

NAZARETH AREA SCHOOL DISTRICT

SECTION: FINANCES

TITLE: REAL ESTATE TAX COLLECTION

ADOPTED: APRIL 25, 2005

REVISED: OCTOBER 20, 2008

<p>1. Authority</p> <p>2. Authority Pol. 605</p> <p>3. Guidelines</p>	<p style="text-align: center;">606. TAX COLLECTION</p> <p>This policy specifies the manner in which tax collection within the district will be accomplished by the duly elected or appointed tax collector.</p> <p>Real estate taxes shall be collected by the elected and properly bonded tax collectors. The tax collectors shall perform their duties as prescribed by this policy, other district policies pertaining to tax collection, the Public School Code of the Commonwealth of Pennsylvania of 1949, as amended, the Local Tax Collection Law of 1945, as amended, Act 169 of 1998, Act 104 of 2000, and any and all additional applicable laws.</p> <p>The tax collector shall read the current edition of the “Tax Collector’s Manual” that is published by the Department of Community and Economic Development and comply with the requirements in this manual.</p> <p><u>Billing of Taxes</u></p> <ol style="list-style-type: none"> 1. The tax collector must mail tax bills to every person appearing on the tax duplicate. Such notices shall be mailed to the last known post office address of each of the said taxables. Tax bills shall be mailed to the taxpayers on or before the billing date printed on the tax bill. The school district retains the option of having the actual mailing outsourced. 2. The tax collector shall issue supplemental or interim bills as directed by the school district. He/she must send these bills to the affected taxpayers within 10 days after receipt of this information from the school district. 3. In addition to the tax notice contents required by law and the taxpayer bill of rights, school district tax bills shall include a telephone number for the tax collector and office hours. <p><u>Collection of Taxes</u></p> <ol style="list-style-type: none"> 1. All taxes are due and payable as of the billing date. 2. Payments that are mailed must be postmarked on or before the due dates
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printed on the tax bills. Only United State Postal Service postmarks are acceptable. Postage meter dates are not acceptable as proof of mailing. The tax collector shall attach the envelope with the payment information for payments received after the due date.

3. There is no grace period beyond the due dates that are printed on the bill.
4. Failure to receive a bill or payments lost in the mail does not entitle the taxpayer to a discount or remission of penalty or payment of taxes.
5. For installments, the first payment must be made on or before the due date. There is no exception to this rule. If the first installment is not made by this date, the taxpayer cannot pay by the installment plan. The tax collector shall attach the envelope with the payment information for payments received after the due date.
6. The tax collector shall collect the full tax amount as indicated on the tax bill and in accordance with the due dates that are listed. Under no circumstance will the tax collector accept partial payments, grant exceptions or extensions.

Deposit of Tax Receipts

1. The school district shall establish for each tax collector an interest bearing tax collection account at an approved depository (ies), which shall be in the name of the Nazareth Area School District.
2. During the months of September, October, and November the tax collector shall deposit, at least three (3) times per week, all tax payments received into the designated district bank account. The tax collector shall deposit at least weekly, or when \$5,000 in tax payments is collected, during the remaining months. Only deposits of school district tax, including any penalties, interest or other authorized charges, shall be made into this account.
3. Nazareth Area School District tax receipts shall not be deposited into a tax collector escrow account, municipal account, the tax collector's personal account(s), or any other account other than the designated school district account.
4. The tax collector shall request taxpayers to pay school district taxes separately from municipal payments.

Combined payments may be handled as follows:

- a. The tax collector can return the payment and request separate payments.

<p>Act 169 of 1998</p>	<ul style="list-style-type: none">b. The tax collector can deposit the payment into the school district account and pay from the cash payments the amount due to the municipality. If this is done, the tax collector must submit to the district a copy of the check and proof that the cash was submitted to the municipality.c. The tax collector can write up the bank deposits separately so the correct tax payments can be deposited directly in the corresponding bank tax accounts. <p>5. Checks returned to the school district for insufficient funds or any other reason shall be promptly returned to the tax collector, who will then adjust the list of taxes paid accordingly. The tax collector shall send a notice of the returned check to the taxpayer indicating that the taxes remain outstanding within five days.</p> <p>6. All refunds shall be processed by the school district.</p> <p>7. There shall be no withdrawal of funds from any district tax bank account by the tax collector. The district will transfer these funds to the general fund.</p> <p><u>Reports and Record Keeping</u></p> <ul style="list-style-type: none">1. The tax collector shall keep an accurate account of all monies collected by him/her as taxes under the authority of any duplicate(s) in his/her possession. S/He shall mark on each duplicate at the name of each taxable, the amount of taxes paid, and date on which payment was made.2. All payment documentation for each deposit slip must be attached to that deposit slip.3. All deposit slips and payment documentation must be filed in chronological order by date.4. The tax collector is required to submit monthly a written report on the taxes collected during the month, to the school district on or before the tenth of the following month. The tax collection reports shall be submitted on forms approved by the school district. <p>A copy of the bank deposit slips for the days included in the report must be attached to the report and the tax collector must reconcile the report to the bank deposit slips. The monthly report must end with the last business day deposit slips; this last business day may not necessarily be the last day of the period. Do not include deposits credited to the first of the following month; these should be on the next monthly report. This is necessary so the monthly reports can be reconciled to the monthly bank statement.</p>
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<p>72 P.S. 5511.1</p> <p>72 P.S. 5511.1</p>	<p>5. In accordance with law, the tax collector must complete and sign the "Tax Collector's Monthly Report to Taxing Districts" form monthly and return it to the district Business Office on or before the tenth of the following month. The only additions and deductions to the tax duplicate which are to be listed on the report are those that have been authorized by the school district. A copy of the school district authorization for adjustment must always be attached to the monthly report.</p> <p>By January 15, the tax collector shall make a complete settlement of all taxes, as of December 31 of the prior calendar year, with the district Business Office.</p> <p>6. The tax collection reports shall accurately reflect the dates of payment, I.D./bill numbers, tax paid, and amounts collected from each, including the base tax, discounts and penalties applied, and shall tie directly to the deposits made in the school district's tax bank account as reflected in the bank statement. The reports shall include page totals and grand totals for the base tax amounts, discounts, penalties, and the actual tax amounts collected.</p> <p>7. The tax collector shall complete and return any and all forms or requests for information by the school district.</p> <p>8. The tax collector shall retain all tax records in accordance with the Municipal Records Manual. These records are public documents and as such are the property of the municipal taxing district and should be maintained and stored by that district unless other arrangements are made with the collector.</p> <p>9. If the tax collector does not file his/her reports by the required deadlines and/or if the reports are not reconciled to within \$1.00, the District shall impose penalties to the fullest extent as permitted by Act 169 of 1998 and other applicable laws. These penalties shall be automatically deducted from the tax collector's compensation and/or collected through other appropriate methods if the tax collector's compensation is not enough to cover the amount of the penalties. The penalties that shall be imposed will be \$20 for each business day for the first six calendar days that the report is late and/or not reconciled. After six calendar days, the penalties will be \$10 for each additional business day up to a maximum fee of \$250 for each report that is late and/or not reconciled.</p> <p><u>Unpaid Taxes</u></p>
<p>72 P.S. 5511.10 (b) 72 P.S. 5563; 1050 P.L. 394</p>	<p>1. The tax collector shall prepare and mail a notice, within four months of mailing the tax bills of each taxing year, to each taxpayer who has not paid his/her real estate taxes informing him/her that his/her taxes are not paid.</p>

