

## 6-27/630.00 Minimum Bid

Property may not be sold unless a minimum bid is received which exceeds the total of the following amounts ([CCP 701.620\(a\)](#)):

- The amount of all preferred labor claims that are required to be satisfied from the proceeds ([CCP 701.620\(a\)\(1\)](#))
  - The amount of any state tax lien that is superior to the judgment creditor's lien ([CCP 701.620\(a\)\(2\)](#))
  - If the purchaser is not the judgment creditor, the amount of any deposit made to the levying officer by the judgment creditor to pay off a third party claim with interest thereon at the rate on money judgments from the date of the deposit to the date of the sale ([CCP 701.620\(a\)\(3\)](#)):
  - The amount of a proceeds exemption for ([CCP 701.620\(b\)](#)):
    - A motor vehicle ([CCP 704.010](#))
    - Household furnishings and other personal effects ([CCP 704.020](#))
    - Tools of trade ([CCP 704.060](#))
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### • 6-27/630.10 Motor Vehicle Exemption

If the judgment debtor has only one motor vehicle and it is sold at an execution sale, the proceeds of the execution sale are exempt in the amount of three thousand three hundred twenty-five dollars (\$3,325) without making a claim. ([CCP 704.010\(d\)](#)) The Notice of Sale shall reflect this automatic exemption and shall be factored as a minimum bid.

In order to determine if the judgment debtor has only one registered vehicle, a registration check must be made with the California Department of Motor Vehicles (DMV). Care should be made to include alias or married name of the debtor listed on the registration of the levied vehicle is also checked. Similarly, vehicles may be registered to the debtor at a prior address. The record search must be reasonable but need not be exhaustive. The results of the DMV query shall be placed in the case folder.

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### • 6-27/630.20 Minimum Bid at Execution Sales

The Legislature has established by statute in which cases and in what amounts minimum bids may be required for execution sales. The Sheriff, as a ministerial officer, lacks both the duty and authority to unilaterally require a minimum bid in any specific amount and must accept a bid even though such bid appears merely nominal. Consequently, unless otherwise ordered by the court, the minimum bid may only be required at an execution sale if: (1) there is a statutory minimum bid, or (2) the judgment creditor has given sale instructions including a minimum bid, in which event the bid must meet or exceed any statutory minimum bid.

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### • 6-27/630.30 Minimum Bid at Franchise Tax Board Sale

The State of California Franchise Tax Board has initiated a practice of setting minimum bid requirements at Sheriff execution sales by including in the instructions the following:

*You are instructed that:*

*(1) unless a greater minimum bid is required by the laws governing exemptions from execution, no bid less than \_\_\_\_ (amount) shall be accepted at the sale;*

*(2) if no acceptable bid is received, the sale shall be canceled; and*

*(3) if the sale is canceled, the property shall be retained under levy pending further instructions unless release of the property is required by the laws governing exemptions from executions.*

Where the sale instructions include the statement establishing a minimum bid, the notice of sale shall include the additional statement: "No bid less than \$ \_\_\_\_ (the amount of the minimum bid) will be accepted at the sale."

The office of the state taxing agency issuing the warrant of collection shall be notified whenever a sale is canceled for lack of a minimum bid. The name of person notified and the date and time of notification shall be noted on the conducting sale (CS) service ticket.

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### • **6-27/630.40 Minimum Bid not Received**

If a minimum bid required for the sale of property is not received, the levying officer shall promptly release the property. ([CCP 701.620\(c\)](#))

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### • **6-27/630.50 No Bids Received**

If at the time of sale there are no bids received, after a reasonable amount of time, the deputies conducting the sale shall verbally end the sale. The property is not released and the lien continues to the extent of the two year lien period. However, the fees for storage of the property continue to accrue. The creditor's attorney should immediately be contacted regarding a new sale date or release of the property. If the creditor's attorney provides written instructions to release the property, release procedures should be followed.

If the creditor's attorney provides instructions to set a new sale date, care should be given that sufficient fees for storage, Notice of Sale, and Conduct Sale are in the possession of the levying officer. If additional fees are required, a demand shall be made to the creditor's attorney prior to setting a new sale date. See 6-20/110.00 Fee Deposit.

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