

DELINQUENT TAX POLICY

Town of Wilmington

The Town understands that it can sometimes be difficult for people to pay their taxes, however it is the responsibility of all taxpayers to pay their required share or others are required to pay higher taxes to make up the difference. This policy is designed to give clear instructions as to how to avoid being delinquent, provides a system by which people can become whole if they become delinquent, and outlines the steps and methods the Wilmington Collector of Delinquent Taxes will take if a taxpayer does not meet their obligations to the town and its citizens.

U.S. postmarks are accepted as on-time payments, upon date the bill is due.

Paying taxes by installment is acceptable to either avoid delinquency or to pay off a delinquency under a written repayment plan.

Once taxes are delinquent, a warrant is filed with the collector of delinquent taxes.

On each month that taxes are delinquent, the tax collector will send a notice to the delinquent taxpayer. Interest is added on the first day of each month, before the notice is mailed. The Town approved interest rate is one percent (1%) per month for the first three months, and thereafter it is one and one-half percent (1.5%) per month, starting from the due date of each installment. An 8% penalty is added after the February payment is missed. When a taxpayer is delinquent, any payment made will be applied first to outstanding interest and penalties; any remaining payment will then be applied to the principal.

If the taxpayer is more than one (1) year delinquent, the taxpayer will be notified of the date by which full payment must be received or payment arrangements made. It is the responsibility of the delinquent taxpayer to respond to the notice, or the town will initiate steps to collect, either by taking the property to tax sale or utilizing other statutory methods to collect payment. Payment arrangements may be agreed-to provided it will pay the bill in-full within one (1) year. Current taxes will also need to be paid in-full as they become due. A signed repayment plan must be approved by and filed with the Finance Officer to establish payment arrangements.

If no arrangement is made by the specified date or taxpayer defaults on their repayment plan, then the Town will either start tax sale proceedings and/or utilize other statutory methods to collect payment.

If the town utilizes a tax sale, the tax collector will begin the following actions to sell as much of the property as is necessary to pay the delinquent tax, and fees:

The collector will proceed with the tax sale according to the procedures specified in 32 V.S.A. § 5252.

Costs of preparing and conducting the sale, including legal fees up to a maximum of 15% of the amount of the delinquent tax, will be charged to the delinquent taxpayer.

Unless a property owner makes a written request for partial payments to be applied to the principal due, partial payments will be applied first to the interest portion of the amount due, and the remainder will be divided proportionally between the principal amount of the tax and the fee. Penalties and interest will continue to accrue monthly until an account is current and paid in full. If a payment is made within 20 days of a scheduled tax sale, certified funds will be required.

The minimum bid at tax sale will be the amount necessary to satisfy the amounts owed to the Town, including taxes, interest, penalties, legal fees, and legal expenses. Pursuant to Vermont law, the taxpayer has one year to redeem a property sold at tax sale by paying to the Town the amount paid by the successful bidder at the auction, plus monthly interest of 1% on the high bid.

If a property is being sold for delinquent taxes, the property owner may request in writing, not less than 24 hours prior to the tax sale, that a portion of the property be sold. Such request must clearly identify the portion of the property to be sold, and must be accompanied by a certification from the Vermont District Environmental Commission that the portion identified may be subdivided and meets minimum lot size requirements. In the event the portion identified by the property owner cannot be sold for the taxes and costs, then the entire property may be sold to pay such taxes and costs.

Tax abatement is a process by which a taxpayer may ask to have their taxes lessened, moderated or diminished. Abatement requests should be sent to the Town Clerk and are heard by the Board of Abatement, which is made up of the Board of Civil Authority plus the Assessor and Town Treasurer. For information on abatement of taxes see Vermont Statute 24 V.S.A., section 1535.

The foregoing Policy is hereby adopted by the Selectboard of the Town of Wilmington, Vermont, this 18th day of February, 2025 and is effective as of this date until amended or repealed.

Selectboard Members








