



Legislation Details (With Text)

File #: 12-1988 **Version:** 1 **Name:** Temporary Interest Rate Reduction on 2012 Taxes
Type: Resolution **Status:** Filed
File created: 9/26/2012 **In control:** Finance
On agenda: 10/3/2012 **Final action:** 10/3/2012

Title: Dept/Agency: Finance
Action: () Ratifying (X) Authorizing () Amending
Type of Service: Reducing Interest rates charged on delinquent property taxes.
Purpose: Implement a temporary interest reduction program on delinquent taxes
Program Period: 10/9/12 through 11/30/12 only.
Additional Information:
Current Rate Proposed Rate
8% on first \$1,500. delinquency 4% on first \$1,500. delinquency
18% on remaining balance 9% on remaining balance

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
10/3/2012	1	Municipal Council	Adopt	Pass

Dept/Agency: Finance

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Purpose: Implement a temporary interest reduction program on delinquent taxes

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Additional Information:

Current Rate

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

Proposed Rate

4% on first \$1,500. delinquency
9% on remaining balance

WHEREAS, the Tax Collector of the City of Newark is statutorily mandated to collect current and delinquent taxes so as the Administration can provide essential services to the citizens of the City of Newark, and the Administration recognizes that revenue collection rates need to be increased; and

WHEREAS, the Administration proposes a 50% reduction in the interest rates assessed against delinquent property taxes only from 8% on the first 1,500.00 of the delinquency and 18% on the remaining balance to Four 4% and Nine 9% respectively; and

WHEREAS, This interest rate reduction is exclusive to and does not include:

- Third Party/Outside Lienholders
- Accounts in Bankruptcy or any other Litigation pending or settled
- Tax Appeals (pending stipulations)
- Pending Settlements of any kind (property taxes only)

WHEREAS, the Administration concurs with the mandate of the Tax Collector to increase collections by offering a reduction in the current interest rates. Said benefit will be for a time certain, to commence on 10-9/12 and end on 11/30/12.

WHEREAS, to receive an interest rate reduction, the payment shall and must be for the entire delinquent amount due on the date of payment. No partial payments can receive benefit of the interest reduction.

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

1). The Tax Collector be and is hereby authorized to reduce the current interest rates charged on delinquent taxes from 8% on the first \$1,500.00 of the delinquency and 18% on the remaining balance to 4% and 9% respectively. Provided payments are received 10/9/12 thru 11/30/12.

2). This interest rate reduction is **EXCLUSIVE** to does not include a:

- a). Third Party/Outside Buyer Lien Holders
- b). Accounts that are in Bankruptcy
- c). Litigation, pending or settled
- d). Tax Appeal (pending stipulations)
- e). Pending Settlements of any kind (property taxes only)

3). Upon expiration of the aforementioned period, interest will be assessed without regard to this temporary reduction at the set rate of 8% and 18% respectively.

4). Payments shall be for the entire outstanding balance due at the time payment is made.

5) Payments will be accepted by Money Order, Certified or Bank checks, Credit & Debit Cards only.
NO PERSONAL OR BUSINESS CHECKS WILL BE ACCEPTED.

6). This resolution shall take effect on 10/9/12, and end on 11/30/12 and will not be extended or amended.

7). The Tax Collector is hereby authorized to do all things necessary to accomplish this task.

STATEMENT

This Resolution authorizing a 50% reduction in interest rates charged on delinquent property taxes only, provided payment is received for the period: 10/9/12 thru 11/30/12 only.

