-Roos Community Facilities Act of 1982.*

PRINT NAME: \_\_\_\_\_

PARCEL or TAX DEFAULT NUMBER: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_