

RHODE ISLAND TAX COLLECTOR'S ASSOCIATION

TAX COLLECTING IN RHODE ISLAND

TYPES OF TAXES COLLECTED AND BILLING CYCLES

Rhode Island towns, cities and fire districts are required to operate on the Uniform Fiscal Year. State statutes dictate the procedures to be followed for the billing and collection of taxes and the record keeping involved. Statutes are strictly construed, with authority existing only if specifically granted by statute. Statutes govern when and how bills are sent; what notice is to be given or published concerning taxes; the rate and applicability of interest; how liens are applied; what means of delinquent collections are permitted; and so forth.

Personal property and motor vehicle taxes are generally the most difficult to collect, for numerous reasons. Some towns and cities also bill for water and/or sewer charges, for various special assessments (sewer, sidewalk, etc.), or other charges such as parking tickets, dump permits, etc. Some tax collectors are responsible for collecting and processing all municipal revenue – hence the term, “collector of revenue.” Usually, real estate taxes will comprise the largest dollar amount of collections for a town, followed by either motor vehicle taxes or personal property (business) taxes.

TAX SALE

Tax Sale is more complex but highly effective method whereby the town, after a series of notifications to the property owner and other lien holders, seizes the actual tax delinquent property, selling at public auction, the collector shall execute and deliver to the purchaser a deed of the land, stating the cause of sale, the price for which the land was sold, the places where the notices were posted, the name of the newspaper in which the advertisement of the sale was published, the residence of the grantee, and if notice of the sale was given to the Rhode Island Housing and Mortgage Finance Corporation and or to the Department of Elderly Affairs under the provisions of RIGL 44-9-10, the collector shall include an affirmative certification as to which entity/entities received notice and the date(s) on which each such notice was given which shall set forth in the collector's deed. The deed shall convey the land to the purchaser, subject to the right of redemption. The conveyed title shall, until redemption or until the right of redemption is foreclosed, be held as security for the repayment of the purchase price, with all intervening costs, terms imposed for redemption, and charges, with interest, and the premises conveyed, both before and after either redemption or foreclosure, shall also be subject to and have the benefit of all easements and restrictions lawfully existing in, upon, or over the land or appurtenant to the land. The deed is not valid unless recorded within sixty (60) days after the sale. If the deed is recorded it is prima facie evidence of all facts essential to the validity of the title conveyed by the deed. It shall be the duty of the collector to record the deed within sixty (60) days of the sale and to forward said deed promptly to the tax sale purchaser. The applicable recording fee shall be paid by the redeeming party. Except as provided, no sale shall give to the purchaser any right to either the possession, or the rents, or profits of the land until the expiration of one year after the date of the sale, nor shall any sale obviate or transfer any responsibility of

an owner of property to comply with any statute of this state or ordinance of any municipality governing the use, occupancy, or maintenance or conveyance of property unit the right of redemption is foreclosed.

Following the sale the owner then has twelve month redemption period during which he may redeem by paying the amount of the bid, shall be ten percent (10%) of the purchase price if redeemed within the first six (6) months after the date of the collector's sale, and an additional one percent (1%) of the purchaser price for each succeeding month, together with all charges lawfully added for intervening taxes, which have been paid to the municipality, plus interest thereon at of one percent (1%) per month, and expenses assessed subsequently to the tax collector's sale. The right of redemption may be exercised only by those entitled to notice of the sale pursuant. The tax sale statute places the decisions concerning tax sale in the hands of the collector, who has discretion to decide what to sell or what not to sell, and when, as well as the right to adjourn the sale. The statute includes a strict timetable of notifications, which must be followed with regard to the owner and the other lien holders, because if the property is sold and not redeemed within the twelve month redemption period, the property passes to the bidder free of prior liens. The tax collector may establish the rules of the auction and is responsible for the handling of all funds received.

PERSONAL TAX

There is a state statute which enables a tax collector to deny or to revoke the permit of a business enterprise which has delinquent personal property taxes. This is a very effective tool. State statutes allow a town of deny building permits for tax delinquent on property. Both of these statutes are "local option," meaning they are allowed by the state, but must be adopted by resolution of the municipality's legislative body before implementation.

MOTOR VEHICLE EXCISE TAX

There are numerous regulations concerning motor vehicle tax delinquencies; however, the chief means of collection enforcement for these taxes remains the "hold" or "stop" on registrations issued by the state Department of Motor Vehicles (DMV). Municipal tax collector submit delinquency lists to DMV on a regular basis; DMV then "flags" the registration renewals of registrants owing past due property taxes. Those taxpayers must then obtain a "release" or clearance slip from the local tax collector, evidencing that their motor vehicle taxes are fully paid, before DMV will renew an existing registration or issue a new one in that name.

