

# The Real World of Tax Collection

CHANGING PERCEPTIONS



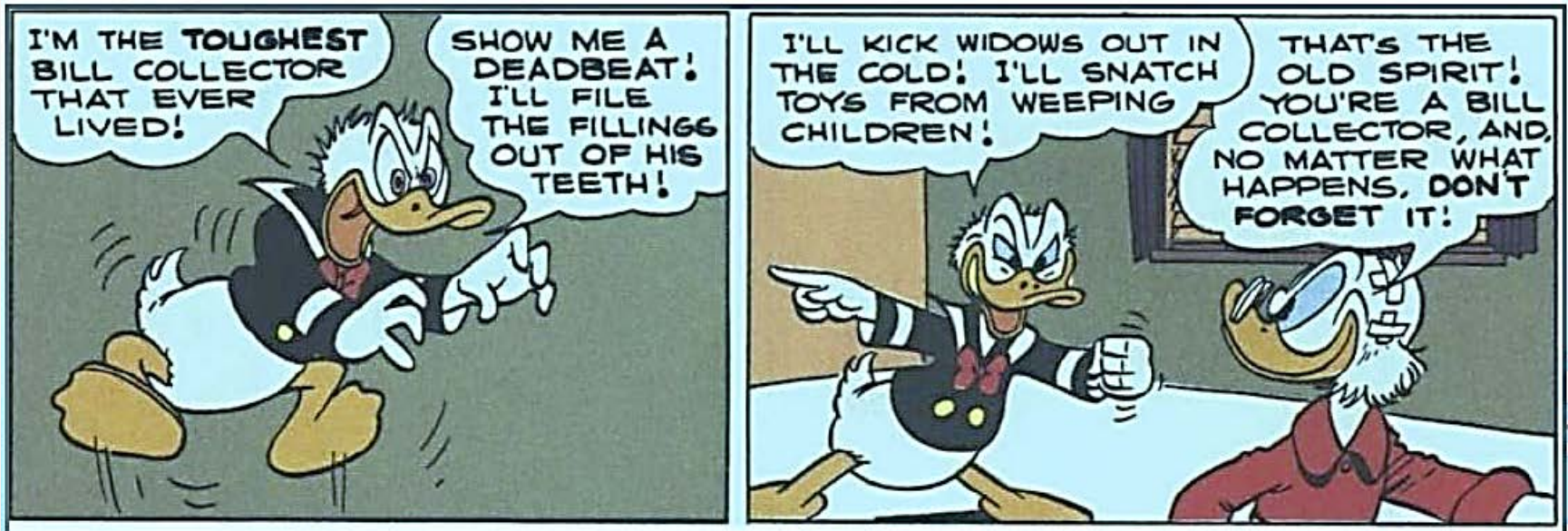
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# OVERVIEW

- How does the public's perception of tax collection differ from reality?
- What are "unsecured collections"?
- Unsecured collections: reactive vs proactive
- Proactive techniques
- Collection process – the escalation of enforcement

# WHAT IS THE PUBLIC PERCEPTION OF TAX COLLECTORS?

Some are portrayed as the “bad guy.”



# THE ROLE OF TAX COLLECTORS

- Tax collectors oversee the billing, collection and accounting for all personal and real property taxes levied in the county. Further, the tax collector collects taxes on mobile homes, transient occupancy tax, and business license fees.
- Tax collectors operate under the state constitution and statutes principally codified in the revenue and taxation code.

# TAX COLLECTION IS IMPORTANT

- Property tax collections support vital County services and fund many important programs.
- Property tax collections are a stable revenue source that helps to fund:
  - law enforcement
  - fire fighters
  - schools
  - road maintenance
  - senior programs
  - local government staff salaries

# UNSECURED PROPERTY TAX

- Some property taxes are called "Unsecured" because the taxes are not secured by real property (such as land).
- Unsecured property tax is based on the value of the property.
- The person or entity assessed for the tax is liable for the payment of the taxes.
- Unsecured taxes are also referred to as personal property taxes.
- Types of properties that are assessed unsecured taxes include watercraft, airplanes, business personal property and business fixtures.

# REACTIVE VS. PROACTIVE TECHNIQUES

- A proactive approach focuses on eliminating problems before they have a chance to appear.
- A reactive approach is based on responding to events after they have happened.



# KEYS TO PROACTIVE COLLECTIONS

- Develop sources of information
- Develop internal processes and procedures
- Know the moorays of the community and tailor them to collection efforts (i.e., starting times, lunch hour contacts, closing times, after normal business hours, weekends)
- Develop a rapport and advocate for compliance



# COMPLIANCE IS THE GOAL!

- Collection efforts
- Phone calls
- Notices
- Face-to-face visits
- Payment plans

# CONSEQUENCES OF NON-COMPLIANCE

- **Taxpayer consequences**
  - Penalties and fees
  - Liens
  - Business license revocation
  - Seizure and sale

# CONSEQUENCES OF NON-COMPLIANCE

- **County consequences**
  - Cost for staff time
  - Loss of revenue
  - Loss of interest
  - Potential loss of services

# VISIBILITY IN COLLECTIONS GENERATES PAYMENTS

WORD WILL SPREAD WHEN  
CONSEQUENCES ARE ENFORCED

# COMMUNITY OUTREACH

- Education
  - Presentations
  - Pamphlets/Brochures
- Information
  - Press Releases
- Point of Contact
  - Public Partners

# QUESTIONS

