

REVENUE AND TAXATION CODE – RTC**DIVISION 1. - PART 5. - CHAPTER 1.****Medium of Payment [2501 - 2516]**

(Chapter 1 enacted by Stats. 1939, Ch. 154.)

2511.1.

(a) As used in this section:

(1) “Credit card” means any card, plate, coupon book, or other credit device existing for the purpose of being used from time to time upon presentation to obtain money, property, labor, or services on credit.

(2) “Card issuer” means any person who issues a credit card and purchases credit card drafts, or the agent for those purposes with respect to a credit card.

(3) “Cardholder” means any person to whom a credit card is issued or any person who has agreed with the card issuer to pay obligations arising from the issuance of a credit card to another person.

(4) “Draft purchaser” means any person who purchases credit card drafts.

(b) The board of supervisors may authorize the acceptance of a credit card for payment of property taxes. Following an authorization pursuant to the preceding sentence, the county shall, upon approval of the board of supervisors, execute a contract with one or more credit card issuers or draft purchasers. The contract shall provide for all of the following:

(1) The respective rights and duties of the county, and card issuers and draft purchasers regarding the presentment, acceptability, and payment of credit card drafts.

(2) The establishment of a reasonable means by which to facilitate payment settlements.

(3) The payment to the card issuer or draft purchaser of a reasonable fee or discount.

(4) Other matters appropriately included in contracts with respect to the purchase of credit card drafts as may be agreed upon by the parties to the contract.

(c) The honoring of a credit card pursuant to subdivision (b) shall constitute payment of the tax as of the date the credit card is honored, provided the credit card draft is paid following its due presentment to a card issuer or draft purchaser.

(d) The county may impose a fee for the use of a credit card sufficient in amount to provide for the recovery of fees or discounts paid by the county under paragraph (3) of subdivision (b) and all other costs incurred by the county in providing for payment by credit. Fees imposed under this subdivision shall be approved by the board of supervisors.

(e) If any credit card draft is not paid following due presentment to a card issuer or draft purchaser or is charged back to the county for any reason, any record of payment made shall be null and void. Any receipt issued in acknowledgment of payment shall also be null and void. The obligation of the cardholder shall continue as an outstanding obligation as though no payment had been attempted.

(f) Upon notice of nonpayment of the credit card draft, the tax collector may charge the person who attempted the payment a fee not to exceed the costs of processing the draft, providing notice of nonpayment to that person, and making required cancellations on the tax roll. The amount of the fee shall be set by the board of supervisors pursuant to Section 54986 of the Government Code, and may be added to the tax bill and collected in the same manner as costs recovered pursuant to Section 2621. Fees imposed under this subdivision shall be approved by the board of supervisors.

(Amended by Stats. 1998, Ch. 497, Sec. 3. Effective January 1, 1999.)