Bond Case Briefs

Municipal Finance Law Since 1971

TAX - CALIFORNIA

Hovannisian v. City of Fresno

Court of Appeal, Fifth District, California - December 23, 2024 - Cal.Rptr.3d - 2024 WL 5204605

Purchasers at tax sale brought action against city, county, and tax collector, seeking to quiet title to properties and challenging validity of special assessments for nuisance abatement costs and unpaid penalties recorded as liens by city against properties prior to tax sale.

The Superior Court, Fresno County sustained three separate demurrers, granting leave to amend after first two and denying it after the third. Purchasers appealed.

The Court of Appeal held that:

- Purchasers were required to pay assessments and then seek refund in order to raise legal issues related to validity of special assessments, and
- Quiet title suit was barred because purchasers had adequate remedy at law.

Special assessments for nuisance abatement costs and unpaid penalties on properties purchased at tax sale, pursuant to which city recorded liens against the properties, were encompassed by tax statute prohibiting use of legal processes including injunction or declaratory relief to prevent the collection of property taxes, and thus, purchasers were required to pay tax bills and then seek refund in order to raise any legal issues related to the validity of the special assessments, where assessments were being collected at same time and in same manner as county taxes.

Purchasers at tax sale who sought only equitable relief in form of a declaration that city had no interest in their properties and the special assessment liens should be canceled had adequate remedy at law for special assessments by way of an action for a tax refund, and thus, their quiet title action was barred; tax law provided for refunds of improperly paid taxes, and that is what purchasers claimed had happened, that is, that they were being asked to pay special assessments that were illegally imposed on them because those assessments should have been eliminated by tax sale.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com