



# TOWN OF RANDOLPH, VERMONT

Office of Town Manager

## DELINQUENT TAX POLICY

- A. Purpose:** The purpose of this policy is to ensure uniformity and consistency in the collection of delinquent property taxes and water/sewer assessments by establishing specific practices and procedures governing collection, in order to safeguard the fiscal interests of the community. Delinquent taxes/assessments are to be collected as promptly as possible.
- B. Delinquent Property Tax Period:**
1. Property Taxes are delinquent the day after the final due date at which point a lien will be recorded against the property. Payments must be received in the Town Treasurer's office by 6:00 p.m. on the due date to avoid late charges. Postmarked mail shall not be accepted as payment on time. Post-dated checks shall not be accepted.
  2. Interest shall be due after each installment date but penalty shall not be assessed until after the final payment due date. Penalty and interest shall be assessed in accordance with 32 V.S.A Chap 133. Under no circumstances shall the penalty or interest on delinquent taxes be waived.
  3. A monthly notice will be provided to all delinquent accounts indicating the amount of the delinquent tax principal due, along with any penalty and interest.
  4. All delinquent taxes must be paid in full or a satisfactory agreement providing for the payment of all delinquent taxes, penalties, and interest must be made no later than 60 days after the final payment due date. During this delinquent period, all delinquent taxes will be assessed the full penalties and interest as prescribed by the laws of the State of Vermont.
    - a. When any payment on the account becomes delinquent, interest at one (1%) percent will be charged for each of the first three months.
    - b. Thereafter the interest assessed will be one and one half (1½%) percent per month.
    - c. Additionally an eight (8%) percent penalty is assessed on all taxes delinquent after the final due date
    - d. During the first 60 day period, any delinquent taxpayer may enter into a written agreement, subject to these policies, with the Delinquent Tax Collector, providing for the payment of such delinquent taxes in full prior to the next tax year's due date. No payment arrangement which does not ensure full payment of all delinquent taxes, penalties, and interest before the due date of the next year's tax bill will be accepted.
    - e. Any delinquent tax payer failing to enter into such a written agreement by the end of the 60 day delinquent period must immediately satisfy all delinquent taxes, penalty, and interest in full or the account will be subject to tax sale.
  5. Any delinquent taxpayer, who makes an agreement with the Delinquent Tax Collector or agent and fails to adhere to the payment schedule in the agreement, must satisfy all delinquent taxes, penalties,

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and interest in full upon notice by the Delinquent Tax Collector. Failure to satisfy such delinquent taxes, penalties, and interest in full will constitute a default and result in legal action being taken by the Delinquent Tax Collector for the collection of such taxes.

6. Taxpayers who have outstanding taxes delinquent from previous year(s) will not qualify for a payment agreement for the current year delinquent taxes unless the previous year(s) are paid in full.

**C. Delinquent Water/Sewer Assessment Period:**

1. Water/Sewer Assessments are delinquent the 38<sup>th</sup> day after the date the bill is issued at which point a lien will be recorded against the property. Payments must be received in the Town Treasurer's office by 4:30 p.m. on the due date to avoid late charges. Postmarked mail shall not be accepted as payment on time. Post-dated checks shall not be accepted.
2. Penalty and interest shall be assessed in accordance with 32 V.S.A Chap 133. Under no circumstances shall the penalty or interest on delinquent taxes be waived.
3. A monthly notice will be provided to all delinquent accounts indicating the amount of the water/sewer assessment principal due, along with any penalty and interest.
4. All delinquent water/sewer assessments must be paid in full or a satisfactory agreement providing for the payment of all delinquent taxes, penalties, and interest must be made no later than 67 days after the final payment is billed. During this delinquent period, all delinquencies will be assessed the full penalties and interest as prescribed by the laws of the State of Vermont.
  - a. When any invoice on the account becomes delinquent, interest at one (1%) percent will be charged for each of the first three months.
  - b. Thereafter the interest assessed will be one and one half (1½%) percent per month.
  - c. Additionally an eight (8%) percent penalty is assessed on all delinquent accounts.
5. On day 69 after billing, water is shut off at the curb stop if a customer has not paid and/or has not signed a payment agreement for the delinquent account. A water shut-off fee of \$25.00 is added to the customer's account.
6. Failure to satisfy delinquent assessments, penalties, and interest in full by the end of two consecutive billing periods will constitute a default and result in legal action being taken by the Delinquent Tax Collector for the collection of such assessments.

**D. Partial Payments:**

1. The Delinquent Tax Collector reserves the right to determine the appropriateness of payment plans and has full authority to determine when it is in the interest of the Town to enter into such payment plans based on the Town's Delinquent Tax Policy.
2. Any delinquent tax payer, who has been denied a payment plan by the Delinquent Tax Collector, may appeal the Delinquent Tax Collector's decision in writing to the Selectboard within fifteen (15) days of the denial. The decision of the Selectboard shall be final.
3. Partial payments will be applied first to the penalty portion, then to any interest due. The remainder shall be applied to the outstanding tax principal due.
4. There will be a twenty-five (\$25.00) dollar fee charge on all returned checks.

**E. Tax Sale:** All delinquent accounts referred for tax sale by the Tax Collector will proceed as follows:

1. The Delinquent Tax Collector shall turn over all records related to accounts proposed for tax sale to the attorney selected to administer the tax sale proceedings.
2. The attorney 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.
3. Once the deadline date has expired and full payment has not been received, the tax sale will proceed according to 32 VSA §5252.
4. Cost of preparing and conducting a tax sale or other collection process, including advertisements, court costs, and legal fees up to a maximum of fifteen (15%) percent of the amount of the delinquent tax, will be charged to the delinquent taxpayer.
5. Once an account has been forwarded to an attorney for collection, any payments must be made to that attorney.

**F. Abatement of Delinquent Taxes:** The Board of Abatement may abate in whole or in part, taxes, interest, and penalties in the following cases:

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 penalties.
4. Taxes in which there is manifest error or a mistake of the Listers
5. Taxes upon real or personal property lost or destroyed during the tax years.

**G. Effective Date:** The effective date of this policy is April 21, 2015 and may be revised from time to time by the Selectboard of the Town of Randolph.

Tini Brassard  
Tini Brassard

Ross Evans  
Larry Richburg  
Larry Richburg

Marjorie Ryerson  
Tom Schersten  
Tom Schersten

RANDOLPH TOWN CLERK'S OFFICE  
Received for Filing

April 22 A.D. 2015  
at 18 o'clock 30 minutes Am  
Attests Jorge L. Mazzucco  
Town Clerk

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**DELINQUENT TAX AGREEMENT**

**Town of Randolph**

Date: \_\_\_\_\_ Agreement #: \_\_\_\_\_

Owner of Record: \_\_\_\_\_

Address: \_\_\_\_\_

Property Location: \_\_\_\_\_

Tax Parcel Number: \_\_\_\_\_

Amounts listed below are as of the date of this agreement

Tax Year	_____	Amt Due	_____	_____	_____
		Principal	Interest	Penalty	

The undersigned agrees to pay the delinquent taxes and accrued interest and penalties in accordance with the following schedule: **[Insert terms of agreement including starting date, date of payments, amount of payments, etc.]**

It is understood that payments are first applied to penalty, then to interest, then to principal. Interest charges continue to accrue until all taxes are paid in full. Additional payments are acceptable at any time. It is further understood that failure of the taxpayer to abide by the terms of this agreement in any way may result in the property being sold at tax sale or may result in the Town initiating any other remedies allowed by law.

\_\_\_\_\_  
Taxpayer Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Tax Collector

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date