



## Legislation Details (With Text)

**File #:** 20-0528      **Version:** 1      **Name:** Tax Amnesty Resolution  
**Type:** Resolution      **Status:** Adopted  
**File created:** 4/23/2020      **In control:** Finance  
**On agenda:** 5/6/2020      **Final action:** 5/6/2020  
**Title:** Dept./ Agency: Finance  
Action: (X ) Ratifying (X) Authorizing ( ) Amending  
Type of Service: To temporarily reduce Interest rates charged on property taxes, delinquent property taxes, City-owned municipal liens and water and sewer charges  
Purpose: Implement a temporary interest reduction program on property taxes, delinquent property taxes, City-owned municipal liens and water and sewer charges  
Program Period: March 16, 2020 through June 30, 2020 only  
Additional Information:  
Current Rate      Proposed Rate  
8% on first \$1,500.00 delinquency      0% on first \$1,500.00 delinquency  
18% on remaining balance      0% on remaining balance  
**Sponsors:** Council of the Whole  
**Indexes:**  
**Code sections:**

Date	Ver.	Action By	Action	Result
5/6/2020	1	Municipal Council	Adopt	Pass

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**WHEREAS**, the pandemic caused by the novel coronavirus COVID-19 has led to Governor Philip D. Murphy calling a Public Health Emergency, as the virus has resulted in a State-wide call to stay at home to stop the spread of the virus, thereby effecting resident's ability to work and provide for their families; and

**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 2020 tax rate, by offering a short term "Amnesty/Interest Reduction Program"; and

**WHEREAS**, given the serious health concerns posed by the COVID-19 Pandemic, the

Administration and Municipal Council set forth an “Amnesty/Interest Reduction Program” on Property Taxes, Delinquent Property Taxes, Water and Sewer Charges and City-Owned Municipal Tax Sale Liens for the year(s) 2020 (1st half), 2019 and prior years; and

**WHEREAS**, this Amnesty/Interest Reduction Program applies to subsequent interest and penalties that have accrued after the City-Owned Municipal Lien/Tax Sale certificate Date Only; and

**WHEREAS**, this Amnesty/Interest Reduction Program is Exclusive of and **DOES NOT INCLUDE**:

- Third Party/Outside Lien holders purchased or assigned
- Interest and Penalties that is inclusive of a Tax Sale Certificate/Municipal Tax Lien Tax Appeals (pending stipulations)
- Any funds, interest, penalties, premiums or fees due to a third party lien holder, outside buyer, purchased or assigned
- Accounts in Bankruptcy or any other Litigation, pending or settled
- Tax Appeals, pending or stipulations pending
- Pending Settlements of any kind regarding property taxes, or any Penalty Charges Assessed; and,

**WHEREAS**, this Amnesty/Interest Reduction Program commenced on **March 16, 2020** and end **June 30, 2020**; and

**WHEREAS**, this Amnesty/Interest Reduction Program may be extended only by an amendment of this Resolution and approval by the Municipal Council; and

**WHEREAS**, it is the desire of the Administration and Municipal Council that this short term Amnesty/Interest Reduction Program will enable those affected by this health concern to pay their delinquencies and at the same time provide some reasonable relief; and

**WHEREAS**, this Amnesty/Interest Reduction Program will authorize the Tax Collector and the Finance Director, in their statutory capacity, to set the interest rate on delinquent property taxes and water and sewer charges that includes 2020 (1st half only), 2019 and/or prior years and City-Owned Municipal Tax Liens, from 8% and 18% respectively to zero % for the period **March 16, 2020 to June 30, 2020**; and

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

1. The Tax Collector and Finance Director are authorized to commence with this Amnesty/Interest Reduction Program for interest and penalties assessed as follows, for the year(s) 2020 (1st half), 2019 and prior years for Property Taxes, Delinquent Property Taxes, Water and Sewer Charges and City-Owned Municipal Tax Sale Liens.
2. This Amnesty/Interest Reduction Program is exclusive of claims of Bankruptcy, Litigation of any kind and Third Party Tax Sale Liens.

3. This Amnesty/Interest Reduction Program is exclusive of interest and penalties that is part of any City-owned Municipal Tax Sale Certificate.
4. This Resolution ratifies the Amnesty/Interest Reduction Program from March 16, 2020 to the date of the adoption of this authorizing resolution.
5. The Amnesty/Interest Reduction Program shall be in effect from March 16, 2020 through June 30, 2020.
6. This Amnesty/Interest Reduction Program may only be extended by amending this resolution and extending the due date.
7. The Tax Collector and Finance Director are authorized to do all things necessary to accomplish this task.
8. The Amnesty/Interest Reduction Program is ratified from March 16, 2020 to the date of adoption of this resolution.

### **STATEMENT**

This Resolution ratifies and authorizes an Amnesty/Interest Reduction Program of the interest and penalties on Property Taxes, Delinquent Property Taxes, Water and Sewer Charges and City-Owned Municipal Tax Sale Liens only, for the period of March 16, 2020 to June 30, 2020. This term can only be extended by an amendment to this resolution approved by the Municipal Council.