

No. 606-AR

SCHOOL DISTRICT OF THE BOROUGH OF MORRISVILLE

TAX COLLECTION PROCEDURES

It is the intent of the district to implement controls concerning the receipt of tax revenues and to establish procedures to assure accurate record keeping and the timely transmittal of cash receipts.

The tax collector shall take all necessary steps to implement the following guidelines:

1. Upon receipt of the tax duplicates, the tax collector shall prepare tax notices (bills) for every taxable whose name appears on such duplicate and such notices shall be sent not later than the first of July.
2. The tax collector shall furnish a surety bond in an amount equal to all the taxes to be collected by him/her as per the duplicates delivered to him/her. The sufficiency of the bond and the surety itself must be approved by the Court of Common Pleas. The premium cost for the bond shall be paid by the district.
3. The tax collector must deposit all tax monies, when received, on a daily basis directly into the general fund checking account of the district.
4. For cash payments received, the tax collector will be required to utilize triplicate cash receipts provided by the district. This receipt must be completed in full with the date, cash received, name of the taxable, parcel number and amount of monthly report to the district, another copy shall be given to the taxpayer upon payment and the final copy shall be retained by the collector for audit.
5. If a check received by the collector includes school, county and/or borough taxes, the collector must deposit that check into his/her own tax account and thereafter will immediately write a check to the district for the district's portion of taxes collected.

6. The tax collector shall deposit all tax payments received within twenty-four (24) hours of their receipt. On each day a deposit is made, a FAX, letter or other written notice must be sent to the Business Office indicating the total amount of taxes deposited that day. The notice shall include tax year for which payment was received and type of tax.

7. Monthly reports shall be filed with the district on forms provided or approved by the district detailing all transactions and outstanding balances for each type of tax on a year to year basis. Reports are due in the Business Office on the 10th day of each month. The tax Collector shall hold the report open no

more than five (5) days so as to include all mail postmarked the last day of the month. The postmark determines whether the tax shall be received at discount, face or penalty. The collector shall retain original envelopes for audit purposes.

8. Remuneration shall be made to the tax collector for his/her services for collection of real estate taxes as follows:

<u>Time of Payment</u>	<u>Amount of Payment</u>	<u>Proof Required</u>
1st payment due tax bills by July 30	50% or \$5,500	Proof of mailing
2nd payment due taxes are when 85% of taxes that 85% are collected has been District's	35% or \$3,850	Letter to District collected stating (i.e., \$x,xxx,xxx) deposited in the account.
3rd payment due with final after filing lien attached, and verification list liens have the County.	15% or \$1,650	Letter to District lien list verification that the been filed with

The district reserves the right to withhold all or any portion of remuneration due the tax collector if the tax collector has not fully complied with these guidelines.

9. It shall be the duty of the tax collector to make every possible effort to assure the accuracy of the tax duplicate using the information on hand at the time tax notices are sent. A copy of all deeds recorded by the Recorder of Deeds for a given month will be sent to the collector to ensure notices are being sent to the legal owner of the property.

10. Reimbursable expenses shall be paid in accordance with the School Code and the Local Tax Collection Law and will specifically include printing, postage, data processing, costs and charges. Original third party documentation and receipts must be maintained and submitted to the district when requesting reimbursement.
11. The tax collector must strictly comply with the statutory mandates of the Local Tax Collector Law, borough code, School Code and all resolutions passed by the School Board.
12. The district reserves the right to appoint an auditor to ensure compliance with these guidelines. If an auditor is retained, the tax collector shall cooperate fully and completely with the designated auditor.