

POLICY FOR COLLECTION OF DELINQUENT TAXES

TOWN OF MAIDSTONE, VERMONT

Responsible Official: Delinquent Tax Collector

Town of Maidstone

RECEIPTS. Persons authorized to receive funds on behalf of the Town must issue a fully completed collection receipt for any cash received [using a two-part receipt, or some other receipt or reporting system acceptable to the treasurer]. The original completed receipt must be issued to the person from whom the funds are received. The second copy must be delivered to the treasurer or delinquent tax collector with the funds. The person authorized to receive funds should photocopy and keep with their records for audit purposes.

SAFEGUARDING FUNDS. Safeguarding funds prior to deposit with the treasurer is the responsibility of authorized personnel receiving the funds. All coins, currency, checks, credit card information, and money orders must be retained in a secure place until deposited with the treasurer.

The following steps should be taken for collecting delinquent taxes.

1. Taxes for the Town of Maidstone become delinquent on October 15th and April 15th of each year.
2. Upon receipt of the tax collection warrant the Delinquent Tax Collector will send a notice to each delinquent taxpayer indicating the amount of the taxes, penalty and interest owed. Also included will be a notice of the right to apply for an abatement of taxes and a copy of VSA #1535 listing the reasons taxes may be abated.
3. A Penalty of up to 8% of the total tax will be incurred along with a 1% interest charge per month, or fraction thereof, for the first three months, and thereafter, at 1.5% per month, or fraction thereof.

Penalties will be charged as follows:

- Up to 5 days late – 3%
- 6 to 30 days late – 5%
- 31 plus days late – 8%

Interest/Penalties can only be waived at the Selectboard's approval. The following reasons are part but not all reasonable requests:

- Death
- Hospitalization
- Proof never received

4. The Delinquent Tax Collector will send a notice or statement on the fifteenth of every month showing the tax balance, penalty and interest owed to all delinquent taxpayers regardless of arrangements made.
5. If necessary, the Collector of Delinquent Taxes will arrange payment plans to resolve payment of the taxes, penalty and interest owed in a timely manner. Payments must be made when due

and will be applied first to the interest portion and the remainder applied as the Delinquent Tax Collector deems fit.

6. Mortgage and lien holders will be notified of the delinquency sixty days after the first notice has been sent if the taxes remain unpaid or payment arrangements have not been made.
7. Any charges made by the bank for returned check fees will be passed on to the taxpayer.
8. The Collector of Delinquent Taxes will send a Final Notice to the taxpayer 30 days after the 2nd year tax bill is mailed requesting full payment within 30 days otherwise the Tax Sale Process will start.
9. If payment arrangements are not met or if taxes remain unpaid for a period of two years, the Collector of Delinquent Taxes will begin the following actions to conduct a tax sale of the property as is necessary to pay the taxes plus legal costs and fees:
 - The Collector of Delinquent Taxes will notify an Attorney to start Tax Sale after approval of the Selectboard.
 - The Collector of Delinquent Taxes will notify all mortgage and lien holders of the imminent tax sale decision.
 - If full payment has not been received by the posted time and date of the tax sale, the tax sale will be held according to the procedures specified in 32VSA #5252.
 - Costs preparing and conducting the sale, including legal fees up to 15% of the amount of the delinquent tax, will be charged to the delinquent taxpayer.
10. If no one purchases the property at tax sale, or if in the judgement of the Collector of Delinquent Taxes, proceeding with the tax sale is unwise, the collector shall collect the delinquent taxes using any or all methods provided by law.

Donald Lewis Chairperson
Paul Smith
Bradley Mudgett

Bonnie Lovell Delinquent Tax Collector

Date Approved: 1-16-2020

This policy will be reviewed annually and updated as appropriate.