

APPRAISER CERTIFICATION:

125.0010 **Financial Interest Statement:** The failure to file a Financial Interest Statement as required by Revenue and Taxation Code Section 672 is not grounds for revocation of an appraiser certificate.

Such failure should be treated by the assessor under the same procedures he utilizes in instances where he finds a conflict of interest (Revenue and Taxation Code Section 1365) exists. C 5/25/79.

(916) 445-1516

May 25, 1979

Honorable Alexander Pope
Los Angeles County Assessor
500 West Temple Street
Los Angeles, California 90012

Dear Alex:

In response to your letter to [redacted] dated April 20, 1979, regarding Recommendation 92 of the 1978-79 Assessment Practices Survey of Los Angeles County, the following comments are offered for your consideration:

[redacted] of our legal staff has stated, "Although Section 672 is in the certification section of the Code, our present view is that certification does not depend upon filing the financial interest statements. John Knowles [at that time a Board attorney], in a letter dated June 11, 1969, held that failure to file under Section 672 is not grounds for revocation of an appraiser certificate. . . ."

"Section 672 works hand-in-hand with Section 1365 prohibiting a conflict of interest in the assessor's office. The assessor has certain duties regarding conflicts of interest, and when he finds such a conflict, he is authorized to take whatever action he deems appropriate. Section 672 is merely a vehicle for the assessor to determine whether there are actual or potential conflicts of interest in his office. It is axiomatic that he cannot find a conflict of interest if he does not know what ownership interests his appraisers have. Therefore, Section 672 cannot be effective unless the assessor does review the contents of the statement prior to their being sealed. A failure to file this statement should be treated by the assessor under the same procedures where he finds Section 1365 to have been violated. This is not to say that failure to file should be treated as an actual conflict of interest, but the assessor should delineate specific actions he will take so that he can be assured that no conflicts actually exist in his office. He is ultimately responsible for such conflicts when they arise."

Honorable Alexander Pope.

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May 25, 1979

I would suggest that further questions involving Sections 672 or 1365 be directed to Bob Milam, Tax Counsel.

Sincerely,

Assistant Executive Secretary
Department of Property Taxes

GPA:fb

cc: Honorable Richard Nevins
Honorable George R. Reilly
Mr. Douglas D. Bell
Mr. J. J. Delaney
Mr. Glenn L. Rigby
Mr. Robert H. Gustafson
Mr. Robert Milam
Mr. Verne Walton
Mr. Alan B. Flory