

ORDINANCE NUMBER: 2018-09

AN ORDINANCE TO ALLOW FOR THE PARTIAL PAYMENT OF PROPERTY TAXES AND TO AMEND TITLE 5, SECTION 2 OF THE TOWN OF SIGNAL MOUNTAIN CODE.

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**WHEREAS**, Public Chapter No. 660 of the 2010 Public Acts and T.C.A. § 6-56-109 authorizes any municipality that collects its own property taxes to accept partial payments of local real property taxes; and

**WHEREAS**, Chapter 660 requires any such City to first file a plan with the State Comptroller of the Treasury stating if the municipality has the accounting system technology to operate a partial payment of property taxes program and whether the program will be implemented within existing operating resources of the municipal department collecting the tax; and

**WHEREAS**, the Town Manager has filed such a plan with the Comptroller and has indicated that the Town has the accounting system technology to implement a program for partial payment of property taxes and that no additional resources will be required; and

**WHEREAS**, the Comptroller's Director of the Division of Municipal Audit approved the Town Manager's request on 08/22/2018

**NOW, THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SIGNAL MOUNTAIN, TENNESSEE, AS FOLLOWS:**

**SECTION 1.** Title 5, Section 2 of the Town of Signal Mountain Municipal Code shall be amended to allow the Town to accept partial payments of property taxes in accordance with applicable state law by adding a section 5-204 as follows:

**5-204. Partial Payments of Property Taxes:**

- (a) The Town Manager or his/her designee shall accept partial payments of annual property taxes. Notwithstanding the following schedule, the entire amount of taxes and fees due must be paid in full prior to the first day of March following the year of levy otherwise interest and penalties will be applied on balance on March 1.
- (b) No penalties, fines, interest or other fees shall be assessed against the payer of taxes or fees except as provided by the Town of Signal Mountain Municipal Code and/or the laws of the State of Tennessee.
- (c) Prior to the final reading of this ordinance, the Town Manager shall transmit to the State Comptroller of the Treasury a copy of this ordinance which shall serve

as the plan required by T.C.A. § 6-56-109(b). To fulfill this requirement, the Town hereby declares that:

1. The Town has the appropriate accounting system technology to implement this program; and
2. The Town can implement this program with existing resources.

(d) The Town's Partial Payment Plan will be as follows:

1. Current year property tax bills are mailed in October with a due date of October 1. Taxes may be paid in full or in partial payments without penalty and interest from the time they are due through February of the following year.
2. Any partial payment made within ten (10) days of the delinquency date, or at any time following such delinquency date, may subject the property to a tax lien and enforcement by tax sale or other legally authorized procedures.
3. Partial payments of Property Taxes are subject to the following:
  - A. This plan shall NOT apply to the following:
    - i. Properties that have applied for bankruptcy;
    - ii. Escrow accounts.
  - B. No more than one (1) partial payment shall be made in one calendar month;
  - C. May not be made in installments of less than \$50.00, except for final payment;
  - D. Cancelled Check will serve as a receipt for taxpayers who mail in payments by check.
  - E. Payments received March 1 or later following year of levy are subject to penalty and interest.
  - F. Payments made after the delinquency date or after the last day of February will be applied as outlined below in Item J.
  - G. Partial payments received on or after the first day of any month following the last day of February will decrease the penalty and interest for the following month only.
  - H. Partial payment may be made by cash (except for mail in payments), credit card (including online payments), debit card, check or money order.
  - I. Partial payments will be applied to the oldest year with delinquent amounts due that are not in bankruptcy or filed in Chancery Court.
  - J. Partial payments will be applied in the following order:
    - i. Oldest year first for current owner
      - a. Interest

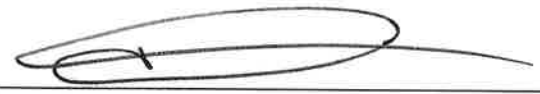
- b. Fee
- ii. Property taxes
  - a. Oldest year first not filed in Chancery Court
    - (1) Interest and penalty
    - (2) Tax
- K. Any partial payments must be remitted to: Signal Mountain Town Hall, 1111 Ridgeway Avenue, Signal Mountain, TN 37377.

**SECTION 2.** That this ordinance shall take effect immediately after its passage upon second and final reading.

Passed First Reading: August 13, 2018

Passed Second Reading: August 24, 2018

  
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Chris J. Howley, Mayor

  
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Recorder