

TOWN OF CHELSEA
TAX CLUB ORDINANCE

Section 1. Purpose

This ordinance is enacted for the purpose of allowing taxpayers to join a tax club program and pay taxes interest free on a monthly basis.

Section 2. Definitions

For the purposes of this ordinance, the terms used herein shall be defined as follows:

2.1 -Taxpayer shall mean any individual and business (commercial/industrial) that has a tax obligation, real estate and/or personal, with the Town.

2.2 -Real Estate as defined by M.R.S.A. Title 36 § 551. Personal Property as defined by M.R.S.A. Title 36 § 601.

2.3 -Coupon booklet shall mean the receipt book, as designed by the Tax Collector, used for the tax club program. Tax club program is a convenient program which enables any taxpayer to make monthly payments on their tax obligation.

2.4 -Town means the Town of Chelsea.

Section 3. Authority

The Board of Selectmen shall authorize the Tax Collector on an annual basis, on such terms and conditions as outlined in this ordinance, to allow taxpayers to join a tax club program. To qualify for monthly payment of tax assessments, the taxpayer must sign a register indicating the taxpayer's election to comply with this ordinance. The register shall be maintained by the Tax Collector at the Town Office.

Section 4. Procedures

A taxpayer, who elects to join the tax club program, shall adhere to the following regulations:

- A. All accounts in the taxpayer's name, or any accounts the taxpayer may have any financial interest in, must be currently paid in full before a coupon booklet may be issued for the taxpayer's real estate and/or personal property tax obligation.
- B. If the taxpayer owes both real estate and personal property taxes, and elects to join the tax club program for just one of the accounts, the taxpayer must pay the other account in full for the following tax year.
- C. Tax clubs must be started no earlier than May 1 of each year for the next fiscal year, with the payment due dates set annually by the Town Meeting. NO CLUBS will be accepted after July 1.
- D. There will be a total of 12 payments. Failure to pay any amount due by its due date will result in removal from the tax club and penalties will be charged as stated in this ordinance.

- E. In order to avoid the penalty, the first half of the current taxes must be paid in full by the October payment, and the second half must be paid in full by the April payment. Interest will be charged, as set by the Town Meeting yearly for all taxes, for any unpaid balance or for any removals from this program.
- F. Monthly payments will be calculated using 105% of the prior year's taxes and adjusted on the first payment after the commitment date to reflect the current tax bill.
- G. Any amount once paid cannot be withdrawn, refunded or transferred to another account.
- H. A taxpayer who has agreed to these terms shall be issued a coupon booklet. This booklet will need to be brought in when the taxpayer makes a payment; or, if the taxpayer pays by mail, the taxpayer will need to detach the coupon and mail it with the payment.
- I. If the taxpayer owes personal property and real estate taxes, the taxpayer may combine the amount due for each and make one payment. However, the personal property tax account will be credited first.

Section 5. Administration and Enforcement

The Tax Collector is hereby authorized to administer and enforce this ordinance.

Section 6. Penalty

Any taxpayer who violates any provision of this ordinance shall be subject to the provisions and penalties of Section 4-D. and Section 4-E.

Section 7. Severability

Should any provision of this ordinance be declared by a court to be invalid, such decision shall not invalidate any other section or provision of this ordinance.

APPROVED AT THE JUNE 13, 2013 TOWN MEETING

Town of Chelsea

Monthly Tax Club Payment Plan Agreement 2013-2014

PURPOSE OF PLAN: The Tax Payment Plan benefits the tax payer by relieving the purpose of dual lump sum payments and enabling one to budget those obligations out over a 12 month period as well as avoiding interest charges. This in turn benefits the Town by creating a more predictable cash flow.

* * * * *

* *

I, (we), the undersigned, do hereby agree to pay the estimated 2014 tax bill in twelve (12) payments for the months July 2013 to June 2014, inclusive. All payments are rounded off to the nearest dollar for ease in bookkeeping until the final payment. **Payments shall be made by the 5th of the month.**

You will receive a bill in June for the first two months only (July and August) of estimated installments owed. When the annual billing is committed, you will then receive your official payment book with your calculated monthly payments.

If two (2) consecutive payments are missed, this agreement shall become null and void and interest on the balance will begin to accrue at the normal Town interest rate, beginning from the date of the last payment.

It is not the responsibility of the Town to notify a Payment Plan member of delinquent payments. **Payment Plan participants will receive the yearly reminder notices prior to April 30th, 2013, mailed to all tax payers with a balance.**

Questions contact Lisa Gilliam @ 582-4802 or townclerk@chelseamaine.org

Name of Property Owner(s)

1) _____

2) _____

Mailing Address:

Physical Property Location:

Map/Lot #: _____ Phone: _____

Email: _____

Signature (s)

Owner: 1) _____ Date: _____

Owner: 2) _____ Date: _____

OFFICE USE ONLY

Account Number	
Estimated 2013 Taxes	
July & August 2013 Payment	
Date 1 st Payment Due	
Annual Taxes	
# of Payments	
Monthly Payment Amount	

Approved By: _____

Date: _____