

**DEPARTMENT OF TAXATION
2017 Fiscal Impact Statement**

1. **Patron** Richard C. Sullivan, Jr.
3. **Committee** House Finance
4. **Title** Delinquent Taxes; Publication of List by
Treasurer

2. **Bill Number** HB 1463
House of Origin:
 X **Introduced**
 Substitute
 Engrossed
- Second House:**
 In Committee
 Substitute
 Enrolled

5. Summary/Purpose:

This bill would authorize the treasurer of a locality to publish any list of delinquent taxes deemed advisable.

Under current law, local governing bodies can require local treasurers to create lists for six enumerated categories of delinquent or uncollectible taxes. A local governing body is currently authorized to publish only two of those lists: 1) the list of real estate on the commissioner's land book improperly placed thereon or not ascertainable, with the amount of taxes charged thereon, and 2) the list of other real estate which is delinquent for the nonpayment of taxes thereon so long as the taxes owed are billed and greater than \$20.

The effective date of this bill is not specified.

6. **Budget amendment necessary:** No.
7. **Fiscal Impact Not Available** (See Line 8.)
8. **Fiscal implications:**

Administrative Costs

Localities may experience an unknown cost to publish additional lists under this bill. However, costs incurred by localities pursuant to publishing lists are recoverable from delinquent taxpayers.

Revenue Impact

Local revenues may increase by an unknown amount due to the possibility of increased collectability of delinquent taxes by localities that choose to publish additional lists of delinquent taxpayers.

This bill would have no impact on state revenues.

9. Specific agency or political subdivisions affected: All localities.

10. Technical amendment necessary: No.

11. Other comments:

Publishing of Delinquent Taxpayers Lists

Under *Va. Code* § 58.1-3921, the treasurer of each locality is required to create lists for six categories of uncollected and delinquent taxes no later than 60 days after the end of the fiscal year. The categories of delinquent or uncollected taxes include:

1. Real estate improperly placed or not ascertainable on the commissioner's land book with the amount of taxes charged;
2. Other real estate which is delinquent for nonpayment of the taxes on the property;
3. Uncollected taxes assessed on tangible personal property, machinery and tools and merchant's capital, and other subjects of local taxation other than real estate;
4. Uncollected taxes amounting to less than twenty dollars each for which no bills were sent;
5. Uncollected balances of previously billed taxes amounting to less than twenty dollars each, which the treasurer has determined that the costs of collecting would exceed the amount recoverable, along with any balance the treasurer has reason to believe that the taxpayer purposely paid less than the amount owed.
6. Uncollected balances of previously billed taxes on vehicles that (i) were owned by taxpayers, now deceased, upon whose estates no qualification has been made, or (ii) were transferred to bona fide purchasers for value without knowledge on the part of the persons so transferring of the unpaid taxes.

Under current law, localities are authorized to publish, in a newspaper or on the internet, full or partial lists only from categories (2) and (3). The costs, if any, of publishing such lists are paid for by funds allocated by localities for that purpose. Those costs may be charged ratably to the delinquent taxpayers listed.

Proposal

This bill would allow local treasurers to publish any lists of delinquent taxpayers that they deem advisable.

cc : Secretary of Finance

Date: 1/15/2017 VB
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