There are numerous problems with the system as it currently exists. Some taxpayers seem to avoid getting "flagged" at DMV, even though their names are faithfully submitted. There are always problems with others, very often family members, who have the same name, since the flag operates by name. The biggest problem, however, remain the fact that although taxes are due annually, motor vehicle registrations renew on a two year cycle. Consequently, many taxpayers wait until they need to renew their registrations, up to 24 months after their tax bill came due, before being compelled to pay. In the meantime, taxpayers can move to another town or even out of state. Many taxpayers attempt to register their vehicles at out of state addresses in order to avoid the Rhode Island tax, particularly if they own expensive cars.

Tax collectors work in conjunction with assessors to process changes to the grand list of taxable property; however, it is the assessor who is responsible for determining if a taxpayer is entitled to a tax abate (for example, for disposing of a vehicle during the tax year). Much of a tax collector's time is spent on minor changes to motor vehicle records, and explaining the applicability of changes of this nature to taxpayers.

DEVELOPMENTS IN TAX ADMINISTRATION

Tax collecting has become vastly more complicated in recent years with various legislative changes to existing statutes such as the tax sale statute, and with many more options for delinquent collection enforcement now being available, such as tax lien assignments, brownfields remediation, and so forth. Even so-called "simple" things like interest calculations become complicated by property splits, assessment appeals, and so forth. Also, computer technology has changed, allowing for greater automation and greater speed and efficiency in processing large quantities of payments. Bills with scan lines, postal bar codes, optical character recognition (OCR) for automated lockbox processing, "tape to tape" processing, and so on are becoming commonplace even in smaller municipalities.

Motor vehicle taxes in Rhode Island remain the subject of scrutiny because of the wide fluctuations in the local municipal mill rates. This means that two taxpayers driving the exact same make and model of vehicle may pay widely disparate tax bills, depending on their town of residency, driving the exact same vehicle. This is considered an inequality, and rightly so; however, nobody has been able to agree on what to do about it.

TAX RELIEF

There are numerous statutes concerning tax relief, which is an important issue in Rhode Island, because of the heavy reliance on the property tax. Programs exist in every municipality to provide tax relief for, among others, senior citizens, disabled persons, veterans, certain manufacturing entities, owners of farmland, and so on. There are state reimbursed programs administered by the town, as well as supplemental town programs in many municipalities with an emphasis on tax relief for low income senior citizens.

EDUCATION AND CERTIFICATION OF TAX COLLECTORS

In 2010, RIGL 44-5-83 was adopted. This law enables members of RITCA to attain certification, Certified Collection Personnel (RICCP). This is administered by the RITCA. The RITCA develops policy, management and a board. The Certification Board comprises 4 members, tax collectors that have been certified. The board will establish the courses and administer if needed. This board is also responsible for promulgating new regulations, when needed.

The current RICCP coursework includes a four – course program, a review for each course, a comprehensive final examination, and an experience requirement. The courses: two in tax collection law, in municipal finance, and in Rhode Island government, supervision and public relations.

RHODE ISLAND TAX COLLECTOR'S ASSOCIATION

CERTIFICATION REQUIREMENTS

Chapter 44-5-83

Requirements for Certification by the Rhode Island Tax Collector's Association

A. Eligibility for Certification

Needs one (1) years tax experience

B. Certification Board

Presently appointed by Executive Board, subsequently elect

C. Educational Requirements for Certification

Study Guide provided by Education Board

D. Comprehensive Test

Test approved by Certification Board

E. Applications and Records

Maintain by Executive Secretary

F. Evidence of Certification

Certification

G. Lifetime Certification

Any retired Certified Tax Collector is entitled to that honor.

**Requirements for Certification by the
Rhode Island Tax Collectors' Association
RIGL 44-5-83**

A. Eligibility for Certification

1. The certification program shall be available to Public Revenue and Collection Officials. These Officials must meet the requirements as set forth by the Executive Board, once Certification Board is appointed this will be delegated. Deputy Tax Collectors must either be appointed by the governing body or function as senior officials in the tax office who carry duties substantially similar to Deputy Tax Collectors appointed. Other support staff may earn certification as an Assistant.
2. To be certified, the person applying for certification must have served in the tax collection position for which certification is sought for at least one year.
3. An application for certification as a Public Revenue and Collection Official must be signed by the supervisor for the taxing unit in which the applicant is employed. By signing the application, the supervisor is verifying that, to the best of his or her knowledge, the applicant is eligible for certification in the position for which certification is sought.
4. The person applying for certification must have completed certain educational requirements as provided in Part C and passed the certification written test.
5. Once certified, a person must complete certain annual continuing education requirements as provided in Part D in order to maintain the certification.
6. The applicant must be a member in good standing of the RITCA, with no outstanding dues owed to the RITCA. Once certified, the applicant must remain a member of the RITCA.

B. Certification Board

1. The president of the Rhode Island Tax Collectors' Association shall appoint a Certification Board of no less than three members. The board shall consist of Public Revenue and Collection Officials, and the immediate past president of the association. A quorum shall consist of two members.
2. The terms of office for the initial board shall be three years.
3. Terms of office of subsequent board members shall be no less than three years.

