



## COUNTY OF LAKE TREASURER-TAX COLLECTOR

Patrick M. Sullivan, Treasurer-Tax Collector  
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# PENALTY CANCELLATION INFORMATION

**Please read the important information below:**

The California Revenue and Taxation Code (R&TC) grants the Treasurer and Tax Collector the authority to cancel penalties in limited circumstances. Below are examples of requests that the Tax Collector **will deny** if submitted for penalty cancellation review.

### **1. Requests that the Tax Collector consider the taxpayer's payment history.**

The Tax Collector will deny a request to cancel a penalty based on a taxpayer's request to consider the taxpayer's positive payment history. The R&TC does not grant the Tax Collector the authority to consider a taxpayer's payment history, whether positive or negative, in determining whether or not to cancel a penalty.

### **2. Requests related to home banking or online bill payments.**

The Tax Collector will deny a request to cancel a penalty related to a home banking or online bill payment that a taxpayer initiated prior to the delinquency date, which the Tax Collector received after the delinquency date. The reason for this is that the United States Postal Service does **not** postmark the envelopes used to remit payments from home banking and online bill payment services. In the absence of a postmark, the Tax Collector only considers the received date in determining if the payment is late and if the penalty applies. This information is included in the Tax Collector's Avoid Penalties by Understanding Postmarks FAQ's. Finally, some banks provide a disclosure on their online bill pay websites urging users not to use the service when making federal, state or local tax payments of any kind.

### **3. Requests related to use of a postage meter date on a payment envelope.**

The Tax Collector will deny a request to cancel a penalty based on the payment envelope containing a postage meter date that is the delinquency date or a date prior to the delinquency date. The R&TC states that the remittance (payment) will be deemed received on the date shown by the United States Postal Service (USPS) cancellation mark stamped on the envelope. A postage meter is a mailing system, distinct from the mailing systems of the USPS, typically used by private businesses that prints postage directly on the envelope. A postage meter date is **not** a cancellation postmark the USPS stamps on an envelope. A postage meter date only indicates that the proper postage was paid; it is not evidence when someone deposits an item for mailing with the USPS.

**4. Requests related to a taxpayer assertion that the taxpayer mailed the payment prior to the delinquency date with sufficient time for the United States Postal Service to deliver the payment prior to the delinquency date.**

The Tax Collector will deny a request to cancel a penalty based on an assertion that the taxpayer mailed the payment “early enough” to allow the United States Postal Service sufficient time to deliver the payment prior to the delinquency date. The reason for this is that the R&TC states that the remittance will be deemed received on the date shown by the post office cancellation mark stamped on the envelope.

**5. Requests related to the financial circumstances of the taxpayer, which prevented the taxpayer from paying the amount due prior to the delinquency date.**

The Tax Collector will deny a request to cancel a penalty based on the financial circumstances of a taxpayer, which prevented the taxpayer from paying the amount due prior to the delinquency date. Under the R&TC, there is no provision to cancel penalties due to financial circumstances that prevented a timely payment.

**6. Requests related to the non-receipt of property tax bill.**

The Tax Collector will deny a request to cancel a penalty based on non-receipt of a property tax bill. Under the R&TC, there is no provision to cancel penalties imposed for failure to receive a tax bill.

**7. Requests related to new home ownership and not understanding the property tax process.**

The Tax Collector will deny a request to cancel a penalty based on a taxpayer not understanding the property tax process. The reason for this is that most real estate transactions occur through an escrow process where property tax information is provided.

**8. Requests related to taxpayer errors submitting a payment through our online payment system.**

The Tax Collector will deny a request to cancel a penalty based on the taxpayer submitting incorrect information while submitting an online payment through the Treasurer and Tax Collector’s online payment system. The responsibility is with the taxpayer to enter correct account information. Examples of taxpayer online payment errors include, but are not limited to, taxpayer input of an incorrect account or routing number in an eCommerce transaction or failure to accurately validate credit/debit card information.

**Having read the information provided above and if you wish to proceed with the application for penalty cancellation request mail in the application to the following address:**

**Lake County Tax Collector  
Attention: ROP  
255 N. Forbes St., Room 215  
Lakeport CA 95453**