TO: Building Department Staff
From: Bob Martino, Chief Building Official
Approved: Chief Building Official, Bob Martino
Effective Date: June 23, 2008

ISSUE:
This policy is to provide a mechanism to determine when refunding of permit fees is appropriate, to what extent permit fees can be refunded, and to establish a process governing the refund of permit fees paid.

With adoption of the 2007 California Building Code, a procedure no longer exists within the body of the adopted code.

BACKGROUND/HISTORY:
Under the previously adopted 2001 California Building Code, Chapter 1, and more specifically Section 107.6, language was provided that established under what circumstances paid permit fees could be refunded and to what degree fees would be refunded with consideration of administrative costs incurred.

The current 2007 California Building Code in Section 108.6 is silent on specific criteria for the refunding of fees, but gives the Building Official the authority to establish a refund policy.

For the benefit of staff and the public alike, it is necessary to provide a defined policy and set requirements surrounding the refund of fees due to change in project scope or the cancelation of a project. For that reason this policy is created.

POLICY:
All requests for cancellations of permits and/or refunds of fees must be in writing. The request must include a copy of the original permit and the reason why the refund is being requested. The request must come from the person, firm, or corporation that paid the original fees. Any request for refunds must be made within one year of the date when the fee was paid or the request will not be considered.

100% of permit fees may be refunded when a fee was erroneously paid or collected. Examples include fees paid for a permit for an incorrect address or fees paid for a
permit when it is later determined a permit is not required. This does not include situations where a contractor has obtained a permit and the building owner chooses to use a different contractor.

Refunds will be limited by the following:

**Plan review fees are collected at the time of submittal for plan review and shall not be subject to refund.**

When no work has started, 80% of permit fees may be refunded when the permit fee paid is $125 or more. When the fee paid is less than $125, the refund shall be the fee paid minus $40 (example: $75 fee paid minus $40 equal's $35 refund). The 80%/$40 minimum refund policy applies to permit fees paid by multiple contractors for the same work.

If work has begun, refund requests will be considered on a case by case basis and only when a minimal amount of work is completed. When refunds are granted, they will be based on 80% of the fee paid, minus the charge for any inspections performed. The rate shall be as prescribed in the Building Department Fee Schedule.

If unusual circumstances occur, the director may consider refund requests on a case by case basis based on the merits of the request.

If multiple permits are applied for, or required, for a project or projects on the same property, a refund from one permit due to cancelation cannot be applied to the charges for the other permit(s).