4. Beginning with appointments made in 2013 and each year thereafter, each person appointed to the board, except the immediate past president, shall be a Certified Tax Collector.
5. The president shall serve as Chairman of the Committee.

C. Educational Requirements for Certification

Tax Collection Certification shall require the successful completion of the required courses successfully.

Required Courses: Study guide provided by RITCA.

D. Continuing Education Requirements

1. To retain Certification, the Certified Tax Collector must be in good standing with RITCA and must attend at least one (1) RITCA meeting per year. The Certified Tax Collector must also keep themselves educated on any Legislative changes and changes to the duty of Tax Collections.

E. Comprehensive Test

A comprehensive test is given. The test has been approved by the Certification Board.

F. Applications and Records

1. Applications must be submitted to the Education Board 30 days prior to taking the Certification test.
2. The Secretary of the RITCA's Certification Board shall maintain all records regarding certification.
3. Recipients will be honored at a RITCA regular meeting . The Certifications' Board will present each approved member with a RICC or RICCP certificate. An official notification will be sent to the approved member and to the governing body/Manager of the member's Municipality.

G. Evidence of Certification

Certified Tax Collector shall receive a certificate approved by the board and signed by the Chairman of the Board

H. Lifetime Certification

Any retired Certified Tax Collector is entitled to that honor.

TITLE 44

Taxation

CHAPTER 44-5

Levy and Assessment of Local Taxes

SECTION 44-5-83

§ 44-5-83. Annual training institute for local tax collectors.

(a) The director of the department of revenue, in cooperation with the Rhode Island association of collection officers shall establish and conduct an annual training institute for local tax collectors. The training institute shall consist of certified training courses in such areas as recording of payments, reconciliation of tax, recording of abatements, banking, certificates of tax and other liens, bankruptcies, knowledge of state and local laws, and conducting a tax sale. For this purpose, the department may cooperate with educational institutions, local, regional, state, or national collections' organizations, and with any other appropriate professional organizations. The cost of said training program shall be at no cost to the state or municipality. A local tax collector who has successfully completed the training program, or who has obtained the necessary amount of credits, shall be awarded the designation of Rhode Island Certified Collector (RICC). Participation by a local tax collector at the training institute is not mandatory to continue working or to be hired without the designation "RICC."

(b) An applicant, who is a member of a local collector's staff, who has successfully completed the training program, or who has obtained the necessary courses, shall be awarded the designation of Rhode Island Certified Collector's Personnel (RICCP). Participation by the personnel or staff of a local tax collector at the training institute is not mandatory to continue working or to be hired without the designation "RICCP."

(c) The Rhode Island association of collection officers shall establish a program of recertification, approved by the department of revenue, for all designated members.

History of Section.

(P.L. 2012, ch. 13, § 1; P.L. 2012, ch. 14, § 1.)

Rhode Island Tax Collector's Association

Application for Certification

Instructions:

The applications for certifications must be completed and mailed to the following address.:

**Jo Anne Santos, Treasurer/Education Board Chair
Town of Charlestown
4540 South County Trail
Charlestown, RI 02813**

Recipients will be honored and receive certificate at any RITCA regular meeting. An official notification will be sent to approved members and to the governing board, council/Manager of the member's Municipality.

**Application for Certification
Rhode Island Tax Collector's Association**

Name: _____

Job Title: _____

Mailing Address: _____

Office Phone/Fax: _____

Town/City/County: _____

Email Address: _____

Years employed as Tax Collector: _____

Testing Site (please choose 1):

_____ Town of Smithfield - Caitlyn Choiniere – cchoiniere@smithfieldri.gov

_____ Town of Richmond – Marcy Alves – Taxcollector2@richmondri.com

_____ Town of Hopkinton – Mary Lynn Caswell – marylynn@hopkintonri.org

_____ Town of West Warwick – Rosemarie Silva – rmsilva@westwarwickri.org

_____ Town of West Greenwich – Charlene Randall – cgrandall@wgtownri.org

I certify that the above information is true and correct to the best of my knowledge.

Signature

Date

RITCA

EXECUTIVE BOARD CONTACT INFORMATION

Executive Board Officers

President

Rosemarie Silva, RICC
Town of West Warwick
rmsilva@westwarwickri.org

Vice President

Michelle DiMeo, RICC
Town of Bristol
mdimeo@bristolri.gov

Secretary

Caitlyn Choiniere, RICC
Town of Smithfield
cchoiniere@smithfieldri.gov

Treasurer/Education Committee Chair

Jo Anne Santos, RICC
Town Charlestown
jsantos@charlestownri.gov

Executive Board Members

Board Member/Meeting Coordinator

Charlene Randall
Town of West Greenwich
cgrandall@wgtownri.org

Board Member

Mary Lynn Caswell, RICC
Town of Hopkinton
marylynn@hopkintonri.org

Membership Committee Chair

Jane Steere, RICC
Town of Gloucester
jane@glocesterri.org

Membership Committee/Meeting Coordinator

Jane Steere
Town of Gloucester
jane@glocesterri.org