RESOLUTION NO. 2021-28

A RESOLUTION FIXING INTEREST RATES AND PENALTIES ON DELINQUENT TAXES AND MUNICIPAL CHARGES AND FIXING ADDITIONAL SUMS TO BE PAID TO THE HOLDER OF A TAX TITLE UPON REDEMPTION

WHEREAS, the Tax Collector shall compute and charge interest as allowed by law on all taxes and municipal charges that may become delinquent on a given parcel of property covering any number of quarters or years. Municipal charges subject to interest shall include local improvement assessments and the carrying charge on local improvement assessment accounts; and

WHEREAS, no interest shall be charged on any installment of taxes which is paid in full on or before the tenth calendar day after such installment is due. No interest shall be charged on the first installment payment of a local improvement assessment which is paid in full on or before the thirtieth day after such installment is due. Taxes and local improvement assessments remaining unpaid after the aforesaid periods shall bear interest from the dates on which payment was due, plus penalties, if applicable; and

WHEREAS, interest at the rate of eight percent per annum shall be charged on the first $1,500.00 of the delinquency, as described in Paragraph 1 above, and at the rate of 18 percent on any amount in excess of $1,500.00. Interest shall run from the due date to the date on which payment is received; and

WHEREAS, in addition to interest, the Tax Collector shall compute and charge a penalty of six percent to any taxpayer whose delinquency as described in Paragraph 1 above exceeds $10,000.00 and remains unpaid after December 31 of the year in which it exceeds $10,000.00. The penalty shall be computed on the entire amount of the delinquency and shall run from the date such delinquency exceeded $10,000.00 to the date on which payment is received; and

WHEREAS, when any unpaid taxes or other municipal lien has been enforced by sale of the property as provided by the Tax Sale Law, N.J.S.A. 54:5-1 et seq., the holder of the tax title, including but not limited to Florence Township, upon redemption of the property, shall be entitled to receive additional sums as provided by law and this resolution, as follows: When the total of the taxes, interest and costs shall exceed $200.00, the holder of the tax title may collect an additional sum equal to two percent of the amount paid for the tax title; when such total shall exceed $5,000.00, such additional sum shall equal four percent of such amount paid; and when such total shall exceed $10,000.00 such additional sum shall equal six percent of such amount paid. This paragraph shall apply to all existing tax sale certificates held by Florence Township on and after March 29, 1991.

NOW, THEREFORE BE IT RESOLVED by the Township of Florence, County of Burlington, State of New Jersey that the foregoing be hereby approved.

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I, NANCY L. ERLSTON, Clerk of the Township of Florence, County of Burlington, State of New Jersey do hereby certify that the foregoing Resolution is a true copy of the Resolution approved by Township Council at their January 6, 2021 meeting.

Nancy L Erlston

Nancy L. Erlston, RMC
Township Clerk

Note: This Resolution approves policy for handling of delinquent taxes due.