

## **Tax Policy – Town of Cambridge**

### **IMPORTANT TAX PAYMENT INFORMATION**

2016 Taxes are due by Tuesday, November 15<sup>th</sup>, 2016 by 7:00 pm.

By statute, actual receipt of full payment by due date is required. Tax due dates that fall on a Sunday will be accepted without penalty on the following Monday (32 V.S.A. 3004). Saturday tax due dates in Cambridge will be handled as on Sunday above. FEDERAL POSTMARKS ARE ACCEPTED.

### **DELINQUENT TAX COLLECTION POLICY**

Any taxes not paid when due are delinquent for that tax year. The taxes for the fiscal year are due November 15<sup>th</sup>. Taxes are considered delinquent on November 16<sup>th</sup> (Reference-Initial Notice of Delinquent Taxes) except as noted above concerning Saturdays or Sundays. Notice of Delinquent Taxes (including total taxes due, penalties, and interest for the fiscal year) will be sent to all delinquent tax payers by February 15<sup>th</sup>. Failure to make total payment or an arrangement to pay delinquent taxes will result in outstanding accounts being turned over to an attorney for collection, including tax sales.

## **Why is there a new tax on my bill?**

As a Town, we have previously voted to give property tax adjustments to our disabled veterans, and to a non-profit charitable organization (Green Mountain Aerie #3210). This means that these entities are exempt from paying certain school taxes, but the town is still liable to make payments to the state. Vermont law requires that we recoup these taxes using a separate rate, which must be listed on each tax bill. This year's tax bill reflects this rate, which appears as "Local Agreement" on your 2016 statement.

### **The Fine Print: State of Vermont**

*A municipality shall assess a tax on its municipal grand list at a rate sufficient to raise an amount equal to the difference between the municipality's total education property tax liability to the state under this chapter and the amount collected from education property taxes in the municipality after reductions for all tax agreements in effect in the municipality as defined in subsection (c) of this section. Any such tax assessed under this section shall be identified on the tax bill of the municipality as a separate tax for municipally voted tax agreements.*

*32 V.S.A. § 5404a(d)*

The abstract of the grand list (form 411) indicates whether non-approved local agreements are contained in the grand list. If there are such agreements, a local agreement rate must be levied. The local agreement rate reflects how much education tax revenue was foregone as a result of the local agreement. The municipality is required to collect enough revenue to reimburse the state education fund for the foregone revenue.