

ORDINANCE NO. 14996

FILE OF CITY COUNCIL

BILL NO. 31 - 2012

MAY 2, 2012

AN ORDINANCE

Amending Article 394, Fees for Collecting Delinquent Accounts, by adding Section 394.06 - Fees Associated with Berkheimer for the Collection of Delinquent LST and Per Capita Taxes of ACT511.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: that the following schedule of collection costs to be imposed and added to regular non-caps delinquent tax, be added as article 394.06

394.06 Fees Associated With Berkheimer For The Collection Of Delinquent LST And Per Capita Taxes Of Act 511.

A. TAXPAYER NOTIFICATION AND ADMINISTRATION

- 1) Taxpayer late filing, Failure to File, Underpayment or Failure to Pay notice \$25.00
- 2) Employer late filing notice or underpayment penalty notice for quarterly or annual earned income tax or local services tax return or reminder notice 10% of the tax, penalty and interest due-minimum charge \$50.00 \$50.00
- 3) Delinquent account servicing fee, including records imaging or other detailed recordkeeping, office staffing, computer equipment and software, office space, telephone, printing and imaging equipment, supplies used to generate delinquent notices and to establish payment plans. 10% of tax, penalty and interest due-minimum charge \$50.00 \$50.00
- 4) Establishment of Payment Plan (per planned payment) \$5.00
- 5) Fee for check returned from bank or failed electronic payment (NSF, Acct. Closed, etc). \$29.00
- 6) Notice of intent to file suit. \$50.00

- | | |
|---|---------|
| 7) Certified Taxpayer notice prior to wage attachment | \$25.00 |
| 8) Employer wage attachment notice. | \$25.00 |
| 9) Paid before Service | \$10.00 |

B. LITIGATION

- | | |
|--|------------|
| 1) Prepare Magisterial District Court complaint. | \$75.00 |
| 2) Prepare for hearing. | \$100.00 |
| 3) Attend Magisterial District Court trial or hearing. | \$150.00 |
| 4) Attend Constable Execution sale. | \$350.00 |
| 5) Prepare Arbitration complaint/appeal. | \$150.00 |
| 6) Attend Trial. | \$350.00 |
| 7) Enter default judgment. | \$150.00 |
| 8) Issue Sheriff Writ of Execution. | \$250.00 |
| 9) Attend Sheriff Sale. | \$250.00 |
| 10) Non-litigation legal work. | \$70.00/hr |
| 11) Litigation legal work. | \$80.00/hr |
| 12) All other clerical work not itemized above. | \$60.00/hr |

C. AUDIT OF EMPLOYERS HOLDING TAXES IN TRUST

1) Tax Assessed Cost:

\$40.00 - 100.00	\$31.25
\$101.00 - 500.00	\$62.50
\$501.00 - 1,000.00	\$125.00
\$1,001.00 - 5,000.00	\$312.50
Over \$5,000.00	\$1,000.00

Civil Complaint: Court cost is advanced by Berkheimer and billed on a monthly basis to the taxing body. This cost is recovered at the time judgment is issued in favor of the taxing body and is reimbursed to the taxing body when paid by the taxpayer.

Judgment Execution: Cost for either lien filing fee or actual Sheriff Sale is advanced by Berkheimer and billed to the taxing body on a monthly basis. Once the cost is recovered from the taxpayer it is reimbursed to the taxing body. All mechanics in either case are handled by Berkheimer.

Notices, which are in most cases used mutually exclusive from one another, may be sent in any order depending on collection efforts required and associated charges are not listed in order of mailing or use. The fees and cost for notices may be cumulative based upon the number and type of notices that Berkheimer must send to successfully collect the delinquency.

All Costs also pertain to electronic tax returns, payments etc.

SECTION TWO: That this Ordinance will take effect ten (10) days after final passage.

SECTION THREE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

	Yea	Nay
Joe Davis	X	
Jeanette Eichenwald	X	
Cynthia Y. Mota	X	
Ray O'Connell, VP	X	
Mike Schlossberg	X	
Peter G. Schweyer	X	
Julio A. Guridy, Pres.	X	
TOTAL	7	0

I hereby certify that the foregoing Ordinance was passed by City Council on May 16, 2012 and signed by the Mayor on May 22, 2012.

Doreen D. Hamlin

CITY CLERK

- **What Department or bureau is Bill originating from? Where did the initiative for the bill originate?**

FINANCE

- **Summary and Facts of the Bill**

TO UPDATE ORD OF COLLECTING DELINQUENT ACCOUNTS (ARTICLE 394) WITH FEES ASSOCIATED WITH BERKHEIMER FOR THE COLLECITON OF DELINQUENT LST AND PER CAPITA TAXES

- **Purpose – Please include the following in your explanation:**
 - **What does the Bill do – what are the specific goals/tasks the bill seek to accomplish**
 - **What are the Benefits of doing this/Down-side of doing this**
 - **How does this Bill related to the City’s Vision/Mission/Priorities**

BERKHEIMER SCHEDULE OF COLLECTION COSTS TO BE IMPOSED AND ADDED TO DELINQUENT TAX OF LST PC (ATTACHED)

- **Financial Impact – Please include the following in your explanation:**
 - **Cost (Initial and ongoing)**
 - **Benefits (initial and ongoing)**

FEES DIRECTLY CHARGED TO THE TAXPAYER
IF CIVILJUDGEMENT ACTION REQUIRED CITY TO ADVANCE BERKHEIMER AND THEN RETURNED UPON RECOVERY FROM TAXPAYER

- **Funding Sources – Please include the following in your explanation:**
 - **If transferring funds, please make sure bill gives specific accounts; if appropriating funds from a grant list the agency awarding the grant.**

GF

- **Priority status/Deadlines, if any**

- **Why should Council unanimously support this bill?**

THIS UPDATES THE ORDIANCE TO HAVE THE FEES FOR DELINQUENT COLLECTION BY BERKHEIMER, THE COLLECTOR OF LST AND PC.