

Town of Pomfret
5218 Pomfret Road
North Pomfret, VT 05053
(802) 457-3861

Administrative Policy on Delinquent Tax Collection

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.

1. Correspondence

All Correspondence will be mailed to the last known address of the Owner of Record. It is the responsibility of the Owner of Record to provide the Town of Pomfret with the correct mailing address.

2. Tax Due Dates

The Town's tax year runs from July 1st to June 30th. Taxes are due in two equal installments, August 19th and February 10th. For each tax year, any taxes not paid by the last installment date shall be considered delinquent. Tax payments must be received by the Town Tax Collector or sent to the Tax Collector at the Town of Pomfret, 5218 Pomfret Road, North Pomfret VT 05053; on or before the dates they are due in order to avoid interest and penalty.

3. Interest Charges and Delinquent Tax Penalty Charge

Interest Charges: On the day immediately following a tax due date, interest will be charged on the unpaid portion of that installment. Subsequently, interest will be charged on the unpaid portion of that installment each month at a rate of 1%.

Delinquent Tax Penalty Charge: On the day immediately following the last installment due date of February 10th, an 8% penalty will be added to the principal amount of any taxes not paid by the last installment due date.

4. Tax Abatement

Pursuant to the provisions of statute 24 V.S.A § 1535, the delinquent tax payer may request abatement from the Town of Pomfret Board of Civil Authority in whole or part of taxes, interest and penalties accruing to the Town in the following cases:

- (a) Taxes of persons who have died insolvent;
- (b) Taxes of persons who have removed from the State;
- (c) Taxes of persons who are unable to pay their taxes, interest, and collection fees;
- (d) Taxes in which there is manifest error or a mistake of the Listers;
- (e) Taxes upon real or personal property lost or destroyed during the tax year;
- (f) Any other basis for abatement as authorized by law.

Requests for abatement should be made with the Town Clerk at (802) 457-3861 or addressed to the Board of Abatement, in care of the Town Clerk, 5218 Pomfret Road, VT 05053

5. Notification of Delinquent Taxes

After the last installment due date, the Town Treasurer will send a warrant to the Delinquent Tax Collector. As soon as the warrant has been received by the Delinquent Tax Collector, the delinquent tax collector will send a notice to each delinquent taxpayer indicating the amount of taxes, penalty and interest owed. The amount must be paid in full within thirty (30) days or tax sale proceedings can be initiated.

6. Payment Agreements

Payment agreements may be made with the Delinquent Tax Collector which shall pay the delinquency in full before the final due date of the next year's bill. **Special circumstances will be considered.*

Payment agreements shall be in writing and the Delinquent Tax Collector must approve the agreement in writing. Failure to make a payment as scheduled would constitute default and the property could be subject for tax sale proceedings.

7. Partial Payments

Allocation of partial payments will be applied proportionately between the outstanding tax, interest and penalty payments due.

8. Delinquent Tax Collection Procedures

(a) If the amount due is less than \$500 and no satisfactory payment arrangements have been made, or if the prior payment agreement has not been met, the delinquent tax collector can file a complaint with small claims court.

(b) If the amount due is \$500 or more and no satisfactory payment arrangements have been made, or if the prior arrangement has not been met, the delinquent tax collector can initiate procedures for tax sale pursuant to 32 V.S.A. § 5252 et. Seq. to sell as much of the property as is necessary to pay the tax, plus costs and fees. These proceedings shall include:

- The delinquent tax collector will notify the taxpayer and all mortgage and lien holders by return receipt certified mail of the tax sale decision, the date by which full payment must be received, and the costs to expect once the sale process begins.
- If the deadline date has passed and full payment has not been received, the delinquent tax collector will proceed with a tax sale according to the procedures specified in 32 V.S.A. § 5252.
- The Delinquent Tax Collector will advertise in the local paper(s) for three consecutive weeks, the last publication will be at least ten days if delinquent tax payer lives in town or at least 20 days if the delinquent tax payer lives out of town prior to the tax sale date.

- The Delinquent Tax Collector shall also post a tax sale notice in public places in Town detailing when and where the sale will be conducted.
- 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.

9. Excess Amount

If the purchase price at the tax sale exceeds the taxes, interest, penalty and tax sale charges and costs due, the excess amount can be placed in an escrow in the Current Owner of Record's name made payable after the redemption period has past or if the property has been redeemed or it can be immediately be made payable to the Current Owner of Record at the discretion of the Delinquent Tax Collector and Selectboard.

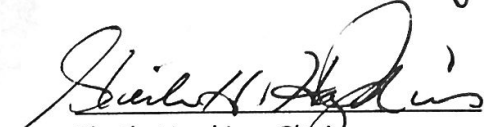
10. Redemption Period

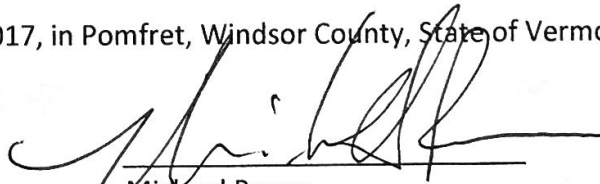
The Current Owner of Record and lien holders of property sold at tax sale has one year from the date of tax sale in which to redeem the property pursuant to 32 V.S.A. § 5260. The redeeming party must pay the sum for which the property was sold together with 1% interest per month on that amount, to the Town of Pomfret in order to redeem the property. The redemption amount should immediately be forwarded to the purchaser at tax sale. Also at that time, the Delinquent Tax Collector will execute a Notice of Redemption and record the Notice in the Pomfret Land Records.

11. Collector's Deed

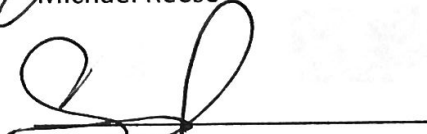
If the property is not redeemed, the Delinquent Tax Collector will execute a Collector's Deed to pass title from the delinquent taxpayer to the purchaser pursuant to 32 V.S.A. § 5261. When the property is transferred to the purchaser by collector's deed after the redemption period has expired, it is the responsibility of the purchaser to pay the transfer tax and to file a property transfer return when the deed is filed with the town clerk pursuant 32 V.S.A §§ 9604-6.

Approved this 5th day of July, 2017, in Pomfret, Windsor County, State of Vermont


Sheila Hopkins, Chair


Michael Reese


Emily Grube


Scott Woodward


Frank Perron