



Legislation Details (With Text)

File #: 18-0164 **Version:** 1 **Name:** Amnesty/Interest Reduction Program Resolution
Type: Resolution **Status:** Adopted
File created: 2/1/2018 **In control:** Finance
On agenda: 2/27/2018 **Final action:** 2/27/2018
Title: Dept/ Agency: Finance
Action: () Ratifying (X) Authorizing () Amending
Type of Service: Reducing Interest rates charged on delinquent property taxes and municipal tax liens.
Purpose: Implement a temporary interest reduction program on delinquent property taxes and municipal tax liens.
Program Period: March 1, 2018 through May 30, 2018 only
Additional Information:
Current Rate Proposed Rate
8% on first \$1,500. delinquency 0% on first \$1,500. delinquency
18% on remaining balance 0% on remaining balance

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
2/27/2018	1	Municipal Council	Adopt	Pass

Dept/ Agency: Finance

Action: () Ratifying (X) Authorizing () Amending

Type of Service: Reducing Interest rates charged on delinquent property taxes and municipal tax liens.

Purpose: Implement a temporary interest reduction program on delinquent property taxes and municipal tax liens.

Program Period: March 1, 2018 through May 30, 2018 only

Additional Information:

Current Rate

8% on first \$1,500. delinquency
18% on remaining balance

Proposed Rate

0% on first \$1,500. delinquency
0% on remaining balance

WHEREAS, the Administration together with the Municipal Council recognizes that there is a need to assist property owners who are delinquent in their property taxes and to avoid any drastic increase in the 2018 tax rate, by offering a short term “**Amnesty/Interest Reduction Program**”; and

WHEREAS, the Delinquent Tax Collection rate has a direct impact on the 2018 Municipal Budget, the Administration therefore desires to increase the collection rate for delinquent property taxes; and

WHEREAS, it is the desire of the Administration and Municipal Council that this short term program will enable those affected to pay the delinquent property taxes, which will result in an

increase in the delinquent collection rate while conferring a benefit on the citizens and taxpayers of the City of Newark; and

WHEREAS, the Amnesty Program will authorize the Tax Collector and the Finance Director in their statutory capacity, to waive **Interest Only**, on delinquent property taxes which include 2017 or prior years and Municipal Tax Liens Only **for the period March 1, 2018 through May 30, 2018 ONLY**; and

WHEREAS, the Interest Reduction Program will authorize the Tax Collector and the Finance Director in their Statutory capacity, to reduce the delinquent Interest Rate Only, charged on all delinquent property taxes, that includes 2017 and or prior years, and Municipal Tax Liens Only, from 8% and 18% respectively to zero (0%) **for the period March 1, 2018 through May 30, 2018 ONLY**; and

WHEREAS, the Amnesty Program is Exclusive to and **DOES NOT INCLUDE**:

- Third Party/Outside Lien holder(s) purchased or assigned
- Accounts in Bankruptcy or any other Litigation pending or settled
- Tax Appeals (pending stipulations)
- Pending Settlements of any kind regarding property taxes, or any Penalty Charges Assessed; and

WHEREAS, to receive benefit of the Amnesty Program, payments must be for the entire delinquent amount owing and due, and must be paid by Certified Bank Funds, Bank or Postal Money Orders, Credit or Debit Cards ONLY at the time payment is made. No Personal, Business, or Attorney Trust Checks will be accepted. No partial payments can or will receive benefit of this Amnesty Program.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Tax Collector and the Finance Director are hereby authorized to commence with a Ninety Day (90) Amnesty Program by waiving Interest Only on delinquent property taxes Only, inclusive of 2017 and or prior years, and Municipal Tax Liens Only, for the period March 1, 2018 through May 30, 2018 ONLY.
2. The account is not under the protection of the U.S. Bankruptcy Court which prohibits the City of Newark from collection of this debt, inclusive of any claims being dismissed or discharged.
3. The account is not part of any pending settlements of any kind, regarding property taxes.
4. Payments shall be for the total outstanding balance due at the time payment is made, and all payments must be by Certified Funds, Bank or Postal Money Orders, Debit or Credit Cards only. No personal, business, or attorney trust checks will be accepted, and no exceptions will be allowed.
5. This Amnesty program is exclusive to any and/or all properties acquired, transferred,

purchased or negotiated through any Federal, Civil, Municipal, Superior or State Court.

6. This Amnesty is exclusive to any and/or all pending, settled or stipulation of settlements, State and County Board judgments.
7. This Amnesty is exclusive to and does not pertain to any funds, interest, penalties premiums, or fees due to Third Party Lien Holders/Outside Buyers, purchased or assigned.
8. Upon expiration of the aforementioned Amnesty program period, interest will be assessed without regard to the temporary rate of 0% and return to the set rate of 8% and 18% respectively.
9. This resolution shall take effect on March 1, 2018 and end on May 30, 2018, and will not be extended or amended.
10. The Tax Collector and Finance Director are hereby authorized to do all things necessary to accomplish these tasks.

STATEMENT

This Resolution authorizes a Ninety Day (90) Amnesty Program by waiving Interest only on delinquent property taxes only, inclusive of 2017 and/or prior years, and Municipal Tax Liens only, for the period: March 1, 2018 through May 30, 2018 Only.