

## REPORT TO THE BOARD OF MAYOR & ALDERMEN

**DATE:** May 26, 2026

**FROM:** Valesa Wells, Finance Director

**SUBJECT:** Resolution 2026-13 - A Resolution to Remove Uncollectible Accounts from the Property Tax Roll

### **INTRODUCTION:**

The purpose of this Agenda item is to: (1) approve the write-off of \$600.60 of uncollectible real property tax along with \$1,080.21 of related penalty; and (2) approve the write-off of \$2,304.98 of uncollectible personal property tax along with \$4,307.04 of related penalty. The uncollectible tax and related penalty write-off total \$8,292.83. Please refer to Exhibit A and Exhibit B for a detailed list of parcels included in the write-off.

### **BACKGROUND:**

Collection policies and procedures: Collierville sends property tax bill notices in November with a due date of January 1st of the subsequent year. Reminder notices are mailed to property owners in February and unpaid property taxes become delinquent on and after March 1st. A series of three delinquent notices and a final warning notice are issued prior to the tax account being sent to the Shelby County Clerk & Master for collection in May of the following year.

The County pursues collection on Collierville's behalf utilizing its larger staff and legal resources. The County's efforts continue until one of the following occurs: (1) payment is received; (2) the account meets criteria for write-off; or (3) the statute of limitation expires. Tax liabilities less than \$5.00, those under appeal or bankruptcy, and those with written payment agreements are not sent to the Clerk & Master.

If the County deems real and/or personal property tax uncollectible, Town staff submits the total tax liability (including penalties) and associated parcels to the BMA for write-off as no further collection efforts will be made. Any delinquent personal property tax, less than twelve years old, is considered for write-off if research determines the business has closed (as confirmed by the County, Secretary of State, or the Town's business license records). Any delinquent real property tax, less than twelve years old, is considered for write-off if the property has been acquired by any governmental entity. All delinquent taxes over twelve years old are considered for write-off. Should staff see a possibility of collection, the submission to the BMA for write-off is postponed for the related parcels.

### **DISCUSSION:**

Delinquent real and personal property tax, and related penalties, on Exhibit A are to be written off due to the expired statute of limitation. Delinquent personal property tax and related penalties on Exhibit B are to be written off and are related to businesses that have closed and determined uncollectible by Shelby County Trustee.

### **BUDGET IMPACT:**

Each year's adopted operating budget assumes a small percentage of property tax revenue will be

deemed uncollectible. As a result, the loss of revenue from the listed write-offs will have no budget impact.

**ATTACHMENTS:**

- [Resolution 2026-13 - Uncollectible Property Tax.pdf](#)
- [2026-13 - Exhibit A.pdf](#)
- [2026-13 - Exhibit B.pdf](#)
- [Shelby County Letter - FY26 - Res 2026-13.pdf](#)
- [Letter to Shelby County Trustee - Mayor Signature FY26.pdf](#)

**PROPOSED MOTION:**

To approve the write-off of \$600.60 of uncollectible real property tax along with \$1,080.21 in related penalties and the write-off of \$2,304.98 of uncollectible personal property tax with \$4,307.04 in related penalties for a total of \$8,292.83 of uncollectible taxes and related penalties.

**Board Action:** Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

<b>Vote Total</b>	<b>Hall</b>	<b>Jordan</b>	<b>Robbins</b>	<b>Marshall</b>	<b>Stamps</b>	<b>Fraser</b>
<b>Yes</b>						
<b>No</b>						
<b>Abstain</b>						