

NHTCA  
New Tax Collector Training Series  
The Tax Year

# “Tax Collection” will cover...

## ▶ Property Tax Collection... By the Book

- Warrants & Billing
- Forms of Payment
- Collections
- Other Taxes
  - Land Use Change Tax (LUCT)
  - Yield Taxes
    - Doomage
  - Excavation Tax/Gravel Tax
  - Resident Taxes – 80:1, 1-a
  - Betterment Assessments
  - Jeopardy Assessments
  - Relocation of Buildings 80:2-a
  - Utilities

# RSA 72:6 Real Estate

- ▶ All Real estate, whether improved or unimproved, shall be taxed except as otherwise provided.



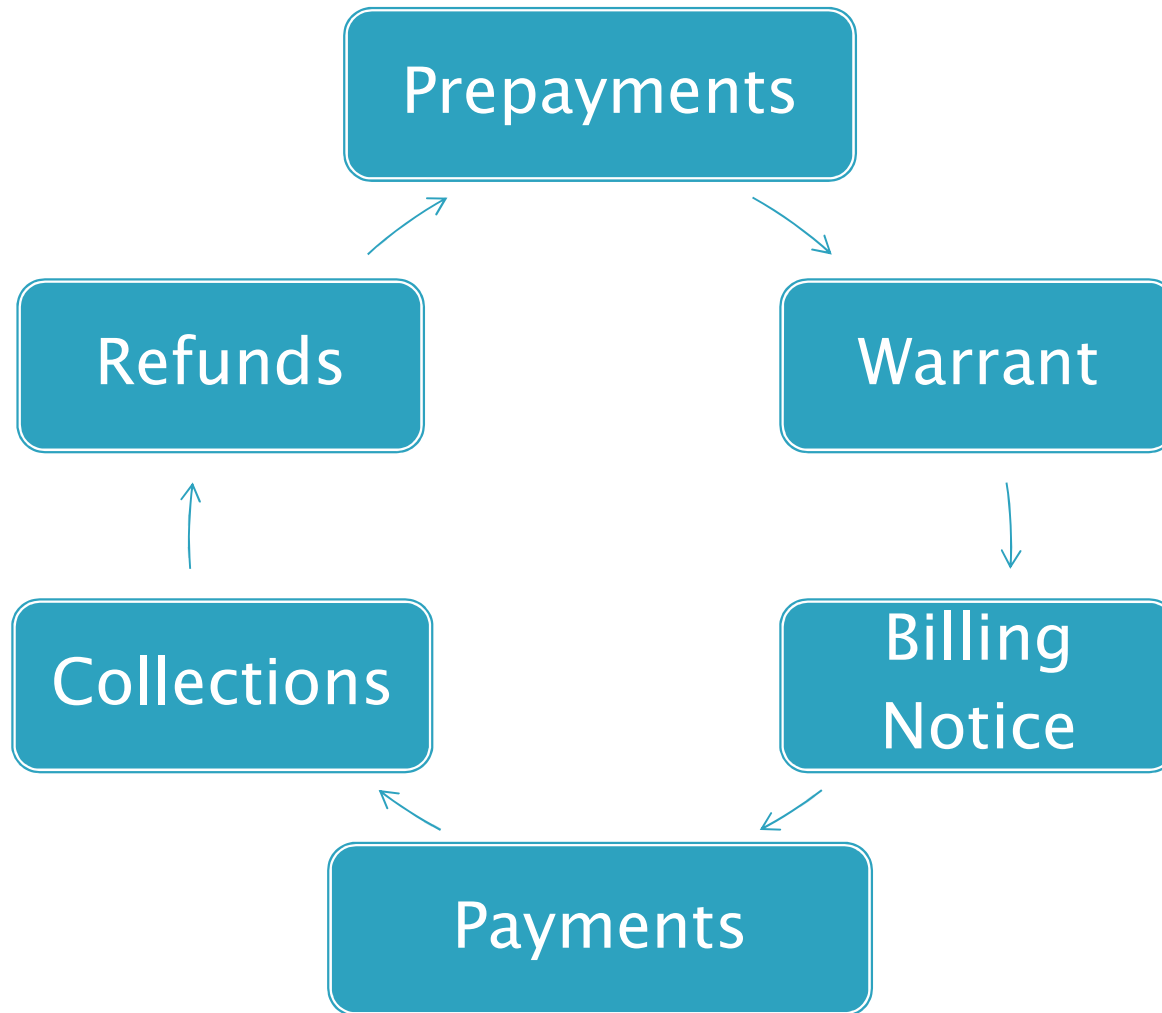
# RSA Chapter 80 – Collection of Taxes

- RSA 80:4 - Powers of the Collector
  - “...the powers vested in constables in the service of civil process...”
  - Continues until “...all the taxes in his list are collected...”
  - Any reports by the commissioner pursuant to RSA 21-J:11-a shall not affect the authority of the collector to issue tax bills and to exercise all powers contained in this chapter for the collection of taxes.

