Joe Colangelo

From: Jim Barlow <jbarlow@vlct.org>
Sent: Monday, December 17, 2012 9:06 AM
To: Melissa Ross
Cc: Joe Colangelo
Subject: RE: question for you

Melissa:

Sorry for the delay in getting back to you. I was out most of last week. The statute - 32 V.S.A. 5136(a) - provides:

> (a) When a municipality votes under an article in the warning to collect interest on overdue taxes, such taxes, however collected, shall be due and payable not later than December 1, and shall bear interest at the rate of not more than one percent per month, or fraction thereof, for the first three months and thereafter one and one-half percent per month or fraction thereof, from the due date of such tax. Such interest shall be imposed on a fraction of a month as if it were an entire month. A municipality having so voted to collect interest as hereinbefore provided, and the amount thereof, shall thereafter collect such interest each year until the municipality shall vote otherwise at a meeting duly warned for the purpose of voting on such question.

The operative word is "shall." In my opinion, the Legislature intended that interest be imposed on a fraction of the month as if it were a full month in all towns in the state, regardless of what might be included on a particular town's tax bill.

I hope that this helps. Let me know if you have any additional questions.

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From: Melissa Ross [mailto:hinesburgclerk@gmavt.net]
Sent: Tuesday, December 11, 2012 2:40 PM
To: Jim Barlow
Subject: question for you

Hi Jim- We have had a couple of citizens question the validity of our delinquent tax policy which charges 1 percent per month for the first 3 months and 1 2/2 percent thereafter. We do not impose a penalty. On the top of the tax bill it states:

Payments received in the town clerk's office later than 12:00 p.m. midnight on the due date are delinquent and subject to collection of interest at the rate of 1% per month for the first three months and thereafter at 1 ½ percent per month.

One woman is saying that she only owes for 2 days, the number of days she was late, or 1 percent divided by 30 days X 2. She is arguing that since it doesn't say "1 percent per month or fraction thereof" that we can't apply the full 1 percent to her two day delinquency. I have read and copied the statute for her which states that for the purposes of delinquent taxes a portion of the month shall be considered a month. I'm looking for some clarification from you prior to the SB meeting next Monday, the 17th. Feel free to call me at the number below. Thanks for your help!

Missy

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