2. The tax collector shall prepare and present to the Northampton County Tax Claim Bureau and the district a list of all unpaid real estate taxes. This list is due to the Tax Claim Bureau and the district on the date established by the Tax Claim Bureau.

Expenses

1. The school district shall provide all necessary and reasonable expenditures for printing, envelopes, and postage, as well as paying premiums as required for the proper and necessary bonds of the tax collectors. The tax collector must submit itemized invoices of the expenditures that s/he paid, along with proof of payment in order to be reimbursed by the school district. Reimbursement of expenditures is in addition to the tax collector's stipulated compensation.
2. Each tax collector shall order the necessary supplies and fold, stuff, and address, all tax bills.
3. The school district shall affix postage and mail all tax bills.
4. The school district shall reimburse the printer directly for services provided to process and print tax bills.

Office Hours

1. The tax collector must be available to receive and receipt taxes on at least three (3) days of each of the last two weeks of the discount period at the place designated in the tax notice. The tax notice must state a place and time where taxes are to be paid.
2. The tax collector must be available to receive telephone calls. S/He must take the taxpayers telephone calls and try to resolve the issue(s). Only after the tax collector has tried to resolve the issue(s), and has not been able to, should the tax collector then refer the taxpayer to the Bookkeeper in the school district Business Office.
3. The tax collector must be available to taxpayers in his/her office during his/her scheduled hours.
4. The tax collector must notify the Bookkeeper in the school district Business Office in advance when s/he is going on vacation and the dates s/he will not be available. This notice must also be posted on his/her office door.

<p>72 P.S. 5511.26</p>	<p><u>Audit</u></p> <ol style="list-style-type: none"> 1. All audits shall be conducted in accordance with the laws. 2. The tax collector shall proof his/her records to the school district's records and reconcile all discrepancies. The tax collector shall pay to the school district the balance of monies due if the records indicate an underpayment. 3. The tax collector, acting in a fiduciary capacity for the school district, shall be subject to the examination of the collector's records and accounts relating to the school district by the school district's representative(s) and/or public accountant including, but not limited to, the annual audit. The tax collector will be required to bring his/her records and accounts to the school district site for examination annually. These records shall include the tax duplicate, all deposit slips with all payment documentation for each deposit slip attached to that deposit slip, and all other supporting documentation. 4. When required, the tax collector shall meet with the school district's representative(s) and/or the auditors and answer questions or provide other assistance in the conduct of the audit. 5. The continuing audit process may include a periodic sample mailing of payment confirmations to taxpayers for verification of payment date and amount.
<p>72 P.S. 5511.4a</p>	<p><u>Continuing Education</u></p> <p>The tax collector is strongly encouraged to become a qualified tax collector by participating in the Department of Community and Economic Development's basic training program, taking and successfully passing the exam, and receiving a certificate stating that he/she is a qualified tax collector. The qualified tax collector is then encouraged to attend the required hours of continuing education each year in order to maintain his/her status as a qualified tax collector. The tax collector should submit the appropriate documentation verifying this to the district within thirty days. The topics for continuing education shall include, but not be limited to, the following:</p> <ol style="list-style-type: none"> 1. Accounting. 2. Auditing. 3. Computerization.

4. Ethics.
5. Procedures for collecting taxes.
6. Recent court decisions affecting the imposition and collection of taxes.
7. The local tax collection laws and other statutes related to the imposition and collection of taxes.

Other

The school district, at its discretion, may decide to purchase computers and tax software for tax collection purposes. The district may also make other changes to enhance the tax collection process. If the school district does this, the tax collectors shall be required to use this software and the applicable reports, and to implement the changes that the district makes.

The district reserves the right to modify or amend this policy as it deems necessary from time to time.