

TOWN OF READSBORO, VERMONT
POLICY FOR THE COLLECTION OF DELINQUENT TAXES & UTILITIES

The purpose of this policy is to establish clear guidelines so that all delinquent taxpayers and will be treated fairly and will know what to expect during the collection process.

- A. As soon as the warrant has been received, and each quarter thereafter, the delinquent tax collector will send a notice to each delinquent taxpayer indicating the amount of taxes, penalty and interest owed.
- B. Only payment arrangements that will pay the bill in full before the due date of next year's bill will be accepted. A signed Delinquent Tax Agreement will need to be filed with payment arrangements.
- C. Mortgage holders and lien holders will be notified of the delinquent taxes 90 days after the first notice has been sent to the taxpayer and again prior to tax sale.
- D. Partial payments will be applied first to the interest portion of the amount due and the remainder will be divided proportionally between the principal amount of the tax and the 8% fee.
- E. If the amount due has not been paid in full or no satisfactory payment arrangements have been made within one year, or if a prior agreement has not been met, the tax collector will begin the following actions to conduct a tax sale of the property or as much of the property as is necessary to pay the tax, plus costs and fees:
 - 1. The collector will notify the taxpayer and all mortgage and lien holders of the tax sale decision, the date by which full payment must be received, and the costs to expect once the sale process begins.
 - 2. If the deadline date has passed and full payment has not been received, the collector will proceed with a tax sale according to the procedures specified in 32 V.S.A. § 5252.
 - 3. Costs of preparing and conducting the sale, including legal fees up to a maximum of 15% of the amount of the delinquent tax, will be charged to the delinquent taxpayer.

WATER/SEWER DELINQUENCIES

- F. Delinquent water and/or sewer charges create liens against the property and can be collected in the same manner as delinquent property taxes. 32 V.S.A. §§ 3504, 3612, 3306, 3408.1 This means that the delinquent tax collector can use any of the collection methods available to collect these delinquencies.
- G. Water and/or sewer charges that exceed \$1,000.00 and/or have a year delinquency and have not been collected by the Town Utility Clerk using approved utility collection methods will be turned over to the Delinquent Tax Collector for tax sale action.
- H. Each taxpayer has a right to apply for abatement of property taxes based on any of the grounds listed in 24V.S.A. § 1535.
- I. If no one purchases the property at tax sale, or if, in the judgment of the tax collector in consultation with the Selectboard, proceeding with the tax sale is inadvisable, the tax collector shall collect the delinquent taxes using any or all of the methods permitted by law.

Michele A. Farrance
Collector of Delinquent Taxes
Town of Readsboro