



# HB 3143

## Property Tax Delinquent Interest Waiver

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### Background

Property tax is due to county collectors in installments of one-third, on November 15, February 15, and May 15 each property tax year. Delinquent property taxes accrue interest at the rate of one and one-third percent monthly. A portion of the delinquent interest is distributed to the County Assessment Function Funding Account (CAFFA). Ten percent of CAFFA is retained by the Department of Revenue for its own assessment functions, and the rest is distributed to counties.

### House Bill 3143

The bill would allow a county governing body to adopt an ordinance or resolution saying a county tax collector *may* waive or reduce interest for “good and sufficient cause.” In addition to impacting revenue for counties and other tax districts, there would be some impact on the Department of Revenue.

### Recommendation

Anticipate potential decreased revenue for counties, with a resulting decrease for the Department of Revenue due to the 10 percent of CAFFA that funds the Property Tax Division’s assessment function.

### Agency Contact

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