

Public Act No. 15-156

An Act Concerning The Municipal Tax Collection Statutes.

Bill Donlin has gotten a bunch of feedback from collectors who are confused by the last 2 sentences in Section 1 of Public Act 15-156. Specifically the New Substituted Language.

The first sentence, with the New Substituted Language states: "The municipality shall follow written instructions from a party liable for taxes on more than one property as to which property or properties a specific payment shall be applied".

The second sentence states: "The municipality shall not be bound by any notation on or accompanying a payment that purports to be a payment in full, proposes to waive any rights or powers of the municipality, directs application of the payment in any manner that contradicts any applicable statute or ordinance or is otherwise contrary to law".

What's happening is some folks are unable to separate what is being said in these 2 sentences.

Might you have some examples we can use at the meeting to try and demonstrate the difference.

Sure. The first sentence only says that when the same person owes taxes on two or more things, the owner can instruct in writing which of them a payment goes to. So if he owns two delinquent cars, he can require the payment to go toward one rather than the other, regardless of which one's delinquencies are older. Without the instruction, the tax collector could choose either one to apply, or divide it up, at his/her option. As a second example, if the person owes both RE and PP, he can direct payment to the real estate first; without such an instruction the rest of that statute would require the tax collector to apply it to PP first. This sentence does NOT allow someone to pick which year or which fees they're paying. It only lets them decide which piece of property to clear up.

The second sentence has nothing to do with which of multiple properties gets applied. Instead, it says the tax collector must ignore any instruction that contradicts the statutes. So instructions like these must all be **disregarded:**

- "apply to the principal only, not the interest or lien fees"
- "I'm not paying the marshal/attorney/collection fee"
- "apply to current year before the older years"
- "I don't care about the postmark, I'm not paying an extra month's interest"

The second sentence also says the tax collector can safely cash a check marked "payment in full" or "accord and satisfaction" without worrying that you're waiving the rest. Since the statute **does allow someone to direct payment to one of multiple properties, this sentence doesn't prohibit them from doing so. It only applies to other instructions which aren't legally possible.**

Hope this helps.

Adam