

2018-2019 BUDGET QUESTION
Response to Request for Information

DEPARTMENT: Financial Services – Budget

REQUEST NO.: 116

REQUESTED BY: Alter

DATE REQUESTED: 8/29/18

DATE POSTED: 9/8/18

REQUEST: Please explain the reasons we are not collecting delinquent taxes and why these have increased, if known, as referenced on page 149 of the FY 2019 proposed budget. Please also provide detail on planned activity for recuperation of delinquent taxes.

RESPONSE:

The “Property Tax Summary” table on page 149 of the FY19 Proposed Budget displays a history of the City’s property tax collections over the past several fiscal years. The “Delinquent Taxes Due” column displays the amount of taxes from each fiscal year that remained unpaid as of June 30, 2018 and the column immediately to the right displays the percentage of each fiscal year’s total tax levy represented by those delinquent taxes due.

Delinquent taxes outstanding will always be largest for the most recent fiscal year. Over time this balance will decline as more overdue accounts are settled. As of June 30, 2018, \$4,832,337 in delinquent taxes were due for fiscal year 2017-18, representing 0.8% of that year’s tax levy. This level of delinquencies accords with what has been experienced in prior years. For instance, as of June 30, 2017, fiscal year 2016-17 delinquent taxes due stood at \$4,170,208, representing 0.8% of the total tax levy for that year (see page 34 of Volume I of the 2017-18 Approved Budget). As of June 30, 2018, the amount of delinquent taxes due for FY17 had dropped to \$1,449,998, or 0.3% of the total tax levy for that year. In short, the City’s property tax collections remain robust and in line with recent historical experience.

