

LOCAL LAW NO. 7 of 2018
COUNTY OF OTSEGO, NEW YORK

**A LOCAL LAW TO AMEND LOCAL LAW NO. 1 of 2017 TO PROVIDE FOR THE
INSTALLMENT PAYMENT OF ELIGIBLE DELINQUENT TAXES PURSUANT TO REAL
PROPERTY TAX LAW SECTION 1184**

BE IT ENACTED by the Board of Representatives of the County of Otsego as follows:

Section 1. Definitions.

As used in this local law:

A. "Eligible delinquent taxes" means the delinquent real property taxes, including interest, penalties and other charges, which have accrued against a parcel as of the date on which an installment agreement is executed.

B. "Eligible owner" means an owner of real property who is eligible to or has entered into an installment agreement.

C. "Enforcing Officer" means the Otsego County Treasurer.

D. "Installment agreement" means a written agreement between an eligible owner and the Enforcing Officer providing for the payment of eligible delinquent taxes in installments pursuant to the provisions of Section 1184 of the Real Property Tax Law and this local law adopted thereunder.

Section 2. Application.

This local law shall apply to all classes of properties within Otsego County. Installment payment of eligible delinquent taxes shall be available to each eligible owner on a uniform basis pursuant to the provisions of Real Property Tax Law section 1184 and this local law. Installment payment of eligible delinquent taxes shall commence upon the signing of an installment agreement between the Enforcing Officer and the eligible owner, which agreement shall be kept on file in the office of the Enforcing Officer.

Section 3. Installment agreement provisions.

Such installment agreement shall provide:

A. A maximum term, which shall not exceed twelve months;

B. A payment schedule, which shall be monthly, bimonthly, quarterly or semi-annually;

C. A required initial down payment, which shall not exceed 25 per cent of eligible delinquent taxes, although an eligible owner may make a larger initial down payment if the eligible owner so chooses;

D. Such other terms and conditions consistent with the provisions of Real Property Tax Law section 1184 and this local law as the Enforcing Officer shall deem appropriate in the best interests of Otsego County.

Section 4. Restrictions.

A property owner shall not be eligible to enter into an installment agreement where:

A. there is a delinquent tax lien on the same property for which the application is made or on another property owned by such person and such delinquent tax lien is not eligible to be made part of the agreement pursuant to this local law;

B. such person is the owner of another property within the county on which there is a delinquent tax lien, unless such delinquent tax lien is eligible to be and is made part of an installment agreement pursuant to this local law;

C. such person was the owner of a property on which there existed a delinquent tax lien and which lien was foreclosed within three years of the date on which an application is made to execute an installment agreement pursuant to this local law; or

D. such person defaulted on an agreement executed pursuant to this local law within three years of the date on which an application is made to execute an agreement pursuant to this local law.

Section 5. Eligibility Date.

A property owner shall be eligible to enter into an installment agreement no earlier than thirty days after the delivery of the return of unpaid taxes to the Enforcing Officer **and no later than October 31st of the current year.**

Section 6. Amount Due.

The amount due under an installment agreement shall be the eligible

delinquent taxes plus the interest that is to accrue on each installment payment up to and including the date on which each payment is to be made. The agreement shall provide that the amount due shall be paid as nearly as possible in equal amounts on each payment due date. Each installment payment shall be due on the last day of the month in which it is to be paid.

Section 7. Interest and Penalties.

Interest on the total amount of eligible delinquent taxes, less the amount of the down payment made by the eligible owner shall be that amount as determined pursuant to Section 924 (a) of the Real Property Tax Law or such other law as may be applicable. The rate of interest in effect on the date the agreement is signed shall remain constant during the period of the agreement. If an installment is not paid on or before the date it is due, interest shall be added at the applicable rate for each month or portion thereof until paid. In addition, if an installment is not paid by the end of the fifteenth calendar day after the payment due date, a late charge of five percent of the overdue payment shall be added.

Section 8. Default.

A. The eligible owner shall be deemed to be in default of the installment agreement upon:

- (i) Non-payment of any installment within thirty days from the payment due date;
- (ii) Non-payment of any tax, special ad valorem levy or special assessment which is levied subsequent to the signing of the agreement by the tax district, and which is not paid prior to the receipt of the return of unpaid taxes by the Enforcing Officer, or
- (iii) Default of the owner on another installment agreement made and executed pursuant to this local law.

B. In the event of a default, the Enforcing Officer shall have the right to require the entire unpaid balance, with interest and late charges, to be paid in full. The Enforcing Officer shall also have the right to enforce the collection of the delinquent tax lien pursuant to the applicable sections of law, special tax, charter or local law.

C. Where an eligible owner is in default and the Enforcing Officer does not either require the eligible owner to pay in full the balance of the delinquent taxes or elect to institute foreclosure proceedings, the Enforcing Officer shall not

be deemed to have waived the right to do so.

Section 9. Notification of Potential Eligible Owners.

A. Within forty-five days after receiving the return of unpaid taxes from the collecting officer, or as soon thereafter as is practicable, the Enforcing Officer shall notify by first class mail all potential eligible owners of their possible eligibility to make installment payments on such tax delinquencies. The Enforcing Officer shall add one dollar to the amount of the tax lien for such mailing.

B. The failure to mail any such notice or the failure of the addressee to receive the same shall not in any way affect the validity of taxes or interest prescribed by law with respect thereto.

C. The Enforcing Officer shall not be required to notify the eligible owner when an installment is due.

Section 10. Tax Lien.

The provisions of this local law shall not affect the tax lien against the property except that the lien shall be reduced by the payments made under an installment agreement, and that the lien shall not be foreclosed during the period of installment payments provided that such installment payments are not in default.

Section 11. Effective Date.

This local law shall take effect immediately upon the filing of this local law with the Secretary of State.

Material in BOLD is added.

This local law is offered by the Administration Committee.