

9.B. 25/26-35: Consideration/Possible Action: Adoption of Resolution 2026-05, Adopting Ordinance #268, establishing a Policy for Excess Tax Payments and incomplete Tax Payments (E)

Town Council Action Requested: Town Council will consider, upon completion of a public hearing, the adoption of Resolution 2026-05 adopting Ordinance #268 an ordinance that addresses the payment of Tax Bills with an excess payment of less than \$5.00 specifically allowing the Town to keep the funds due to the expense of processing a refund. Additionally, this ordinance allows the Revenue Collector to “write off” and not bill for a Tax Bill balance due to the Town of \$5.00 due to the expense of billing.

Purpose: Though this does not happen very often that bills are slightly overpaid or underpaid, it does happen. Some people, in order to keep an easily balanced checkbook, round up their check payments often leaving several cents on the books as an excess payment. This would alleviate the Town of having to keep record of these excess payments or to process refunds. Additionally, the expense for billing for a small amount that was omitted (\$5 or less) can be avoided.

History: This proposed Ordinance will ensure that department practices are in accordance with statute. C.G.S. Sec. 12-129 which specifically allows municipalities to authorize their tax collector to retain such payments by ordinance. Similarly, C.G.S. Sec. 12-144c allows municipalities to waive such taxes due to the action of its legislative body. The Town Council at the February 2nd Town Council meeting voted to call a for public hearing and consider passing the draft ordinance at the March 2, 2026 Town Council meeting..

Facts about the issue: This policy would not be applied to the recent round-up issue that occurred with Vision Government Solutions in their property revaluation study of Town properties. Those minor overbillings, if paid in excess due to our earlier billing would retain a balance even if it were a few cents as it was caused by a vendor of the Town.

Funding Information: There is no financial impact as this has been in practice in the Office of the Collector of Revenue for several years.

Steering Committee Recommendation: Voted to recommend to the full Town Council the approval of the Ordinance.

Town Manager Comments: The Collector of Revenue Collector, the Finance Director and I recommend this Ordinance for approval.

Town Manager’s Recommendation: Motion to approve **Resolution 2026-05, Adopting Ordinance #268, A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF COVENTRY, CONNECTICUT, AMENDING THE TOWN OF COVENTRY CODE OF ORDINANCES CHAPTER 94 “TAXATION”; PROVIDING SEVERABILITY; REPEALING ORDINANCES IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.**