



Five-Year Payment Plan “FAQ’s”

This plan may be available to taxpayers who have been in default for less than five years. However, it is not available for taxpayers who are late on their current year taxes.

If you are in default on your prior-year taxes, you can elect to pay your defaulted taxes in installments. The deadline to set up a five-year payment plan is 5 p.m. on the last business day of the fifth fiscal year after the property originally became tax-defaulted. For example, if you defaulted on your taxes on June 30, 2018, you would have until 5 p.m. on June 30, 2023, to set up a payment plan (2018 + 5 = 2023).

After that five-year mark, our office has the power to sell the property at our annual property tax sale, according to state law.

Payments made while on the payment plan are not refundable. If you are due any refund for any year, we will put the refund toward the payment plan. The refund will be treated like any other payment that is made during the plan.

Starting a Payment Plan

To start a payment plan, you must do ALL of the following:

- Complete, sign and return the Five Year Payment Plan Contract to the Tax Collector's Office.
- Pay at least 20% of the original amount of the default, plus interest accrued to date, and a \$100 enrollment fee (please contact the Tax Collector's Office for the correct minimum amount due. Payments for less than the minimum amount due for the month in which you are initiating a payment plan will not be accepted).

To remain in good standing, you must:

- Pay at least 20% of the redemption amount, or more, plus interest on or before April 10th of each following year.
- Pay all current years taxes on or before April 10th of each following year.

Each year after the plan's start, the total amount paid must be equal to or greater than 20% of the original redemption amount, plus all interest that has accrued on the unpaid balance (1.5% per month, 18% APR). The unpaid balance of your installment plan, plus accrued interest, may be paid in full at any time before the fifth and final payment would be due.

Defaulting on Your Payment Plan

You will default on your plan if you fail to pay the minimum due or fail to pay current taxes each year on or before April 10th, and you will again be charged the penalties on your full defaulted taxes beginning with the original default date.

An installment plan CANNOT be restarted in the same fiscal year in which it defaulted. An installment plan also CANNOT be restarted if the property has become subject to our office's annual tax sale.

If eligible, you can start a new installment plan after July 1st following the fiscal year the plan defaulted. The "default credit" (money previously paid while on the payment plan) cannot be used to start a new payment plan. That amount will be deducted from the balance after the initial 20% has been applied.

A new installment plan MAY be initiated:

- Only after July 1 following the default of the plan.
- All conditions of the installment plan must be met.

An installment plan MAY NOT be initiated:

- After the fifth year following the declaration of tax default.
- After the property has become subject to Power to Sell.