

Item 1

## Hardwick Select Board

### Policy 101515 Initiation of Tax Payment Agreements

**Purpose:** The purpose of this policy is to establish clear and fair guidelines for the collection of delinquent property taxes

**When Taxes are Due:** Hardwick property taxes are due on May 10<sup>th</sup> of each year, though taxes can be paid at any time up to that point.

- As soon as taxes are deemed delinquent, and the next month afterward, the delinquent tax collector will send a notice to each delinquent taxpayer indicating the amount of taxes, penalty and interest owed.

**Penalties are Due:** An 8% penalty is assessed once on May 11<sup>th</sup> of the year in which the property tax is due. A 1% per month interest charge will be applied against all taxes owed on the 11<sup>th</sup> of each month for the first 90 days and 1.5% per month thereafter until all taxes are paid in full (assessed on the unpaid delinquent tax).

**Delinquent Tax Collector:** The Hardwick Town Manager is the Town's delinquent tax collector, but he may assign these duties to others within the Town offices. The Town Manager approves tax payment agreements.

**Tax Sales:** Tax sales are handled by the Town attorney. Tax sales happen twice per year, once in March and once in August of each year.

**Eligibility for Tax Sale:** Tax sale proceedings shall be initiated against all taxpayers who have delinquent taxes due, except for those with active tax payment agreements with the Town. Tax payers will be assessed and responsible for all fees associated with the tax sale.

**Tax Payment Agreements:** Tax payers can initiate payment agreements with the Town to pay their delinquent property taxes. All delinquent tax agreements are required to have the delinquent taxes paid in full within six months of the taxpayer initiating an agreement with the Town. The Town will allow tax payer agreements for payment of delinquent taxes provided that:

- The delinquent property tax is not delinquent for more than one year.
- The payment agreement is signed prior to the date on which the account is forwarded to the Town attorney for collection.
- The taxpayer has not voided a prior Delinquent Tax Payment Agreement due to non-payment.

Taxpayers that fail to honor their Delinquent Tax Payment Agreement will have their agreement voided and their property will be taken to tax sale.

**Abatements:** Each taxpayer has a right to apply for abatement of property taxes based on any of the grounds listed in 24 V.S.A. 1535. If you would like to schedule a meeting with the board of abatement, please contact the town clerk at 802-472-5971

- The five criteria for abatements include:
  1. Taxes of persons who have died insolvent
  2. Taxes of persons who have removed from the state
  3. Taxes of persons who are unable to pay their taxes, interest, and collection fees
  4. Taxes in which there is a manifest error or mistake of the listers
  5. Taxes upon real or personal property lost or destroyed during the tax year

Policy amended by the Hardwick Select Board this 21st day of April 2016.

Signed:   
Eric Remick, Select Board Chair