

ORDER

STANDISH TOWN COUNCIL

DATE: January 10, 2017

ORDER NUMBER: 7-17

Submitted by: Nesbitt

TITLE: AMENDMENT TO OUTSTANDING PERSONAL PROPERTY TAX COLLECTION POLICY

WHEREAS a Personal Property Tax Collection policy was adopted by order 37-15 to ensure a continual effort to collect personal property taxes since a tax lien is not an option, and

ORDERED that the following Outstanding Personal Property Tax Collection Policy is hereby amended as follows:

Town of Standish Outstanding Personal Property Tax Collection Policy

- A. APPLICABILITY** - This policy shall apply to the collection of all personal property taxes assessed by the Town of Standish.
- B. PURPOSE** - The purpose of this policy is to clarify the collection procedures to be performed to collect unpaid personal property taxes assessed by the Town of Standish. Article VI, Section 3-25 through 3-29 of the Standish Town Code provides that the Department of Finance is responsible for the sound fiscal management of tax matters, including collections, but it does not give any direction as to how personal property taxes will be collected. The development of standardized procedures, which bring revenue dollars into the town's general fund as quickly as possible, naturally can result in increases in cash on hand for investment and other purposes. These earnings, as well as the timely collection of the billings for personal property taxes, will help to assure the financial well-being of the town's general fund and promote a sense of fairness among all taxpayers.
- C. COLLECTION PROCEDURES** – In ~~April~~ March of each year, the Deputy Tax Collector and Finance Director will review the outstanding personal property tax accounts. They will then prepare a letter and mail it to the assessed property owners at their last known address informing them of their outstanding balance(s). They will also notify the delinquent taxpayers that a Town Council order will be prepared showing the list of outstanding personal property tax accounts and the delinquent taxpayers' names to be put before the Town Council at the next council meeting.
1. After the ~~May~~ April Town Council meeting, a second letter will be prepared and mailed by the Finance Director, notifying the delinquent taxpayers of the outstanding status of their personal property tax accounts. This letter will urge their prompt payment to avoid further collection efforts. Thirty days after the letters are mailed, the outstanding personal property tax listing will be reviewed by the Deputy Tax Collector and Finance Director again and the following actions will then be taken:

- a. A second council order will be generated and brought forth to the June Town Council meeting to authorize the Town Attorney to take all necessary actions, including filing civil lawsuits, to collect any and all delinquent personal property taxes, including interest and costs of suit, for the municipal tax years 20__ through 20__ against those named on the attached list.
- b. A list of tax payer names along with unpaid personal property taxes as of June 30 will be published in the annual town report in accordance with state law.
- c. A third letter will be written by the Town Attorney and mailed to the delinquent taxpayers seeking collection on the outstanding personal property taxes. This letter will advise taxpayers that a civil action will be filed against them in Maine District Court, or Small Claims Court, if their balance is not paid in full within 30 days, or some suitable arrangement for payment is agreed upon by the tax payer and the Town.
- d. If the outstanding balance has not been paid in full by the deadline established in the Town Attorney's letter, the Finance Committee, in consultation with the Finance Director and the Town Attorney, shall decide which matters to file suit on in District Court. This process will either be carried out by the Town Attorney or the Finance Director. If a judgment is obtained in favor of the Town or the Tax Collector, and the taxpayer does not make payment, then the Town will seek a writ of execution, or other similar court collection device, and may record the same at the Cumberland County Registry of Deeds.
- e. If there are any individual personal property outstanding balances that are deemed to be significantly material (generally speaking, value of 2% of personal property taxable valuation from Assessor MVR), then the Finance Director may also file a personal property tax lien certificate as provided by State statute.

D. ANNUAL PROCEDURES — On an annual basis, after all the above procedures have been completed, a report will be made to the Town Council as to the status of all the outstanding personal property tax accounts. A Town Council order will accompany this report, which may authorize the Finance Director to write off a specific number of personal property accounts deemed uncollectable. These accounts will be determined each year by identifying outstanding balances less than a specific amount by the Finance Committee with the input from the Town Manager and the Finance Director.

APPROVED _____ DISAPPROVED _____

ROLL CALL YEA NAY ABSTAIN

BLANCK	_____
DELCOURT	_____
HIGGINS	_____
NESBITT	_____
POMERLEAU	_____
SARGENT	_____
SIRPIS	_____
CLERK/SECRETARY	_____