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Portage County Treasurer
Delinquency Processing Policy

Purpose.

The purpose of this policy is to establish clear and fair guidelines for the collection of delinquent property taxes in Portage County. This policy is written to balance our desire to help residents remain in and maintain their homes with the necessity of enforcing our mutual obligations to support public services.

Delinquency.

In Ohio, property taxes are considered “delinquent” if all or a portion of the required tax payment remains unpaid after each of the biennial collections established by the Treasurer’s Office (in February and July).¹ Taxes that remain unpaid at the end of each collection will be assessed a 10% late penalty,² and additional interest charges will be added to unpaid delinquencies in August and December thereafter.³ Penalties and interest appear on tax bills issued after they are incurred, along with the base amount of taxes owed.

If a taxpayer continues to owe outstanding taxes after a full collection cycle, the taxpayer will be *certified* delinquent. Certification of the delinquency triggers the collection process outlined below.

Timeline.

The Treasurer’s Office will send taxpayers with certified delinquencies a letter in April notifying them of the delinquency. This letter will also inform the taxpayer that the delinquent tax obligation may be sold at a tax lien sale if payment is not made or a payment plan is not established.

In May, the Treasurer’s Office will hold a tax lien sale for properties with certified delinquent taxes that have not made payment in full or established payment plan. Taxpayers who have failed to make payments in accordance with an existing payment plan will also be subject to this sale.

At the second half collection in July, outstanding current year taxes will be assessed a 10% late penalty on any unpaid balance, plus any outstanding penalties from the first half collection

¹ ORC 323.01

² ORC 323.121(B)

³ ORC 5703.47

in February. Additional interest will be charged on remaining certified delinquent taxes in August.

In September, the Treasurer's Office will mail taxpayers a second tax lien sale notice via certified mail. This notice will inform taxpayers that remaining delinquent balances will be sold after 30 days from the date of the letter if payment is not received, or if the taxpayer fails to establish a payment plan.

A tax lien sale will follow this letter in October tax lien sale follows this letter. All remaining certified delinquent taxes after the sale result in a red delinquent tax bill mailing. Taxpayers who fail to make a payment or set up a payment plan in response to this bill will have their names and properties published in the newspaper by the Auditor.

In December, any remaining certified delinquent taxes will be assessed additional interest.

All told, taxpayers who fail to make payment will be sent a total of two notices of delinquencies via tax bill, two letters notifying taxpayers of lien sales, and a final red tax bill notifying taxpayers of pending publication from our office. Continued failure to make payment will result in the publication of a final delinquency notice in the newspaper identifying the taxpayer and property by name and location.

If taxpayers fail to respond, or delinquencies fail to sell at the tax lien sale, the Treasurer's Office will institute foreclosure proceedings consistent with the provisions of this policy.

Tax Lien Sales.

When a taxpayer fails to make full payment, establish a payment plan, or defaults on an existing payment plan, the Treasurer will offer certified tax delinquencies for sale to a contracted third-party collection entity as permitted by law, who will then file tax liens for recovery of the outstanding debt.⁴ Certified delinquent taxes will generally be offered for tax lien sale on properties where the delinquency period exceeds two years.

Taxpayers will be sent a certified letter from the Treasurer's Office informing them that the delinquent taxes will be offered at a tax lien sale within 30 days from the date of the letter if full payment is not received.

Foreclosures – Generally.

If delinquencies are not sold at a tax lien sale on a property, or a taxpayer continues to accrue additional liens for a period of two years, the Treasurer's Office will begin foreclosure proceedings to satisfy those debts.

Our office prioritizes tax lien foreclosure filings based on the total amount of the outstanding tax obligation, followed by the duration of the delinquency. We reserve the right to move a

⁴ ORC 5721.30 – 5721.43.

property up in our priority rankings at the request of another political subdivision within Portage County or the Portage County Land Reutilization Corporation.

All properties with delinquencies of two years or more are subject to possible tax foreclosure, and our office reserves the right to begin proceedings at any point after that threshold is reached.

The rules of procedure for foreclosures will vary based upon the status of each individual parcel.

Foreclosures – Occupied Properties.

Where a property is occupied, the delinquent taxpayer will be afforded a final opportunity to make payment or establish a payment plan via a letter from the Treasurer's Office. If the taxpayer fails to complete either within 30 days of the date of the letter, or misses payment on an established payment plan, the Treasurer will institute a foreclosure filing through the Prosecutor's Office in the Portage County Court of Common Pleas.

Foreclosures – Vacant.

Where a property is vacant, the delinquent taxpayer will also be afforded a final opportunity to make payment or establish a payment plan via letter from the Treasurer's Office. This letter will also offer the taxpayer the option of conveying the property directly to the county utilizing a deed in lieu of foreclosure. If the taxpayer fails to complete any of these options within 30 days of the date of the letter, or misses payment on an established payment plan, foreclosure proceedings will begin.

The taxpayer will receive notice of this process via a letter from the Prosecutor's Office, which will inform the taxpayer that proceedings will begin within 30 days. If the outstanding tax debt remains unpaid after 30 days, the Treasurer will institute a foreclosure filing through the Prosecutor's Office in the Portage County Court of Common Pleas.

Payment Plans.

As noted above, taxpayers with delinquent taxes shall have the opportunity to establish a payment plan with our office. These payment plans are offered in 5-payment and 10-payment varieties.

Property owners on a payment plan must remain current on their tax bills, while also making payments on delinquent taxes under the plan. Late payment penalties and interest are deferred while a taxpayer remains on a payment plan.

In the event that a taxpayer defaults on the payment plan, or fails to make payment of current taxes, deferred late payment penalties and interest will be added to the outstanding delinquent balance. Failure to remain current on taxes will also result in additional tax liens.