

TOWN OF ESSEX, VERMONT TAX SALE POLICY

The purpose of this policy is to meet the following stated goals regarding tax sale:

- To establish clear guidelines for evaluating the necessity of tax sale;
- To establish clear thresholds for including properties in tax sale;
- To balance the need of the Town to contain delinquencies with the cost and administrative burden of conducting a tax sale;
- To establish clear guidelines for exemption or removal from tax sale;
- To ensure all properties are treated in an equitable and consistent manner.

Effective upon adoption of this policy, and thereafter on an annual basis on May 1, the Tax Collector or the Tax Collector's designee shall evaluate the need to conduct a tax sale for all real property based on the following criteria, and shall initiate a tax sale if appropriate:

1. Total delinquent taxes, interest, penalties, and fees are greater than 5% of the current year budget for property tax revenues. If a tax sale is deemed appropriate, all properties that meet one or more of the following criteria shall be eligible for tax sale;
 - a. The account has one year of delinquent taxes and no payment agreement in place, with a total amount due greater than \$10,000 including principal, interest, penalties and fees;
 - b. The account has two or more years of delinquent taxes and no payment agreement in place, with a total amount due greater than \$2,500.
2. If criterion 1 is not met but there exist one or more individual accounts, without or ineligible for a payment agreement, with cumulative delinquent taxes, interest, penalties, and fees greater than \$50,000, the Town shall initiate a tax sale for the one or more accounts exceeding \$50,000 in delinquencies.

Taxes become delinquent as of midnight on the due date; postmarks are accepted as proof of timely payment.

Existing tax payment agreements will be honored and the property will not be put up for tax sale unless there is a breach of the contract, at which point the property will be included in the next tax sale. It shall be considered a breach of the contract if a payment is missed or if current taxes become delinquent. Any account with a history of breached contract is ineligible for a future agreement until taxes are made current.

All taxpayers have the right to apply for abatement and shall be notified of such right as part of the notification of tax sale. Application for abatement will stay any tax sale proceedings until after the board of abatement has heard the case. The decision by the board of abatement will inform the next steps on the account. For example, a decision to abate taxes due would remove the account from tax sale; a decision to require a payment plan would remove the account from tax sale; and a decision to do nothing on an account would return the account to tax sale eligible status for the next tax sale.

Criteria for removal from tax sale:

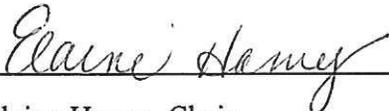
1. Payment equal to 100% of the delinquent balances plus associated tax sale fees.
2. Payment equal to or greater than 50% of delinquent balances plus associated tax sale fees accompanied by a signed agreement to pay the balance within 12 months. Agreement must include installment payments due once or more per month. All outstanding balances are subject to the established interest and penalty rates.

The tax sale procedure shall be in accordance with Vermont State Law. Fees will be charged pursuant to Vermont State Statutes.

Adopted by the Essex Selectboard on April 2, 2018.

Revised: May 20, 2019

Signatures:



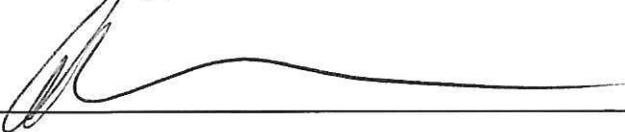
Elaine Haney, Chair



Max G. Levy, Vice Chair



Patrick Murray, Clerk



Annie Cooper

Andrew J. Watts