## **RSA 80:49 – Liability of the Collector**

- No person to whom any list of taxes shall be committed shall be liable to any suit by reason of any irregularity or illegality of the proceedings of the town or of the selectmen, nor for any cause whatever except his own official misconduct.

# Property Tax Collection Cycle (Current Paid Bill)



# Billing Process

- ▶ Property tax commitments
- ▶ Tax Billings
- ▶ Discounts
- ▶ Payments
- ▶ Lien, Deed, Repurchase
- ▶ Refund overpayments
- ▶ Prepayments accepted.

## **RSA 80:52-a - Prepayments**

- Must be authorized by vote at annual town meeting, or by a policy adopted by the governing body
- No more than two years in advance of due date
- Remit to Town Treasurer under RSA 41:35
- No interest accrues or is due to taxpayer, if rebated or refunded



## **RSA 76:10 – Selectmen’s Lists & Warrant**

- “...(A) warrant under their hands and seal. The list shall be directed to the collector of such town, requiring the collector to collect the same, and to pay to the town treasurer such sums and at such times as may be therein prescribed....”
- “The Selectman shall assess such taxes to the owner as of April 1, or to the current owner, if known.”

## **RSA 80:52 - Discounts**

- Must be authorized by vote of Annual Meeting
- Vote must include limits of discount (time period and amounts)
- Primarily utilized to speed collection rates, a careful cost-benefit analysis is recommended & an “allowance for discounts” contra account should be included in the budgeting process

# Property Tax Collection

- ▶ **RSA 80:5 – Notice to Persons**
- ▶ **RSA 80:6 – Notice to Corporations**
  - Tax Bill, Installment, Levy, Notice...
  - The collector shall give notice of such tax to every person taxed...
  - The collector shall give the same notice, in writing, of all taxes assessed against any corporation...
  - Thirty days notice

## **RSA 80:55 – Timely Mailing**

- ▶ **Receipt of Payments**
  - **Postmark**
    - **If postmark illegible...**
  - **Sender’s “competent evidence” for mail date on or before due date with remittance within 30 days of notice of non-receipt**
    - **USPS record of registered mail, certified mail, or certificate of mailing = Competent Evidence**

## **RSA 80:55 – Timely Mailing (cont.)**

- **Due Dates on a Saturday, Sunday or Legal Holiday**
  - The filing shall be considered timely if performed on the next business day
- **Exception**
  - The provisions of this section shall not apply to payment or remittance for tax sales, the advertisement of tax sales, tax sale redemptions or payment of subsequent taxes thereon.

# Interest

- ▶ 2020 Levy -1<sup>st</sup> property tax bill 8% after July 1<sup>st</sup> or 30 days after mailing.
- ▶ 2020 2<sup>nd</sup> (final) property tax bill 8% after December 1<sup>st</sup> or 30 days after mailing.
- ▶ Tax Liens 2018 Levy and prior 18% from date of lien.
- ▶ Tax Liens 2019 Levy (issued in 2020) and 2020 (issued in 2021) 14% from date of lien.
- ▶ Current Use Change Tax 18% 30 days after mailing.
- ▶ Yield Tax 18% 30 days after mailing.
- ▶ Excavation Tax 18% 30 days after mailing.

# Forms of Payment

- ▶ Cash/Coins - Legal Tender
- ▶ **RSA 80:52-b** – Checks
- ▶ **RSA 80:52-c** – Electronic Payment
  - ▶ Credit Cards, debit cards, or other means of electronic transaction
  - ▶ Must be approved by governing body
  - ▶ Service charge allowed, if disclosed at time of billing.

# Uncollectible Payment

- ▶ If found to be uncollectible
  - **Deemed not paid**
  - **Subject to applicable tax delinquency penalties, protest and collection charges, including foreign bank fees**



## Uncollectible Payments(Cont.)

- ▶ RSA 80:56 – Uncollectible Payments
  - ▶ Collection Fee \$25
    - ▶ Taxes, permit fees, licenses, special assessments, water or sewer bills, or other municipal services
    - ▶ All protest, bank and legal fees
    - ▶ For use of the city or town

## Collections (cont.)

- ▶ RSA 80:50 – Collection by Suit
  - ▶ Dating back to 1881...
  - ▶ Collection through courts
  - ▶ Option if liens not perfected – loss of priority lien status

## RSA 80:57 – Refunds of Overpayments

- ▶ “In excess of taxes levied and interest...”
- **\$5 and over...**
  - Direct Selectmen to order Treasurer to issue refunds
- **Under \$5**
  - Direct Selectmen to order Treasurer to issue refunds, **if requested in writing by taxpayer**

QUESTIONS?