

POLICY FOR THE COLLECTION OF DELINQUENT TAXES

TOWN OF GUILDHALL, VT

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

- A. As soon as the warrant has been received, and each month afterward until taxes are paid in full, the tax collector will send a notice to each delinquent taxpayer indicating the amount of tax principal, interest, and penalty owed.
- B. Taxes unpaid after the due date (received after midnight on October 15th) are delinquent and interest will begin to accrue. Interest will be charged at 1% per month (or fraction of a month) for the first three months and at 1 ½ % per month (or fraction of) thereafter.
- C. Mortgage holders and lien holders will be notified of the delinquency 60 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 proportionately between the principal amount of the tax and the 8% penalty fee.
- E. A payment plan may be set up with the plan providing for full payment before the following year's tax bill is due.
- F. If a payment agreement is not executed by the delinquent taxpayer, or if the terms of such a payment agreement are breached, the tax collector will initiate formal proceedings to collect the debt. Such proceedings may include tax sale, legal action to recover the debt, distraint of personal property, and/or foreclosure. These proceedings will be considered once two years of taxes (or parts thereof) remain unpaid.
- G. 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.