



Legislation Details (With Text)

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On agenda: 1/16/2020 **Final action:** 1/16/2020
Title: RESOLUTION DIRECTING THE TAX COLLECTOR NOT TO COLLECT AD VALOREM TAXES WHEN THE ORIGINAL PRINCIPAL AMOUNT IS FIVE DOLLARS OR LESS
Sponsors:
Indexes:
Code sections:
Attachments: 1. Minimum Bill Resolution

Date	Ver.	Action By	Action	Result
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TITLE

RESOLUTION DIRECTING THE TAX COLLECTOR NOT TO COLLECT AD VALOREM TAXES WHEN THE ORIGINAL PRINCIPAL AMOUNT IS FIVE DOLLARS OR LESS

SPONSOR

Ben Chavis

BACKGROUND

The Guilford County Tax Department is seeking permission from the Guilford County Board of Commissioners to not bill or collect any ad valorem taxes when the original principal amount due is five dollars or less.

We have determined the estimated cost to Guilford County for billing a taxpayer for the amounts due on a tax receipt or tax notice is \$5.00.

- For fiscal year **2019**, we billed **3,187** bills under \$5.00 totaling **\$10,468.52**.
- For fiscal year **2018**, we billed **5,216** bills under \$5.00 totaling **\$17,074.56**.
- We believe this request, if approved, will have a negligible effect on our collection percentage. We also believe it shows the public that we are good stewards of taxpayer funds.
- **73** out of 100 counties in North Carolina have a minimum bill resolution.

RESOLUTION

WHEREAS, by N.C.G.S. 105-321(f) the North Carolina General Assembly has authorized the governing body of a taxing unit that collects its own taxes to direct, by resolution, its assessor and tax collector not to collect minimal taxes charged on the tax records and receipts; and

WHEREAS, minimal taxes are the combined taxes and fees of the taxing unit and any other units for which it collects taxes, due on a tax receipt in a total original principal amount that does not exceed an amount, up to \$5.00, set by the governing body; and

WHEREAS, the amount set by the governing body should be the estimated cost to the taxing unit of billing the taxpayer for the amounts due on a tax receipt or tax notice; and

WHEREAS, the Guilford County Board of Commissioners has determined that the estimated cost to Guilford County of billing a taxpayer for the amounts due on a tax receipt or tax notice is \$5.00; now, therefore,

BE IT RESOLVED by the Guilford County Board of Commissioners that the Guilford County Tax Collector is directed not to collect the combined taxes and fees of Guilford County and any other unit of government for which it collects taxes, dues on a tax receipt prepared pursuant to N.C.G.S. 105-320, when the total original principal amount is \$5.00 or less; and

BE IT FURTHER RESOLVED that the Tax Collector shall not bill the taxpayer for, or otherwise collect, such minimal taxes but shall keep a record of all such minimal taxes by receipt number and amount and shall make a report of the amount of these taxes to the Guilford County Board of Commissioners at the time of settlement; and

BE IT FURTHER RESOLVED that this resolution shall not apply to taxes on registered motor vehicles.

BE IT FURTHER RESOLVED that this resolution shall be in effect with respect to fiscal year 2020 and shall remain in effect until amended or repealed by resolution of the Guilford County Board of Commissioners.

REQUESTED ACTION

Adopt resolution authorizing Guilford County Tax Department to not bill or collect any ad valorem taxes when the original principal amount due is \$5.00 or less.